



Managing General Agent for:

Redpoint County Mutual Insurance Company

(A County Mutual Company)
Dallas, Texas

TEXAS PERSONAL AUTO POLICY

For claims call 1-888-732-3903
Para reclamos hable al 1-888-732-3903

Pronto General Agency, Ltd.
805 Media Luna, Suite 401
Brownsville, TX 78520-8859

IMPORTANT NOTICE

To obtain information or make a complaint you may contact your managing general agent at:

1-888-732-3907

You may call the Company's toll-free number for information or to make a complaint at:

1-800-234-8242

You may contact the Texas Department of Insurance to obtain information on Companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P.O. Box 149104

Austin, TX 78714-9104

Fax: (512) 490-1007

Web: <http://www.tdi.texas.gov>

E-mail: ConsumerProtection@tdi.texas.gov

To obtain price and policy form comparisons and other information relating to residential property and personal automobile insurance, you may visit the Texas Department of Insurance/Office of Public Insurance Counsel website:

www.helpinsure.com

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim, you should contact the agent or the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener información o para presentar una queja, usted puede comunicarse con su agente general al:

1-888-732-3907

Usted puede llamar al número de teléfono gratuito de Compañías para obtener información o para presentar una queja al:

1-800-234-8242

Usted puede comunicarse con el Departamento de Seguros de Texas para obtener información sobre compañías, coberturas, derechos o quejas al:

1-800-252-3439

Usted puede escribir al Departamento de Seguros de Texas a:

P.O. Box 149104

Austin, TX 78714-9104

Fax: (512) 490-1007

Sitio web: <http://www.tdi.texas.gov>

E-mail: ConsumerProtection@tdi.texas.gov

Para obtener formas para la comparación de precios y pólizas y para obtener otra información sobre el seguro de propiedad residencial y de seguro de automóvil personal, visite el sitio web del Departamento de Seguros de Texas/oficina del Asesor Público de Seguros:

www.helpinsure.com

DISPUTAS POR PRIMAS DE SEGUROS O RECLAMACIONES:

Si tiene un disputa relacionada con su prima de seguro o con una reclamación, usted debe comunicarse con el agente o la compañía primero. Si la disputa no es resuelta, usted puede comunicarse con el Departamento de Texas.

ADJUNTE ESTE AVISO A SU POLIZA:

Este aviso es solamente para propósitos informativos y no se convierte en parte o en condición del documento adjunto.

TABLE OF CONTENTS

POLICY AGREEMENT	3	APPRAISAL - PART D ONLY	14
DEFINITIONS USED THROUGHOUT THIS POLICY	3	PAYMENT OF LOSS - PART D ONLY	14
PART A .LIABILITY COVERAGE INSURING AGREEMENT	4	OTHER INSURANCE - PART D ONLY	14
ADDITIONAL DEFINITIONS USED IN PART A ONLY	4	NO BENEFIT TO BAILEE	14
ADDITIONAL BENEFITS· PART A ONLY	4	TWO OR MORE AUTOMOBILES	14
EXCLUSIONS - PART A ONLY	5	PART E – DUTIES - INSURED PERSONS DUTIES IN CASE OF	14
LIMITS OF LIABILITY - PART A ONLY	6	ACCIDENT OR LOSS	
CONFORMITY WITH STATE FINANCIAL		OUR DUTIES IN THE EVENT OF A CLAIM	15
RESPONSIBILITY LAWS	6	PART F · GENERAL PROVISIONS POLICY PERIOD & TERRITORY	16
OTHER INSURANCE - PART A ONLY	6	PREMIUM CHANGES	16
PART B1 · MEDICAL PAYMENTS COVERAGE	7	LIBERALIZATION CLAUSE	16
INSURING AGREEMENT		PREMIUM PAYMENT	16
ADDITIONAL DEFINITIONS USED IN PART B1 ONLY	7	CANCELLATION AND NONRENEWAL	16
EXCLUSIONS - PART B1 ONLY	7	LIMITATIONS ON AGENT AUTHORITY	17
LIMITS OF LIABILITY· PART B1 ONLY	8	SUITS AGAINST US	17
OTHER INSURANCE - PART B1 ONLY	8	FRAUD OR MISREPRESENTATION	17
ASSIGNMENT OF BENEFITS	8	TWO OR MORE AUTO POLICIES	17
PART B2 - PERSONAL INJURY PROTECTION COVERAGE		TRANSFER OF YOUR INTEREST IN THIS POLICY	17
INSURING AGREEMENT	8	BANKRUPTCY	18
ADDITIONAL DEFINITIONS USED IN PART B2 ONLY	8	OUR RECOVERY RIGHTS	18
EXCLUSIONS - PART B2 ONLY	9	LOSS PAYABLE CLAUSE	18
LIMITS OF LIABILITY - PART B2 ONLY	9	LIMITED MEXICO COVERAGE	18
OTHER INSURANCE - PART B2 ONLY	9	TERMS OF POLICY CONFORMED TO STATUTE	18
OTHER PROVISIONS	9	COMPANY STATEMENT	18
ASSIGNMENT OF BENEFITS	9	PART G· ADDITIONAL COVERAGES	19
PART C - UNINSURED/ UNDERINSURED		TOWING AND LABOR COVERAGE	19
MOTORISTS COVERAGE INSURING AGREEMENT	9	RENTAL REIMBURSEMENT COVERAGE	19
ADDITIONAL DEFINITIONS USED IN PART C ONLY	9	PFAI-510B ADDITIONAL INSURED - LESSOR	19
EXCLUSIONS· PART C ONLY	10	PFAEC-001 CUSTOM OR ADDITIONAL EQUIPMENT COVERAGE	20
LIMITS OF LIABILITY - PART C ONLY	11	PFNDP-003B AUTHORIZED DRIVER ENDORSEMENT	20
OTHER INSURANCE - PART C ONLY	11	PFNDP-013D INSURED PERSON ENDORSEMENT	21
PART D - COVERAGE FOR DAMAGE TO THE INSURED AUTO	11	PFNDE-515B EXCLUSION OF NAMED DRIVER AND REJECTION OF	21
INSURING AGREEMENT		COVERAGES	21
ADDITIONAL DEFINITIONS USED IN PART D ONLY	12	PFNOP-600 NON-OWNER POLICY	21
EXCLUSIONS – PART D ONLY	12	571A. FINANCIAL RESPONSIBILITY	
LIMITS OF LIABILITY - PART D ONLY	13	CERTIFICATION (SR-22 Filings)	22

POLICY AGREEMENT

In return for **your** payment of premium, **we** agree to insure **you** subject to all terms, conditions, and limitations of this policy. **We** will insure **you** for the coverages and the limits of liability shown on the policy's **Declarations page**. **Your** policy consists of the policy contract, **your** insurance **application**, the **Declarations page**, and all endorsements to this policy.

DEFINITIONS USED THROUGHOUT THIS POLICY

Unless defined differently elsewhere in this policy, the following definitions apply throughout the policy. Defined terms are printed in boldface type and have the same meaning whether in the singular, plural, or any other form.

1. **Additional auto** means an **auto** that **you** become the **owner** of which does not permanently replace an **auto** listed on the **Declarations page** if:
 - a. **You** acquire the **additional auto** during the policy period;
 - b. **You** notify **us** within 20 days of becoming the **owner** of the **additional auto**; and
 - c. **You** pay any additional premium due.An **additional auto** will have the broadest coverage **we** provide for any **auto** listed on the **Declarations page**. If **you** ask us to insure the **additional auto** more than 20 days after **you** become the **owner**, any coverage **we** provide will begin at the time **you** request coverage.
2. **Accident** means a sudden, unexpected, and unintended event causing **bodily injury or property damage**.
3. **Application** means the form entitled Texas Automobile **Application** that contains statements, coverage options, and agreements that form a part of this policy.
4. **Auto** means a licensed and registered land

vehicle:

- a. Of the private passenger, pickup body, van, or utility type,
- b. Intended for use on public roads; and with a Gross Vehicle Weight of less than 25,000 pounds that is not used for the delivery or transportation of goods, materials, or supplies, other than samples, unless:
 - i. the delivery of the goods, materials, or supplies is not the primary use for which the **auto** is employed; or
 - ii. the **auto** is used for farming or ranching.
5. **Auto business** means the **business** of selling, leasing, repairing, servicing, delivering, testing, road testing, towing, storing, or parking vehicles or **trailers**. "This does not include the ownership, maintenance or use of your insured auto by: you; any relative; or any partner, agent or employee of you or any relative."
6. **Bodily injury** means bodily harm to the body, including sickness, disease, or death resulting therefrom.
7. **Business** means trade, profession, occupation, course of employment, job, or commercial use of any kind and shall not include the use of the **Insured auto** to carry tools and supplies between **your** home and job site.
8. **Business day** means a day other than a Saturday, Sunday or holiday recognized by the State of Texas.
9. **Declarations page** means the document **you** receive from **us** listing:
 - a. The types of coverage **you** have selected,
 - b. The limit for each coverage,
 - c. The cost of each coverage,
 - d. The deductibles, if applicable,
 - e. The specified **autos** covered by this policy,
 - f. the types of coverage for each **auto**, and

g. Other information applicable to this policy.

10. **Fungi** means any type or form of **fungus**, including yeast, mold or mildew, blight or mushroom and any mycotoxins, spore, scents or other substances, products or byproducts produced, released by or arising out of **fungi**, including growth, proliferation or spread of **fungi** or the current or past presence of **fungi**. However, this definition does not include any **fungi** intended for human consumption.
11. **Household** means **your** primary residence. For purposes of this policy **you** can only have one **household**. The members of **your household** will include **you**, **your relatives** living in the **household** at the time of loss, and any **resident** living in **your household** at the time of loss, as their primary residence.
12. **Insured auto** means:
 - a. An **auto or trailer owned by you** as described and listed on the **Declarations page** for the coverages applicable to the **auto** or trailer.
 - b. An **additional auto**,
 - c. A **replacement auto**, or
 - d. A **temporary substitute auto**.
13. **Non-Owned auto** means an **auto** that is not **owned** by or furnished or available for the regular use of **you**, a **relative**, or a **resident** while in the custody of or being operated by **you**, a **relative**, or a **resident** with the permission of the **owner** of the **auto** or the person in lawful possession of the **auto**.
14. **Occupying** means in, upon, entering into, or exiting from.
15. **Owned** means to:
 - a. Hold legal title to the **insured auto**.
 - b. Have legal possession of the **insured auto** subject to a written conditional sales agreement; or
 - c. Have legal possession of the **insured auto**

under a lease agreement of at least 6 continuous months.

16. **Owner** means any person who:

- a. Holds legal title to the **insured auto**.
- b. Has legal possession of the **insured auto** subject to a written conditional sales agreement; or
- c. Has legal possession of the **insured auto** under a lease agreement of at least 6 continuous months.

17. **Property damage** means physical damage to tangible property, including destruction or loss of its use, which is caused solely by an **accident** covered under this policy and occurring while the policy is in force.

18. **Punitive or Exemplary Damages** means damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.

19. **Racing** means participating in any organized race, speed, demolition, stunt, or timed contest or activity. **Racing** also includes preparation for the contest or activity.

20. **Regular operator** means any person not listed on the **Declarations page** who uses or has care, custody or control of the **insured auto** on a regular or frequent basis.

21. **Relative** means any person related to **you** by blood, marriage, or adoption, including a ward, foster child, or a minor under **your** guardianship, who lives in **your Household**, whether or not temporarily living elsewhere.

22. **Replacement auto** means, an **auto** that permanently replaces an **auto** listed on the **Declarations page**. A **replacement auto** will have the same coverage as the **auto** it replaces. **You** must notify **us** of a **replacement auto**

within 20 days only if **you** wish to:

- a. Add coverage for damage to the **auto**; or
- b. Continue existing coverage for damage to the **auto** after 20 days.

23. **Resident** means any person living in **your household**, as their primary residence, at the time of loss, other than **you** or a **relative**. However, the **resident** cannot be a tenant of **yours** or a tenant of anyone else who lives in the **household**.

24. **Temporary substitute auto** means any **auto** not **owned** by, or available, for **your** regular use, while being used when the **insured auto** is out of use due to repair, breakdown, servicing, loss, or destruction resulting from a covered loss under this policy. To the extent **allowed** by law, any coverage **we** provide for a **temporary substitute auto**, will be excess over any other collectible insurance.

25. **Trailer** means a vehicle which is not self-propelled and is designed to be pulled by a private passenger **auto**. It also means a farm wagon or farm implement while **towed** by such vehicles.

26. **We, us, and our** mean the company shown on the **Declarations page**.

27. **You and your** mean the named insured showed on the **Declarations page** and includes **your** spouse, if living in the same **household**.

You shall also mean **your** spouse during a period of separation in contemplation of divorce.

PART A - LIABILITY COVERAGE INSURING AGREEMENT

If **you** pay the premium for this coverage and it is shown on the **Declarations page**, **we** will pay damages for **bodily injury** and **property damage** for which an **insured person** becomes legally responsible because of an **accident**. Damages include prejudgment interest awarded against an

insured person. **We** will settle or defend, at **our** option; any claim for damages covered under Part A- Liability Coverage.

Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. **We** have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

ADDITIONAL DEFINITIONS USED IN PART A ONLY

1. As used in this Part, **insured person** means:

- a. **You** or a **relative**, for an **accident** arising out of the **ownership**, maintenance, or use of an **auto**.
- b. A **resident of your household** for an **accident** arising out of their use of the **insured auto**.
- c. Any other person listed on the **Declarations page** for an **accident** arising out of the person's use of the **Insured auto**.
- d. Any person while using the **insured auto** with **your** expressed or implied permission, for an **accident** arising out of that person's use of the **insured auto**. A **regular operator** is not considered an **insured person**.

ADDITIONAL BENEFITS - PART A ONLY

When **we** defend an **insured person** under this Part, **we** will provide the following benefits:

1. As **we** deem appropriate, **we** will defend the **insured person**, hire and pay a lawyer, and pay all defense costs. **We** have no duty to defend any claim or action not covered under this policy.
2. As **we** deem appropriate, **we** will pay costs **we** incur to investigate and settle any claim or action.
3. **We** will pay the interest that accrues after judgment is entered against an **insured person**

and before **we** have offered to pay, or deposited into court, sums that are not more than **our** limit of liability, on damages awarded in a suit **we** defend.

4. **We** will pay the premium on any appeal bond or attachment bond required in any lawsuit **we** defend. **We** have no duty to purchase a bond in an amount exceeding **our** limit of liability, and **we** have no duty to apply for or furnish these bonds.
5. **We** will reimburse any other reasonable costs an **insured person** incurs, including loss of earnings up to \$200 per day, incurred at **our** request.

To receive reimbursement for additional benefit under this section, **you** must submit a claim and provide proof of entitlement thereto.

EXCLUSIONS • PART A ONLY

READ THE FOLLOWING EXCLUSIONS CAREFULLY.

COVERAGE WILL NOT BE AFFORDED UNDER THIS PART FOR ANY OF THE EXCLUSIONS LISTED BELOW.

We do not cover:

1. **Bodily injury** or **property damage** that results from nuclear reactions, radiation, or fallout.
2. **Bodily injury** or **property damage** covered by a nuclear energy liability policy, even if the limits of that policy are exhausted.
3. **Bodily injury** or **property damage** caused intentionally by, or at the direction of, an **insured person**.
4. **Bodily injury** or **property damage** arising out of an **insured person's** use of an **auto**, other than the **insured auto**, without permission of the **owner** of the vehicle or the person in lawful possession of the **auto**.

5. Liability for any **bodily injury** or **property damage** assumed by or imposed on an **insured person** under any agreement, contract or bailment.
6. **Bodily injury** to an **insured person's** employee which arises in the course of employment.

Unless coverage is required under workers' compensation, disability benefits, or similar laws, **we** will provide coverage for an **insured person's** domestic employee injured in an **accident** in the course of employment.
7. **Bodily injury** to an **insured person's** co-worker occurring in the course of employment if such injury arises out of the **insured person's** use of a vehicle in any **business**. This exclusion does not apply to you and resident relatives who are legally liable for bodily injury to fellow employees.
8. **Bodily injury** occurring during the course of employment if benefits are payable or available under a workers' compensation law or similar law.
9. **Bodily injury** that results from the **ownership**, maintenance, or use of a vehicle while it is being used to transport persons for a fee; this does not apply to share-the-expense car pools.
10. **Property damage** that results from the **ownership**, maintenance, or use of a vehicle while used to transport property for a fee; this does not apply to you or a relative unless the primary usage of the vehicle is to carry property for a fee.
11. **Bodily injury** to an **insured person** while driving the **insured auto** except to the extent of the **minimum limits** of liability coverage required by the Texas Motor Vehicle Safety Responsibility Act.
12. **Bodily injury** to an **insured person** arising out of the **ownership**, maintenance, or use of the

Insured auto; except to the extent of the **minimum limits** of liability coverage required by the Texas Motor Vehicle Safety Responsibility Act.

13. **Property damage** to property **owned** by, or being transported by, an **insured person**.
14. **Bodily injury** or **property damage** arising out of the operation of equipment or machinery not listed on the **Declarations page**.
15. Damage to property an **insured person** rents, uses, or has charge of, except a residence or private garage, including loss of its use.
16. **Bodily injury** or **property damage** resulting from the **ownership**, maintenance, or use of any vehicle other than the **Insured auto**, which is **owned** by, furnished or available for the regular use of **you**, a **relative**, or a **resident**.
17. **Bodily injury** or **property damage** arising out of an **insured person's** **ownership**, maintenance, or use of any vehicle with fewer than four wheels.
18. **Bodily injury** or **property damage** arising out of an **insured person's** **ownership**, maintenance, or use of any vehicle designed mainly for use off of public roads.
19. **Bodily injury** or **property damage** resulting from the **ownership**, maintenance, or use of a vehicle in any **racing** event.
20. **Bodily injury** or **property damage** incurred while the **Insured auto** is being leased or rented to others. This exclusion does not apply if you or any family member lends your covered auto to another for reimbursement of operating expenses only.
21. **Bodily injury** or **property damage** resulting from the use of a motor vehicle for snow removal.
22. **Bodily injury** or **property damage** caused by war (declared or undeclared), civil war,

insurrection, rebellion, revolution, or riot.

- 23. **Bodily injury or property damage** sustained by an **insured person** while **occupying** any vehicle being used as a residence or premises.
- 24. **Bodily injury or property damage** resulting from an **auto business**. However, this exclusion does not apply to **you** when the **bodily injury or property damage** arises out of **auto business** operations conducted by someone other than an **insured person**.
- 25. **Property damage** due to or as a consequence of a seizure of any vehicle by federal or state law enforcement officers as evidence in a case against **you** under Chapter 481 of the Health and Safety Code, or under the federal Controlled Substances Act, if **you** are convicted in such a case.
- 26. **Bodily injury or property damage** resulting from the ownership, maintenance, or use of the **Insured auto** by a person or persons specifically excluded by endorsement.
- 27. **Bodily injury or property damage** arising out of the **ownership, maintenance, use, loading or unloading** of any haul away, tank truck, or tank trailer when used with a vehicle that is not listed on the **Declarations page**, which is **owned, hired or held for sale** by the **insured person**.
- 28. **Bodily injury or property damage** that results from the **ownership, the maintenance or use** of a vehicle with a Gross Vehicle Weight in excess of 25,000 pounds.
- 29. That results in damage to, or loss of use of, a **non-owned auto**.

However, this exclusion shall not apply to a rental vehicle while being used as a **temporary substitute auto** by **you** while the **Insured auto** is not available due to a covered loss.
- 30. **Bodily injury or property damage** resulting from the use of the **Insured auto** by any person

other than an **insured person**.

- 31. Punitive or exemplary damages awarded against any insured.
- 32. **Bodily injury or property damage** resulting from **Fungi**. This exclusion does not apply for damage from fungi that is the result of a covered loss.
- 33. **Bodily injury or property damage** for which the United States Government is liable under the Federal Tort Claims Act.

LIMITS OF LIABILITY - PART A ONLY

The limit of liability shown on the **Declarations page** for liability coverage is the most **we** will pay regardless of the number of:

- 1. Claims made;
- 2. **Insured autos**;
- 3. Insured persons;
- 4. Lawsuits brought;
- 5. Vehicles involved in the **Accident**; or
- 6. Premiums paid.

We will pay these limits of liability as follows:

- 1. The amount shown for "each person" is the most **we** will pay for all damages due to **bodily injury** to one person resulting from any one **Accident**;
- 2. Subject to the "each person" limit, the amount shown for "each **Accident**" is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one **Accident**; and
- 3. The amount shown for "**property damage**" is the most **we** will pay for the total of all **property damage** resulting from any one **Accident**.

The "each person" limit of liability applies to the total of all claims made for **bodily injury** to a person and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another, loss of society, loss of

companionship, loss of services, loss of consortium, and wrongful death.

No one is entitled to duplicate payments for the same element of **loss**.

Any payment to a person under this Part-A Limits of Liability will be reduced by any payment to that person under Part B1 - Medical Payments Coverage, Part B2 - Personal Injury Protection Coverage, or Part C - Uninsured/Underinsured Motorist Coverage.

If multiple **auto** policies are issued to **you** by us are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

An **auto** and attached trailer are considered one **auto**. Therefore, the limits of liability will not be increased for an **Accident** involving an **auto** that has an attached trailer.

CONFORMITY WITH STATE FINANCIAL RESPONSIBILITY LAWS

When **we** certify this policy as proof under a state financial responsibility law, it will comply with that law to the extent of the coverage and limits of liability required by that law.

If **we** make a payment that **we** would not be required to make except for the provisions of this part of the policy, **you** agree to reimburse us for any such payment.

This policy is not intended as proof under any state financial responsibility laws, other than this state. The terms, conditions and exclusions as written will apply in any state where the loss may occur.

OUT OF STATE INSURANCE

If an **insured person** is operating an **Insured auto** in a state which requires minimum Financial Responsibility limits for nonresidents, **we** will increase the policy limits to the required minimum limits of that state.

We will not pay benefits other than required liability

for **bodily injury** or **property damage** under the "No Fault Laws" of any other state.

No person shall be entitled to duplicate payments for the same element of loss.

OTHER INSURANCE - PART A ONLY

If a primary duty to defend exists under this policy and other applicable liability insurance or bond exists, **we** will pay our proportionate share of damages as our limit of liability bears to the total of all applicable liability limits. **However**, any liability insurance **we** provide to a non- **owned auto** shall be excess over other collectible liability insurance.

PART B1 - MEDICAL PAYMENTS COVERAGE INSURING AGREEMENT

If **you** pay the premium for this coverage and it is shown on the **Declarations page**, **we** will pay medical expenses, not exceeding the limits shown on the **Declarations page**, incurred as a result of **bodily injury** caused by an **Accident** and sustained by an **insured person**.

ADDITIONAL DEFINITIONS USED IN PART B1 ONLY

As used in this Part:

1. Medical expenses means usual and customary charges incurred for reasonable and necessary services rendered to or on behalf of an **insured person** within three years from the date of the **Accident** for: medical, surgical, x-ray, and dental services when performed by a licensed medical professional; pharmaceuticals; prosthetic devices; eye glasses; necessary ambulance, hospital, and professional nursing services when prescribed by a licensed medical professional; and funeral services.

Reasonable medical expenses do not include expenses:

- a. For treatment, services, products or procedures that are:
 - i. Experimental in nature, for research, or

not primarily designed to serve a medical purpose; or

- ii. Not commonly and customarily recognized throughout the medical profession and within the United States as appropriate for the treatment of the **Bodily Injury**; or
- b. Incurred for:
 - i. The use of thermography or other related procedures of similar nature;
 - ii. The use of acupuncture or other related procedures of a similar nature;
 - iii. The use of chiropractic care or other related procedures of a similar nature; or
 - iv. the purchase or rental of equipment not primarily designed to serve a medical purpose.
2. Insured person means:
 - a. You, or a **household** member while **occupying an Insured auto** or as a pedestrian when struck by an **auto** or trailer;
 - b. Any person while using the **Insured auto** with **your** expressed or implied permission, for an **Accident** arising out of that person's use of the **insured auto**. A **regular operator** is not considered an **insured person**
 - c. Any occupants of the **Insured auto** while the vehicle is being operated by a person authorized under this definition.
3. Usual and customary charge means an amount that **we** determine that represents a customary charge for services in the geographical area in which service is rendered. **We** shall determine the customary charge through the use of independent sources of our choice.

EXCLUSIONS - PART B1 ONLY

READ THE FOLLOWING EXCLUSIONS CAREFULLY. COVERAGE WILL NOT BE AFFORDED UNDER THIS PART FOR ANY OF THE EXCLUSIONS LISTED BELOW.

We do not cover **bodily injury**:

1. That results from a nuclear reaction, radiation, or fallout.
2. Covered by a nuclear energy liability policy, even if the limits of that policy are exhausted.
3. That results from the maintenance or the use of any vehicle without the express or implied permission of the **owner**.
4. To an **insured person's** employee which arises in the course of employment.

Unless coverage is required under workers' compensation, disability benefits, or similar laws, **we** will provide coverage for an **insured person's** domestic employee injured in an **Accident** in the course of employment.

5. To an **insured person's** co-worker occurring in the course of employment if such injury arises out of the **insured person's** use of a vehicle or trailer in the **Business** of the **insured person's** employer.
6. That results from the **ownership**, maintenance, or use of a vehicle while used to transport persons for a fee; this does not apply to share-the-expense car pools.
7. That results from the **ownership**, maintenance, or use of a vehicle while used to carry property for a fee; this does not apply to you or a relative unless the primary use of the vehicle is to carry property for a fee.
8. Arising out of the operation of equipment or machinery not listed on the **Declarations page**.
9. Resulting from the **ownership**, maintenance, or use of any vehicle other than the **Insured auto**, which is **owned** by, furnished or available for the regular use of **you**, a **relative**, a **resident**, or a nonresident spouse.
10. Arising out of the use of the **Insured auto** by any person other than an **insured person**.

11. Arising out of the **ownership**, maintenance or use of any vehicle with fewer than four wheels.
12. Resulting from the **ownership**, maintenance or use of a vehicle in any **racing** event.
13. Resulting from any **auto Business**.
14. Incurred while the **Insured auto** is being leased or rented to others. This exclusion does not apply if you or any family member lends your covered auto to another for reimbursement of operating expenses only.
15. Resulting from the use of a vehicle for snow removal.
16. Sustained while **occupying** any vehicle located for use or being used as a residence or premises.
17. Sustained as a result of the use of a vehicle by any person specifically excluded by endorsement.
18. Sustained from any source other than an **Accident**.
19. Caused by war (declared or undeclared), civil war, insurrection, rebellion, revolution, or riot.
20. Sustained by any person while **occupying** the **Insured auto** without **your** express or implied permission.
21. Occurring during the course of employment if benefits are payable or available under a worker's compensation law or similar law.
22. Caused by a vehicle driven by a person under the minimum age to obtain a license to operate a vehicle in that state.
23. Caused intentionally by, or at the direction of, an **insured person**.
24. **Bodily injury** resulting from **Fungi**. This exclusion does not apply for damage from fungi that is the result of a covered loss.

LIMITS OF LIABILITY - PART B1 ONLY

LIMITS OF LIABILITY

The limit of liability shown on the **Declarations page** for Medical Payments Coverage is the most we will pay for each **insured person** injured in any one **Accident**, regardless of the number of:

1. Claims made;
2. **Insured autos**;
3. Insured persons;
4. Lawsuits brought;
5. Vehicles involved in the **Accident**; or
6. Premiums paid.

No one will be entitled to duplicate payments under this policy for the same **element of loss**.

Any amount payable to an Insured person under this Part B1 will be reduced by any amount paid or payable for the same expense under Part-A Limits of Liability nor Part C - Uninsured/Underinsured Motorist Coverage.

If multiple **auto** policies issued to **you** by us are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

We will make no payment under this Part of the policy unless the **insured person** or the **insured person's** legal representative agrees in writing that any payment shall be applied toward any settlement or judgment that person receives under the Liability, Uninsured Motorists, or Underinsured Motorists Coverages of this policy.

OTHER INSURANCE - PART B1 ONLY

Any payment **we** make under this Part to an **insured person** shall be excess over any:

1. Other available **auto** medical payments insurance;
2. Medical, surgical, hospital or funeral services benefit or reimbursement plan;
3. Individual, blanket or group **Accident**, disability or hospitalization insurance; or
4. Premises medical payments insurance.

In no event will an **insured person** be entitled to receive duplicate payments for the same element of loss.

ASSIGNMENT OF BENEFITS

Payments for medical expenses will be paid directly to a physician or other health care provider if **we** receive a written assignment signed by the **insured person** to whom such benefits are payable.

PART B2 - PERSONAL INJURY PROTECTION COVERAGE

INSURING AGREEMENT

If **you** pay the premium for this coverage and it is shown on the **Declarations page**, **we** will pay Personal Injury Protection benefits, not exceeding the limits shown on the **Declarations page**, incurred as a result of **bodily injury** caused by an **Accident** and sustained by an **insured person**.

We will pay only for those expenses incurred for services rendered within three years from the date of the **Accident**.

Personal Injury Protection benefits consist of:

1. Reasonable medical expenses incurred for necessary medical and funeral services.
2. Eighty percent of an **insured person's** loss of income from employment. These benefits apply only if, at the time of the **Accident**, the **insured person**:
 - a. Was an income producer; and
 - b. Was in an occupational status.

These benefits do not apply to any loss after the **insured person** dies.

ADDITIONAL DEFINITIONS USED IN PART B2 ONLY

As used in this part:

1. Insured person means:
 - a. You, a **relative**, or a **resident** who sustains bodily injury while **occupying** a motor

vehicle or while a pedestrian through being struck by a motor vehicle designed for use mainly on public roads or a trailer of any type; or

- b. Any other person while **occupying** the **Insured auto** with **your** permission.
2. Loss of income means the difference between:
- a. Income which would have been earned had the **insured person** not been injured; and
 - b. The amount of income actually received from employment during the disability. If the income being earned as of the date of **Accident** is a salary or fixed remuneration, it shall be used in determining the amount of income which would have been earned. Otherwise, the average monthly income earned during the period (more than 12 months) preceding the **Accident** shall be used.
 - c. Reasonable expense incurred for obtaining services. These services must replace those an **insured person** would normally have performed
 - i. Without pay;
 - ii. During a period of disability; and
 - iii. For the care and maintenance of the family or **Household**.
- These benefits apply only if, at the time of the **Accident**, the **insured person**:
- i. Was not an income producer; and
 - ii. Was not in an occupational status.
- These benefits do not apply to any loss after the **insured person** dies.
3. Medical expenses means usual and customary charges incurred for reasonable expenses arising from an **accident** and incurred within three years for necessary medical, surgical, x-ray, and dental services, including prosthetic devices and necessary ambulance, hospital, professional nursing services when prescribed by a licensed medical professional; and funeral services.

EXCLUSIONS - PART B2 ONLY

READ THE FOLLOWING EXCLUSIONS CAREFULLY. COVERAGE WILL NOT BE AFFORDED UNDER THIS PART FOR ANY OF THE EXCLUSIONS LISTED BELOW.

We do not provide Personal Injury Protection for any person for bodily injury sustained:

1. By any person in an **Accident** caused intentionally by that person.
2. By that person while in the commission of a felony.
3. By that person while attempting to elude arrest by a law enforcement official.
4. While **occupying**, or when struck by, any motor vehicle (other than the **Insured auto**) which is **owned** by **you**.
5. By a **relative** or **resident** while **occupying**, or when struck by, any motor vehicle (other than the **Insured auto**) which is **owned** by the **relative** or **resident**.
6. From the operation of the **Insured auto** or any other motor vehicle by a person specifically excluded by endorsement.

LIMITS OF LIABILITY - PART B2 ONLY

The limit of liability shown on the **Declarations page** for this coverage is our maximum limit of liability for each person injured in any one **Accident**. This is the most that **we** will pay regardless of the number of:

1. Insured persons;
2. Claims made;
3. Vehicles or premiums shown on the **Declarations page**; or
4. Vehicles involved in the **Accident**.

OTHER INSURANCE - PART B2 ONLY

If there is other applicable Personal Injury Protection insurance, **we** will pay only our share. Our share is the proportion that our limit of liability bears to the total of all applicable limits. **However**, any insurance that **we** provide with respect to **Non-owned auto**

shall be excess over any other collectible Personal Injury Protection insurance.

OTHER PROVISIONS

Loss payment benefits are payable:

1. Not more frequently than once every two weeks; and
2. Within 30 days after satisfactory proof of claim is received.

The Part F - General Provisions section of this policy entitled "Our Recovery Rights" does not apply to this coverage.

ASSIGNMENT OF BENEFITS

Payments for medical expenses will be paid directly to a physician or other health care provider if **we** receive a written assignment signed by the **insured person** to whom such benefits are payable.

PART C - UNINSURED/ UNDERINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

If **you** pay the premium for this coverage and it is shown on the **Declarations page**, **we** will pay damages, not exceeding the limits shown on the **Declarations page**, which an **insured person** is legally entitled to recover from the **owner** or operator of an uninsured or underinsured motor vehicle because of **bodily injury or property damage** caused by an **Accident** and sustained by the **insured person**. The **bodily injury or property damage** must be caused by an **Accident** and must arise out of the **ownership**, maintenance or use of the uninsured or underinsured motor vehicle.

If suit is brought to determine legal liability or damages without our written consent, **we** are not bound by any resulting judgment.

If **we** and **you** do not agree as to whether or not a vehicle is actually uninsured, the burden of proof as to that issue shall be upon us.

We will pay under underinsured motorists coverage only after the limits of liability under all applicable liability bonds or policies have been exhausted by payment of judgment or settlements.

ADDITIONAL DEFINITIONS USED IN PART C ONLY

As used in this Part:

1. Insured person means:
 - a. You or a **relative**, for an **Accident** arising out of the **ownership**, maintenance, or use of the **Insured auto**.
 - b. A **resident of your Household** for an **Accident** arising out of their use of the **Insured auto**.
 - c. Any person while using the **Insured auto** with **your** express or implied permission, for an **Accident** arising out of that person's use of the **Insured auto**. A **regular operator** is not considered an **insured person**.
 - d. Any other person listed on the **Declarations page** for an **Accident** arising out of the person's use of the **Insured auto**.
2. **Property damage** as used in this Part means damage to or loss of use of:
 - a. The **Insured auto**;
 - b. Any property **owned** by an **insured person** while contained in the **Insured auto**;
 - c. Any property **owned** by **you**, a **relative**, or a **resident** while contained in any **auto** not **owned**, but being operated by, **you** or any **relative** or **resident**.
3. Uninsured motor vehicle means a land motor vehicle or trailer of any type which is:
 - a. Not insured by a liability bond or policy at the time of the **Accident**.
 - b. A hit-and-run vehicle whose operator or **owner** cannot be identified and which causes an **Accident** by hitting:
 - i. You, a **relative** or any **resident**;

- ii. An **auto** which **you**, a **relative** or any **resident** are **occupying**; or
- iii. The **Insured auto**.
- c. Insured by a liability bond or policy at the time of the **Accident**, but the insurer denies coverage, currently is or becomes insolvent.

Uninsured motor vehicle does not include any vehicle or equipment:

- a. **Owned** by, or furnished or available for the regular use of **you**, or a **relative**;
 - b. Operated on rails or crawler treads;
 - c. Designed mainly for use off public roads while not on public roads;
 - d. While located for use or being used as a residence or premises; or
 - e. **Owned** or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer that has become insolvent; or
 - f. **Owned** by a governmental unit or agency unless:
 - i. The operator of the vehicle is uninsured; and
 - ii. There is no statute imposing liability for damages because of **bodily injury or property damage** on the governmental body for an amount not less than the limit of liability for this coverage.
4. Underinsured motor vehicle means a land motor vehicle or trailer of any type to which a liability bond or policy applies at the time of the **Accident**, but its limit of liability either:
 - a. Is not enough to pay the full amount the **insured person** is legally entitled to recover as damages; or
 - b. Has been reduced by payment of claims to an amount which is not enough to pay the full amount the **insured person** is legally entitled to recover.

Underinsured motor vehicle does not include any vehicle or equipment:

- a. Operated on rails or crawler treads;
- b. Designed mainly for use off public roads while not on public roads;
- c. While located for use or being used as a residence or premises;
- d. To which a liability bond or policy applies at the time of the **Accident** but the bonding or insuring company denies coverage or is or becomes insolvent;
- e. **Owned** by or furnished or available for the regular use of **you**, or a **relative**;
- f. **Owned** or operated by a self-insurer under any applicable motor vehicle law; or
- g. **Owned** by a governmental unit or agency unless:
 - i. The operator of the vehicle is uninsured; and
 - ii. There is no statute imposing liability for damages because of **bodily injury or property damage** on the governmental body for an amount not less than the limit of liability for this coverage.

EXCLUSIONS - PART C ONLY

READ THE FOLLOWING EXCLUSIONS CAREFULLY. COVERAGE WILL NOT BE AFFORDED UNDER THIS PART FOR ANY OF THE EXCLUSIONS LISTED BELOW.

We do not provide Uninsured Motorists Coverage or Underinsured Motorists Coverage for any person:

1. If that person or his legal representative settles the claim without our consent.
2. When the insured auto is being used to transport persons for a fee; this does not apply to share-the-expense car pools.
3. When the insured auto is being used to transport property for a fee; including magazines, newspapers, food or any other product. This does not apply to you or a relative unless the primary use of the vehicle is to carry property

for a fee.

4. While using a vehicle without a reasonable belief that the person is entitled to do so. This exclusion does not apply to you or any family member while using your insured auto.
5. So as to apply directly or indirectly to the benefit of any insurer or any self-insurer under any worker's compensation law, disability law, or any similar law.
6. So as to apply directly or indirectly to the benefit of any insurer of property.
7. For **bodily injury** sustained by any person while **occupying** or when struck by any vehicle **owned** by **you**, any **relative** which is not insured for this coverage under this policy.
8. For the first \$250 of the amount of **property damage** to the property of each **insured person** as the result of any one **Accident**.
9. For **bodily injury or property damage** resulting from the intentional acts of that person.
10. For punitive or exemplary damages.

LIMITS OF LIABILITY - PART C ONLY

The limit of liability shown on the **Declarations page** for Uninsured/Underinsured Motorist Coverage is the most **we** will pay regardless of the number of:

1. Claims made;
2. **Insured autos**;
3. Insured persons;
4. Lawsuits brought;
5. Vehicles involved in the **Accident**; or
6. Premiums paid.

We will pay these limits of liability as follows:

1. The amount shown for "each person" is the most **we** will pay for all damages due to **bodily injury** to one person;
2. Subject to the "each person" limit, the amount shown for "each **Accident**" is the most **we** will

pay for all damages due to **bodily injury** sustained by two or more persons in any one **Accident**; and

3. The amount shown for "each **Accident**" for **property damage** is our maximum limit of liability for all **property damage** resulting from any one **Accident**.

The "each person" limit of liability includes the total of all claims made for **bodily injury** to an **insured person** and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

The damages recoverable under this Part C will be reduced by all sums:

1. Paid because of **bodily injury** by or on behalf of any persons or organizations that may be legally responsible;
2. Paid under Part A -Limits of Liability; and
3. Paid or payable because of **bodily injury** under any of the following or similar laws:
 - a. Workers' compensation law; or
 - b. Disability benefits law.

We will not pay under this Part C any expenses paid under Part B1 - Medical Payments Coverage or Part B2 Personal Injury Protection Coverage.

The damages recoverable for **property damage** under this Part C will be reduced by all sums paid because of **property damage** by or on behalf of any persons or organizations who may be legally responsible, including, but not limited to, all sums paid under Part A-Limits of Liability.

No one will be entitled to duplicate payments for the same **element of loss**.

If multiple **auto** policies issued to **you** by us are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

OTHER INSURANCE - PART C ONLY

If there is other applicable uninsured or underinsured motorists insurance that covers a loss under an insurance policy not issued by us, **we** will only pay our proportionate share of that loss. Our share is the proportion that our limits of liability bear to the total of all applicable limits.

However, any uninsured or underinsured motorists coverage that **we** provide shall be excess over any other collectible uninsured or underinsured motorists insurance while **you**, a **relative**, or a **resident** are **occupying** any vehicle that is not the **Insured auto** and will apply only in the amount our limit of liability exceeds the sum of the applicable limits of liability of all other applicable insurance. **We** will pay only after all other applicable limits have been paid.

For any **property damage** to which Part D - Coverage for Damage to the **Insured auto** of this policy (or similar coverage from another policy) and this coverage both apply, **you** may choose the coverage from which damages will be paid. You may recover under both coverages, but only if:

1. Neither one by itself is sufficient to cover the loss.
2. You pay the higher deductible amount (but **you** do not have to pay both deductibles); and
3. You will not recover more than the actual damages.

PART D - COVERAGE FOR DAMAGE TO THE INSURED AUTO INSURING AGREEMENT

If **you** pay the premium for this coverage and it is shown on the **Declarations page**, **we** will pay for direct and **Accidental** comprehensive loss to the

Insured auto, including its factory-installed equipment, less any applicable deductible for each separate loss.

If you pay the premium for this coverage and it is shown on the Declarations page, we will pay for direct and Accidental loss to the Insured auto caused by collision, including its factory-installed equipment, less any applicable deductible for each separate loss.

The **Insured auto** must be operated by an **insured person** at the time of the loss or in the care, custody, or control of an **insured person** at the time of loss if the **Insured auto** was not in operation.

ADDITIONAL DEFINITIONS USED IN PART D ONLY

As used in this part:

1. **Actual cash value** means the market value at the time of the **loss**, less any depreciation.
2. **Aftermarket parts** mean replacement **auto** parts not made by the original manufacturer of the motor vehicle or by a manufacturer authorized by the original manufacturer to use its name or trademark.
3. **Collision** means loss caused by the Insured auto's upset or overturn, or a sudden impact with another object.
4. **Comprehensive** means loss to the Insured auto caused by an event other than collision.

Comprehensive loss includes, but is not limited to loss caused by:

- a. Missiles or falling objects;
- b. Fire, theft or larceny;
- c. Explosion;
- d. Earthquake or volcanic activity;
- e. Windstorm, hail, water, or flood;
- f. Malicious mischief or vandalism;
- g. Riot or civil commotion;
- h. Contact with a bird or animal; or
- i. Breakage of glass.

If breakage of glass results from collision, **you** may elect to have it treated as **loss** caused by collision.

5. **Custom or additional equipment** means any **equipment** which was not installed at the factory or added as original **equipment** when the vehicle was purchased new.
6. **Deductible** is that sum which is shown on the **Declarations page** and will be deducted from the **loss** payment.
7. **Depreciation** means the loss of value caused by the physical, technological, social, or market deterioration.
8. **Diminution** of value means the difference in the actual cash value of the **Insured auto** immediately before a loss and after the repair of the **Insured auto**.
9. **Insured person** means:
 - a. You, a **relative**, or a **resident**, or
 - b. Any other person listed on the **application** or added by endorsement, during the policy term and prior to a **loss**.
 - c. Any person while using the **Insured auto** with **your** expressed or implied permission, for an **accident** arising out of that person's use of the **insured auto**. A **regular operator** is not considered an **insured person**
10. **Loss** means sudden, direct, and accidental damage to, or theft of, the **Insured auto**, including its original optional equipment, which is permanently installed at the factory by the vehicle manufacturer or authorized dealer. **Custom or additional equipment** is covered only if it is declared before the loss and an additional premium is paid. Equipment installed or alterations made by conversion facilities to an **auto** or camper are not considered standard or original optional equipment.

EXCLUSIONS • PART D ONLY

READ THE FOLLOWING EXCLUSIONS CAREFULLY. COVERAGE WILL NOT BE AFFORDED UNDER THIS PART FOR ANY OF THE EXCLUSIONS LISTED BELOW.

We do not cover loss:

1. That results from nuclear reactions, radiation, or fallout.
2. Covered by a nuclear energy liability policy, even if the limits of that policy are exhausted.
3. That results from the ownership, maintenance or use of the **insured auto** while it is being used to transport persons for a fee; this does not apply to share-the-expense car pools.
4. That results from the ownership, maintenance or use of the **insured auto** while it is being used to transport property for a fee; this does not apply to you or a relative unless the primary use of the vehicle is to carry property for a fee.
5. To the **insured auto** while it is rented or is leased to others. This exclusion does not apply if you or any family member lends your covered auto to another for reimbursement of operating expenses only.
6. To clothes, tools, or other personal effects.
7. To property the **insured person** rents, uses, or has charge of, including **loss** of its use.
8. To any vehicle with fewer than four wheels.
9. Resulting from the use of any vehicle in any **racing** event or off-road recreational activity.
10. To any vehicle or trailer resulting from **your** employment by or ownership of any **auto business**.
11. Resulting from the use of the **Insured auto** for snow removal.
12. Caused by a war (declared or undeclared), civil war, insurrection, rebellion, or revolution.

13. Caused to a camper body, pickup shell, box cover, or **trailer owned by you** or any other person.
14. Resulting from prior **loss** or damage; manufacturers' defects; wear and tear; freezing; mechanical or electrical breakdown or failure; or road damage to tires.

However, coverage does apply if the loss is the result of other loss covered by this policy.

15. To any modified suspension equipment, modified engines, modified carburetor systems, or modified equipment, including but not limited to:
 - a. Aluminum, magnesium, chrome, or alloy wheels;
 - b. Special wide-tread tires or slicks.

This exclusion does not apply to special equipment as outlined under the **Custom** or **Additional Equipment** coverage.

16. To winches, utility boxes, or tool boxes.
17. To tapes, compact discs, records, cassettes, or similar recording or recorded media used with sound equipment, including any cases or other containers used in storing or carrying such items.
18. To custom paint or murals, decals or graphics; special carpeting or furnishings; custom sunroofs, moon roofs, t-bar roofs or height extending roofs; bubble domes or similar windows; refrigeration or cooking equipment and any equipment used for sleeping.
19. To any electronic equipment, antennas, and other devices used exclusively or primarily to send or receive audio, visual, or data signals, or to play back recorded media, if such equipment or device is not permanently installed in the dash or console opening of the **Insured auto** by the vehicle manufacturer or dealer and specified as original equipment by the vehicle manufacturer.

20. To sound receiving or transmitting equipment designed for use as citizen band radios, two-way mobile radios, televisions, VCRs, telephones not originally installed by the original make and model vehicle manufacturer or dealer, home high fidelity equipment, scanning monitor receivers, radar or laser detectors, or any other detection equipment for speed-measuring devices, or any accessories or antennas to any of these types of equipment.

21. To TV antennas, awnings, cabanas, or equipment designed to provide additional living facilities.
22. That results in damage to, or loss of use of, a **non-owned** vehicle or **trailer**.
23. To damage caused by, due to, or in any way resulting from the alteration, modification, or customizing of the **insured auto** which alters or affects the drivability, road worthiness, handling or safety of the **insured auto**.
24. To the **insured auto** while in the care, custody, or control of an **insured person** other than **you** for the purpose of selling the **insured auto**.
25. Caused intentionally by, or at the direction of, an insured person.
26. To the **insured auto** that is caused by or resulting from **your** acquiring an **auto** from the seller without legal titles available to **you**.
27. To the **insured auto** while being operated by any person specifically excluded by endorsement.
28. To any vehicle that is subject to a bailment, lease, conditional sale or consignment agreement not specifically declared and described in this policy.
29. Caused to the **Insured auto** when it is driven, operated or used by, or in the control of any person who is not an **insured person** under this Part.

30. Arising out of or due to the use of the vehicle for transportation of any explosive substance, flammable liquid or similarly hazardous materials except such transportation that is incidental to **your** ordinary **household** activities.
31. **Loss** due to or as a consequence of the seizure of **your** covered **auto** by federal or state law enforcement officers as evidence in a case against **you** under the Texas Controlled Substances Act or the Federal Controlled Substances Act if **you** are convicted in such case.
32. To paint or discoloration of paint that results from acid rain, smoke, smog, chemicals, salt, tree sap, or animal or bird droppings unless such **loss** is a direct result of collision or vandalism.
33. To the **insured auto** for **diminution of value**.
34. Caused by the theft or conversion of the **insured auto** by a person to whom **you** have voluntarily entrusted the **insured auto**.
35. To any non-dealer or non-factory installed equipment that mechanically or structurally changes the **insured auto** and results in an increase in performance or a change in appearance. This also includes equipment which does not conform to this state's Motor Vehicle Code.
36. To a single vehicle **Accident** when a police report has not been made within 24 hours or as soon as practical after of the **Accident**.
37. Loss caused by **Fungi**, wet or dry rot, or bacteria. This means the presence, growth, proliferation, spread, or any activity of **Fungi**, wet or dry rot, or bacteria. This exclusion (39) does not apply to damage directly resulting from a loss covered under Comprehensive Coverage or Collision Coverage.
38. For **temporary substitute autos** when the **Insured auto** is out of use beyond 30 days.

LIMITS OF LIABILITY - PART D ONLY

Our limits of liability for loss shall not exceed the lesser of:

1. The **actual cash value** of the stolen or damaged property at the time of the loss.
2. The amount necessary to replace or repair the property to its physical condition immediately prior to the loss, with other property of like, kind or quality. **We** may use parts produced by or for the vehicle's manufacturer or parts from other sources including, but not limited to, **aftermarket parts**, as specified in Payment of Loss - Part D Only; or
3. An estimate written based upon the prevailing competitive price. You agree with **us** that **we** may include in the estimate parts furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers.

The prevailing competitive price means prices charged by a majority of the repair market in the area where the vehicle is to be repaired.

Custom or additional equipment is not covered under this Part unless the value has been reported to **us** prior to the loss and a premium has been paid for the Custom or Additional Equipment coverage amount shown on the **Declarations page**.

All claims submitted under this Part shall be subject to the applicable **deductibles** shown on the **Declarations page**. Any applicable **deductible** amount and salvage value, if **you** retain salvage, will be subtracted from all **loss** payments.

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

Sound reproducing equipment and component parts shall be subject to a maximum limit of \$500 in the

aggregate. Such equipment must be permanently installed by a factory or dealer as original equipment in the dash or console opening of the **Insured auto**.

Duplicate recovery for the same elements of **loss** is not permitted.

If multiple **auto** policies issued to **you** by **us** are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

STORAGE COSTS

We will pay up to maximum of \$100 for the cost of storage of the **insured auto** in the event of a covered loss.

APPRAISAL - PART D ONLY

If **you** and **we** cannot agree on the amount of **loss**, either may demand appraisal of the **loss**. Both parties will be bound by the results of the appraisal. Within 30 days after an appraisal has been demanded, each party will select and appoint a competent, impartial appraiser and will notify the other party of their selection.

The appraisers will determine the amount of **loss**. An agreement on the amount of loss by the appraisers will be binding on **you** and **us**.

If the appraisers fail to agree, they will select a qualified, impartial umpire and submit their difference to the umpire. If the appraisers cannot agree on an umpire within 15 days, **we** or **you** may request that a judge of a court of record in the county where **you** reside select the umpire. An agreement on the amount of the loss by any two of these three shall be binding on **you** and **us**, subject to the terms of this policy. Attorney fees shall not be regarded as appraiser's fees and expenses. All other expenses of the appraisal, including the umpire's fees if one is appointed, shall be shared equally by **you** and **us**.

Neither **you** nor **we** waive any duties or rights afforded under this policy by agreeing to an appraisal. .

PAYMENT OF LOSS - PART D ONLY

We may pay for the loss in money or **we** may repair the damaged or stolen property. **We** may take all or part of the damaged property at the agreed or appraised value. Before a **loss** is paid or the property is replaced, **we** may return any stolen property to **you** at our expense with payment for any damage.

We may settle any claim for **loss** either with **you**, or with the **owner** of the property. Payment for **loss** is required only if **you** have fully complied with the terms of this policy. **We** may wait up to 30 days from the date the theft is reported in writing to the police and to **us** to either issue payment or replace the property.

OTHER INSURANCE - PART D ONLY

If other insurance applies to a **loss** covered under this Part, **we** will pay only our share of the **loss**. Our share is the prorated amount of our limit of liability compared to all available limits of liability.

For any **loss** to which uninsured/underinsured motorist's coverage (from this or any other policy) and this coverage both apply, **you** may choose the coverage from which damages will be paid. **You** may recover under both coverages, but only if:

1. Neither one by itself is sufficient to cover the **loss**;
2. **You** pay the higher **deductible** amount (but **you** do not have to pay both **deductibles**); and
3. **You** will not recover more than the actual damages.

NO BENEFIT TO BAILEE

This coverage shall not directly or indirectly benefit any person, organization, group, or other bailee caring for or handling property for a fee or compensation.

TWO OR MORE AUTOMOBILES

When **we** insure 2 or more vehicles under this policy, the terms and conditions of this policy shall apply separately to each vehicle.

PART E - DUTIES

INSURED PERSONS DUTIES IN CASE OF ACCIDENT OR LOSS

1. In the event of an **accident** or **loss**, **you** or any person claiming coverage under this policy must notify us within 24 hours or as soon as practical.
2. In the event of an **accident** or **loss**, **you** or any person claiming coverage under this policy must provide us with the following **accident** or **loss** information:
 - a. The date, time and place of the **accident** or **loss**;
 - b. The license plate numbers of the vehicles involved, and the names and addresses of injured persons.
3. Cooperate with **us** in any matter concerning a claim or a suit.
4. Provide us access, as **we** may require, to the recorded data contained within the **Insured auto's** event data recorder (EDR), global positioning system (GPS), or similar device, in connection with any matter concerning an **accident**, claim or suit.
5. Submit to physical examination at **our** expense, by doctors **we** select, as often as **we** may require, and authorize **us** to obtain pertinent medical and other records related to the injuries or damages asserted.
6. Provide any sworn proof of **loss** under oath that **we** may require.
7. Attend hearings and trials as **we** or a court may require.
8. Send **us** promptly any legal papers received in regard to any claim or suit for which coverage may be sought.
9. Submit to statements or examinations under oath and subscribe to the same as **we** may require. **We** may examine any **insured person** under oath, while not in the presence of any other

insured person, about any matter relating to this insurance or to the claim. This includes an **insured person's** books and records subject to Tex. Ins. Code 542.004, subsection 2 (B). This duty allows all minors to have a parent or guardian present during examination under oath.

10. A person claiming uninsured or underinsured motorist's coverage, or someone on their behalf, must notify the police as soon as practical after the **accident** if a hit-and-run driver is involved.
11. Allow **us** to take signed or recorded statements when and as often as **we** may require.
12. If coverage is claimed for **property damage** or loss or damage to the **insured auto**, the person claiming coverage must take reasonable steps after the **accident** to protect the property from any further **loss** or damage. **We** will pay the reasonable expenses incurred in providing that protection. In the event of any theft or vandalism of the **insured auto**.
13. You must promptly file a written report with the appropriate law enforcement agency. You must also allow us to inspect and appraise the damaged property before its repair or disposal.

FAILURE TO COMPLY WITH ANY OR ALL OF THE CONDITIONS ABOVE MAY RESULT IN OUR REFUSAL TO EXTEND TO YOU ANY PROTECTION UNDER THIS POLICY FOR THE ACCIDENT OR LOSS.

OUR DUTIES IN THE EVENT OF A CLAIM

1. Receipt of a Claim:

Within 15 days after **we** receive **your** written notice of claim, **we** must:

 - a. Acknowledge receipt of the claim. If **our** acknowledgment of the claim is not in writing, **we** will keep a record of the date, method and content of our acknowledgment.
 - b. Begin any investigation of the claim.
 - c. Specify the information **you** must provide in

accordance with paragraphs 1 through 13 above.

We may request more information, if during the investigation of the claim such additional information is necessary.

2. Notice of Acceptance or Rejection of Claim:

After **we** receive the information **we** request, **we** must notify **you** in writing whether the claim will be paid or has been denied or whether more information is needed:

 - a. Within 15 **business days**; or
 - b. Within 30 days if **we** have reason to believe the **loss** resulted from arson.
3. If **we** do not approve payment of **your** claim or require more time for processing **your** claim, **we** must:
 - a. Give the reasons for denying **your** claim; or
 - b. Give the reasons **we** require more time to process **your** claim. **But, we** must either approve or deny **your** claim within 45 days after our requesting more time.
4. In the event of a weather-related catastrophe or major natural disaster, as defined by the Texas Department of Insurance, the claim-handling deadlines as stated above are extended for an additional 15 days.
5. Loss Payment:
 - a. If **we** notify **you** that **we** will pay **your** claim, or part of **your** claim, **we** must pay within 5 **business days** after **we** notify **you**.
 - b. If payment of **your** claim or a part of **your** claim requires the performance of an act by **you**, **we** must pay within 5 **business days** after the date **you** perform the act.
6. Notice of Settlement of Liability Claim
 - a. **We** will notify **you** in writing of any initial offer to compromise or to settle a claim

against **you** under the liability section of this policy. **We** will give **you** notice within 10 days after the date the offer is made.

- b. **We** will notify **you** in writing of any settlement of a claim against **you** under the liability section of this policy. **We** will give **you** notice within 30 days after the date of the settlement.

DUTY TO REPORT CHANGES

You must promptly notify us when:

1. **Your** mailing or **household** address changes;
2. The principal garaging address for an **insured auto** or trailer shown on the **Declarations page** changes;
3. There is a change with respect to the **residents** in **your household** or the persons who regularly operate an **Insured auto**;
4. An operator's marital status changes; or
5. **You** or a **household member** obtains a driver's license or operator's permit.

PART F - GENERAL PROVISIONS POLICY PERIOD & TERRITORY

This policy shall become effective on the date and the time shown on the **Declarations page** at the address shown on the **Declarations page**. The policy will expire on the date and time specified on the **Declarations page** at the address shown on the **Declarations page**, unless terminated sooner.

This policy applies only to **accidents** and losses that occur;

1. During the policy period shown on the **Declarations page**; and
2. Within the policy territory.
The policy territory is:
 1. Within the United States of America, its territories or possessions,
 2. Puerto Rico; and
 3. Canada.

If **you** owe **us** any premium on **your** expired or

expiring policy, these funds must be paid before **your** policy will be **renewed** by us. Any payment sent by **you** will first be used to pay any balance owed on the expired or expiring policy and any remainder of such payment will be applied to the renewal premium.

PREMIUM CHANGES

The premium for this policy is based on the information that **we** have received from **you** and from other sources.

You agree:

1. That if **you** provide incorrect or incomplete information, or if any information material to calculating the policy premium changes, **we** may adjust the premium accordingly during the policy period;
2. To cooperate with us in determining if this information is correct and complete. **You** must advise **us** of any changes in this information; and
3. That the return premium will be calculated on the basis of the correct premium, if this policy is canceled.

Any adjustment of **your** premium will be made using the rules in effect at the time of the change.

Premium adjustment may be made as the result of a change in:

1. Any **auto** insured by the policy including changes in use;
2. Drivers, driver's age, or driver's marital status;
3. Coverages or coverage limits;
4. Rating territory;
5. Eligibility for discounts or other premium credits; and
6. Any other rating criteria.

LIBERALIZATION CLAUSE

We may revise **your** policy coverages to provide more protection without additional premium charge. If **we** do this and **you** have the coverage which **we**

change, **your** policy will automatically provide the additional coverage as of the date the revision is effective in **your** state. Otherwise, this policy, the **application**, the endorsements, the **Declarations page** and all attachments contain all of the coverage agreements between **you** and **us**. Its terms may not be changed or waived except by an endorsement issued by us.

PREMIUM PAYMENT

Premium payment means the actual receipt of cash funds by **us**. **We** provide coverage for each policy term only on condition that the initial premium payment and subsequent installment payments for that policy term are paid.

You have not paid a down payment premium for **your** initial policy if **you** give **us** a check, a credit card, an electronic funds transfer or similar form of remittance that is not honored at first presentation by the financial institution upon which it is drawn; this policy shall be immediately void from the inception of the policy term and no coverage will exist, regardless of whether the policy has been issued. Any action by **us** to present the remittance for payment more than once shall not affect **our** right to void this policy.

If **you** receive a cancellation notice from us, referencing a regular installment payment, and informing **you** that **your** premium payment to us was returned unpaid, **you** must provide a replacement payment to **us** by means of either a cashier's check or money order. If payment is made by the due date noted on the cancellation notice, then **your** policy will remain active and in force.

CANCELLATION AND NONRENEWAL

We will not cancel, non-renew or discontinue **your** policy based in whole or in part on the age, race, color, religion or national origin of anyone who is an insured.

We will not cancel, non-renew or discontinue **your** policy based solely on the fact that **you** are an elected

official.

You may cancel this policy by returning it to **us** or an authorized agent or by advising us in writing as to when the cancellation is to be effective at a future date. If this policy has been in effect less than 60 days and is not a continuation or renewal policy, **we** may cancel for any reason by mailing notice to **you** at the address shown on the **Declarations page** or by delivering the notice at least 10 days before the effective date of the cancellation.

If this policy has been in effect 60 days or more or it is a continuation or renewal policy, then **we** may cancel with at least 10 days' notice for the following:

1. For nonpayment of premium;
2. If **you** submit a fraudulent claim;
3. If **your** driver's license or motor vehicle registration or that of:
 - a. Any driver who lives with **you**; or
 - b. Any driver who customarily **uses** the **Insured auto**
 - c. Has been suspended or revoked.

However, **we** will not cancel if **you** consent to the attachment of an endorsement eliminating coverage when the **insured auto** is being operated by the driver whose license has been suspended or revoked.

We will mail to **you** at the address shown on the **Declarations page** or deliver to **you** notice of nonrenewal not less than 30 days before the end of the policy period, if **we** decide not to renew or continue this policy. If the policy period is other than 1 year, **we** will have the right not to renew or continue it only at each anniversary of its original effective date.

Proof of mailing is proof of notice. Mailing is equivalent to delivery.

Upon cancellation, **you** may be entitled to a premium refund. If so, **we** will send it to **you** but our offer of a refund is not a condition of cancellation. If **you** cancel, the refund will be computed on a pro-rata

basis. If **we** cancel, the refund will also be computed on a prorated basis. The effective date of the cancellation stated in a notice is the end of the policy period. All policy fees will be considered fully earned by us for purposes of calculating any refund. **We** shall refund the appropriate portion of any unearned premium to **you** no later than the 15th **business day** after the effective date of cancellation or termination of a policy.

This policy will **automatically** terminate at the end of the current policy period if **you** or **your** representative does not accept our offer to renew or continue it. **Your** failure to pay the required continuation or renewal premium when it is due means that **you** have declined our offer. If, at any time, **you** obtain other insurance on the **insured auto**, any similar insurance provided by this policy will terminate as to that **auto** on the effective date of the other insurance.

LIMITATIONS ON AGENT AUTHORITY

The authorized agent who obtained this policy for **you** has limited authority to act in transacting **business** with **you** on this policy. Any statement or assurance made by this authorized agent to **you** concerning **your** policy is governed by our guidelines and rules, as **well** as applicable laws and regulations. The authorized agent who obtained this policy for **you** does not possess any apparent, implied, or actual authority to act on our behalf after the expiration, cancellation, or nonrenewal of your policy with us. Any representations made by the authorized agent after a notice of termination has been initiated, by either you or us, will apply only if we provide prior written approval.

SUITS AGAINST US

We may not be sued unless there is full compliance with all of the terms of this policy. **We** may not be sued under Part A of this policy until the obligation of an insured to pay is finally determined either by a judgment against the insured or by written agreement of the insured, the claimant, and us. No one shall

have any right to make us a party to a suit to determine the liability of an insured. Any lawsuit brought against **us** under this policy must be commenced within 2 years and 1 day after the cause of action first accrues. This section does not apply to Part C - Uninsured/Underinsured Motorists Coverage.

FRAUD OR MISREPRESENTATION

This policy was issued in reliance upon the information provided on **your** insurance **Application**.

We may void this policy at any time, including after the occurrence of an **Accident** or loss, if it is shown at trial that false statements made in the application for this policy:

1. Was material to the risk; or
2. Contributed to the contingency or event on which the policy becomes due and payable.

This means that **we** will not be liable for any claims or damages that would otherwise be covered.

Coverage is not provided to any person who knowingly conceals or misrepresents any material fact or circumstance at any time during the policy period.

We may deny coverage for an **accident** or loss if an **insured person** or a person seeking coverage has knowingly concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim if it is shown at trial that the misrepresentation or concealment:

1. Was fraudulently made;
2. Misrepresented a fact material to the question of **our** liability under the policy; and
3. Misled **us** and caused **us** to waive or lose a valid defense to the policy

TWO OR MORE AUTO POLICIES

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

TRANSFER OF YOUR INTEREST IN THIS POLICY

Interest in this policy may not be assigned or transferred without our written consent. However, if **you** die, coverage will be provided for:

1. Any person specifically named as an operator on the **Declarations page**; and
2. The legal representative of the deceased person while acting within the scope of his or her duties as a legal representative.

If the **Insured auto** is sold, coverage will terminate as to that **auto** when the buyer takes possession of the **auto**. Coverage will not transfer to the new **owner**.

BANKRUPTCY

An insured's bankruptcy or insolvency will not relieve us of any obligation under this policy.

OUR RECOVERY RIGHTS

If **we** make a payment under this policy and the person receiving payment is entitled to recover from another, **we** are entitled to those same rights of recovery to the extent of our payment. **You** and anyone **we** cover must sign and deliver to us any legal papers relating to that recovery, do whatever else is necessary to help **us** exercise **our** rights, and do nothing after a loss to harm **our** rights.

When a person has been paid by us under this policy and also recovers from another, the amount recovered from the other shall be held by that person in trust for us and reimbursed to us to the extent of **our** payment, provided that the person to or on behalf of whom such payment is made is fully compensated for their loss.

If an **insured person** or organization receives recovery from a responsible party without our written consent, the insured person or organization's right to payment under any affected coverages of this policy will no longer exist.

LOSS PAYABLE CLAUSE

We will pay loss or damage due under this policy according to **your** interest and that of the loss payee if one is shown on the **Declarations page**.

We will pay the loss payee for a loss under this policy even though **you** have violated the terms of the policy by something **you** have done or failed to do. However, **we** will not pay for any loss caused by:

1. In any case of conversion, embezzlement, secretion, or willful damaging or destruction, of the **insured auto** by or at the direction of **you**, a **relative**, or the **owner** of the **Insured auto**.

We may cancel this policy according to its terms.

We will protect the loss payee's interest for 10 days after **we** mail them notice that the policy has terminated, for any reason.

If **you** fail to give proof of loss within the time allowed, the loss payee may protect its interest by filing a proof of loss within 91 days after we request it..

When **we** pay the loss payee **we** shall, to the extent of our payment, be subrogated to the loss payee's rights of recovery.

The deductible amount applicable to losses payable to the loss payee under Part D - Coverage for Damage to the **insured auto** shall be the deductible amount shown on the **Declarations page** for this coverage.

LIMITED MEXICO COVERAGE

Auto accidents in Mexico are subject to the laws of Mexico only - NOT the laws of the United States of America. Unlike the United States, the Republic of Mexico considers an **auto accident** a CRIMINAL

OFFENSE as well as a civil matter.

In some cases, the coverage under this endorsement may NOT be recognized by Mexican authorities and the company may not be allowed to implement this coverage at all in Mexico. You should consider purchasing **auto** coverage from a licensed Mexican Insurance Company before driving into Mexico.

This endorsement does not apply to trips into Mexico that exceed 25 miles from the boundary of the United States of America.

The coverages for **your Insured auto** provided by this policy are extended to **accidents** occurring in Mexico within 25 miles of the United States border. This extension only applies for infrequent trips into Mexico that do not exceed ten days at any one time.

Additional Exclusions

We do not provide any coverage:

1. If **your Insured auto** is not principally garaged and used in the United States; and
2. To any **insured person** who does not live in the United States.

Special Conditions

1. Other Insurance. The insurance **we** provide by this endorsement will be excess over any other collectible insurance.
2. Losses Payable Under Coverage for Damage to the **Insured auto**. **We** will pay **losses** under Coverage for Damage to the **Insured auto** in the United States, not in Mexico. If **your Insured auto** must be repaired in Mexico in order to be driven, **we** will not pay more than the **actual cash value** of such **loss** at the nearest United States point where the repairs can be made.

TERMS OF POLICY CONFORMED TO STATUTE

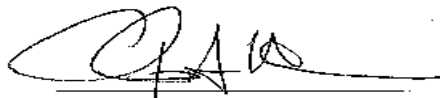
Terms of this policy that conflict with the statutes of the State of Texas are hereby amended to conform to such statutes.

COMPANY STATEMENT


This policy is issued to **you** by **us**. By accepting this policy **you** agree:

1. That the statements in the **Declarations page, Application**, endorsements, or any other documents related to this policy are **your** representations;
2. That this policy is issued in reliance upon the truth of those representations; and
3. That this policy embodies all the agreements existing between **you** and **us** or any of **our** agents relating to this policy.
4. This policy is issued subject to the constitution and bylaws and all amendments thereto of the company which shall form part of this policy.

In Witness Whereof, the company has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of the company.



Christopher A. McClellan



J. Andrew Thomas

SPECIAL PROVISIONS

This Company is licensed to operate under Chapter 912, Texas Insurance Code, 1951, as amended and such statutes shall apply to and form a part of this policy the same as if written or printed upon, attached or appended hereto.

This policy is issued subject to the constitution and by-laws and all amendments thereto of the Company, which shall form a part of this policy.

MUTUALS — MEMBERSHIP AND VOTING

NOTICE

The insured is notified that by virtue of this policy, the insured is a member of the Redpoint County Mutual Insurance Company, and is entitled to vote either in person or by proxy at any and all meetings of said Company. The Annual Meetings are held in its home office in Dallas, Texas, on the first Tuesday of March in each year, at 10:00 o'clock AM.

MUTUALS — PARTICIPATION CLAUSE WITHOUT CONTINGENT LIABILITY

No Contingent Liability: This policy is non-assessable. The policy holder is a member of the Company and shall participate, to the extent and upon the conditions fixed and determined by the Board of Directors in accordance with the provisions of law, in the distribution of dividends so fixed and determined.

ENDORSEMENTS

PART G - ADDITIONAL COVERAGES

The following applies to additional or optional coverages and endorsements:

TOWING AND LABOR COVERAGE

If the **Declarations page** shows a specific premium charged for Towing and Labor Coverage, **we** will pay up to the limits shown on the **Declarations page** for towing and labor costs incurred each time the **insured auto** is disabled due to mechanical breakdown or failure, which does not include its running out of gas. **We** will cover labor, not including emergency locksmith repair, only if performed at the place of disablement. **You** agree to provide us with proof in the form of verifiable receipts of towing and labor charges incurred.

RENTAL REIMBURSEMENT COVERAGE

If the **Declarations page** shows a specific premium charged for Rental Reimbursement coverage, **we** agree to pay **you** for any reasonable and necessary transportation expense incurred. Our limit of liability shall not exceed the limit shown on the **Declarations page**, payable for a maximum of 30 days, for the loss

of use of the **insured auto** because of damage covered under Part A or D.

1. In the event of theft, **you** must report the loss to the police within 24 hours. Rental Reimbursement coverage will terminate when the **insured auto** is returned to **you** for use or when **we** pay the loss. **We** will pay for the rental vehicle beginning 72 hours after the **loss**.

2. **Insured auto** means the vehicle that is described on the **Declarations page** and for which a specific premium is charged for this coverage.

3. The **insured auto** must be continuously withdrawn from normal use for more than 24 hours as a result of a **loss** to which this policy applies.

4. **We** will reimburse **you** for rental only for the length of time required to repair or replace the **insured auto** as quickly and reasonably as possible.

This endorsement is subject to such exclusions, conditions, and other terms of the policy which are applicable to Part D for damage to the **insured auto**.

This applies whether **you** have purchased coverage under Part D, or not.

The following endorsement applies only if form number PFAEC-001 appears on **your Declarations page**:

The following endorsement applies only if form number PFAI-510B appears on **your Declarations page**:

PFAI-510B. ADDITIONAL INSURED - LESSOR

Any liability coverage provided by this policy for **your leased auto** also applies to the lessor named in this endorsement as an additional insured. This insurance is subject to the following additional provisions:

1. We will pay damages for which the lessor becomes legally responsible only if the damages arise out of acts or omissions of:
 - a. any **relative**; or
 - b. any other person using **your leased auto** except the lessor or any employee or agent of the lessor.
2. The lessor is not responsible for paying

premiums.

3. The designation of the lessor as an additional insured shall not operate to increase our limits of liability.

Any Coverage for Damage to the Auto provided by this policy for **your leased auto** is subject to the following additional provisions:

1. Loss of damage under Coverage for Damage to the Auto shall be paid as interests may appear to you and the lessor shown in this endorsement or as Loss Payee in the Declarations.

2. This insurance covering the interest of the lessor shall become invalid only because of your fraudulent acts or omissions.

3. When we pay the lessor, we shall, to the extent of payment, be subrogated to the lessor's rights of recovery.

We reserve the right to cancel the policy as permitted by the policy terms. The cancellation shall terminate this agreement as to the lessor's interest. We will give the same advance notice of cancellation to the lessor as we give to the named insured shown in the Declarations.

Your leased auto in this endorsement means:

1. An auto, shown in the Declarations or in this endorsement, which you lease for a continuous period of at least six months under a written agreement which requires you to provide primary insurance for the lessor; and

2. Any substitute or replacement auto furnished by the lessor named in this endorsement.

PFAEC-001 CUSTOM OR ADDITIONAL EQUIPMENT COVERAGE

If the **Declarations page** shows a premium charged for Custom or Additional Equipment Coverage, **we** will pay for a direct and accidental loss to additional equipment. The additional equipment must be identified by **you to us** prior to the **loss** and be permanently attached to the **Insured auto**. **Our** limit of liability for loss to the additional equipment shall not exceed the lesser of:

1. The **actual cash value** of the stolen or damaged property at the time of the **loss**. This may include an adjustment for any **depreciation** or **betterment**.
2. The amount that is necessary to repair or to

replace the property as specified in Payment of Loss - Part D Only; or

3. The declared value of the identified equipment as shown on the **Declarations page**.

The amount will be reduced by the applicable **deductible** that is listed on the **Declarations page**. Our limit of liability for Custom or Additional Equipment Coverage under this Part shall not exceed the limit that is shown on the **Declarations page**.

We do not cover a loss to any additional equipment unless:

1. It is declared by **you**;
2. It is approved by **us**; and
3. **You** pay any additional premium that is charged for Custom or Additional Equipment Coverage

This includes, but it not limited to, the following types of equipment:

1. Awnings, cabanas, campers, or custom enclosures.
2. Any equipment that is designed to provide additional living facilities.
3. Any equipment or alteration not:
 - a. Permanently installed at the factory by:
 - i. The original make and model vehicle manufacturer; or
 - ii. An authorized dealer; and
 - b. It is considered standard or optional equipment for such vehicle.

Equipment installed, or alterations made, at a conversion facility to an **auto** or camper is not considered standard or original optional equipment installed by the vehicle manufacturer.

4. Non-standard chrome, alloy, aluminum, or magnesium wheels.
5. Custom wide-tread tires and racing slicks.
6. Custom chroming or gold plating.
7. Two-tone or custom paint work.
8. Custom interior work.
9. Captains or swivel chairs or tables.
10. Sun roof, moon roof, t-bar roof, or landau, if not:
 - a. Permanently installed by:
 - i. The original make and model vehicle manufacturer; or
 - ii. An authorized dealer; and
 - b. It is considered standard or optional equipment for such vehicle.
11. Bubble dome or bubble window.
12. Any deluxe roof treatment.
13. Satellite navigational devices if not:
 - a. Permanently installed by:

- i. The original make and model vehicle manufacturer; or
- ii. An authorized dealer; and
- b. It is considered standard or optional equipment for such vehicle.

14. Any ground effects package.

15. Continental kits.

16. Telephones, if not:

- a. Permanently installed by:
 - i. The original make and model vehicle manufacturer; or
 - ii. An authorized dealer; and

It is considered standard or optional equipment for such vehicle.

AUTHORIZED DRIVER ENDORSEMENT PFNDP – 003B

WARNING: A NAMED DRIVER POLICY DOES NOT PROVIDE COVERAGE FOR INDIVIDUALS RESIDING IN THE INSURED'S HOUSEHOLD THAT ARE NOT NAMED ON THE POLICY.

The parties agree to the following amendment to the policy:

Part D - Coverage for Damage to the **insured auto** of this policy is amended and replaced by the following language as Paragraph 3 of the Insuring Agreement provision:

PART D - COVERAGE FOR DAMAGE TO THE AUTO INSURING AGREEMENT

For coverage to exist under Part D – Coverage for Damage to the Auto, the **insured auto** must be operated by or in the **control** of an **insured person** at the time of the loss. As used in this Part, **insured person** shall mean:

- a. You; or
- b. Any other person listed in the

Declarations or added by endorsement during the policy term prior to loss. As used in this Part, **control** shall mean the direct and immediate pre-loss care and custody of **the insured auto**.

The following endorsement applies only if form number PFNDP-13D appears on **your Declarations page**:

WARNING
READ THIS ENDORSEMENT CAREFULLY
INSURED PERSON ENDORSEMENT
PFNDP-013D

WARNING: A NAMED DRIVER POLICY DOES NOT PROVIDE COVERAGE FOR INDIVIDUALS RESIDING IN THE INSURED'S HOUSEHOLD THAT ARE NOT NAMED ON THE POLICY.

The parties agree to the following amendment to the policy:

In Part A - Liability Coverage, Additional Definitions Used in Part A Only. **Insured person** is deleted and replaced by the following:

PART A - LIABILITY COVERAGE
ADDITIONAL DEFINITIONS USED IN PART A ONLY

1. Insured person as used in this Part means:
 - a. **You**, for the ownership, maintenance or use of any **auto** or **trailer**.
 - b. Any **relative** or **resident** of your **household** who is listed in the **Declarations page** or added by endorsement during the policy term prior to loss for the ownership, maintenance or use of any **auto** or **trailer**.
 - c. A person who is not a **relative** or **resident** of your **household** but is using your **insured auto** with your express or implied permission. A **regulator operator** is not considered an **insured person**.
- As used in this Part, **resident** shall mean any person living in your **household** other than you or a **relative**.

In Part A - Liability Coverage, Exclusions – Part A Only, the following is added as Exclusion 35:

PART A - LIABILITY COVERAGE
EXCLUSIONS – PART A ONLY

35. None of the liability coverages afforded by this policy shall apply while any person who is not an **Insured person** is operating your **insured auto** or any other vehicle.

The following endorsement applies only if form number PFDE-515B appears on your **Declarations page**:

PFDE-515B - EXCLUSION OF NAMED DRIVER AND REJECTION OF COVERAGES

WARNING
READ THIS ENDORSEMENT CAREFULLY

This acknowledgment and rejection is also applicable to all renewals issued by us or any affiliated insurer. You agree that none of the insurance coverages afforded by this policy shall apply while any excluded driver that is listed on either the **Application** or declarations is operating your **Insured auto** or any other motor vehicle. You further agree that this endorsement will also serve as a rejection of Uninsured/Underinsured Motorists Coverage and Personal Injury Protection Coverage while your **Insured auto** or any other motor vehicle is operated by the excluded driver.

The following endorsement applies only if form number PFNOP-600 appears on your **Declarations page**.

PFNOP-600 NON-OWNER POLICY

The provisions and exclusions that apply to this Personal Auto Policy apply to this endorsement, except as changed by this endorsement.

This endorsement supersedes any language or provisions found elsewhere in the policy which contradict the language and provisions contained in this endorsement.

INSURING AGREEMENT

If you have purchased a Non-Owner Policy, you agree with us that the Personal Auto Policy is amended as follows:

DEFINITIONS USED THROUGHOUT THIS POLICY

The following definitions replace those found in the section titled Definitions Used Throughout this Policy:

11. **Insured auto** means any **non-owned auto** or **trailer** provided that:

- a. You have the express permission of the owner to use the auto or trailer;
- b. The auto is not available for the regular or frequent use of you, a relative or resident;
- c. The auto is not owned by you, a relative or resident.

For the purposes of this Endorsement Only, Insured Person means **You** and **your** as defined in the Section titled Definitions Used Throughout the Policy and not as defined in the Additional Definitions Used in Part A Only, the Additional Definitions Used in Part B1 Only, the Additional Definitions Used in Part B2 Only, the Additional Definitions Used in Part C Only

PART A - LIABILITY COVERAGE

The **INSURING AGREEMENT** section is deleted and replaced by the following:

If you pay the premium for this coverage and it is shown on the **Declarations page**, we will pay damages for **bodily injury** and **property damage** for which an **insured person** becomes legally responsible because of an **accident**. Damages include prejudgment interest awarded against an **insured person**. We will settle or defend, at our option; any claim for damages covered under Part A- Liability Coverage.

Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

PART B1 - MEDICAL PAYMENTS
COVERAGE

The **INSURING AGREEMENT** section is deleted and replaced by the following:
If you pay the premium for this coverage and it is shown on the **Declarations page**, we will pay medical expenses, not exceeding the limits shown on the **Declarations page**, incurred as a result of **bodily injury** caused by an **Accident** and sustained by an **insured person**.

PART B2 - PERSONAL INJURY PROTECTION
COVERAGE

The **INSURING AGREEMENT** section is deleted and replaced by the following:

If you pay the premium for this coverage and it is shown on the **Declarations page**, we will pay Personal Injury Protection benefits, not exceeding

the limits shown on the **Declarations page**, incurred as a result of **bodily injury** caused by an **Accident** and sustained by an **insured person**.

We will pay only for those expenses incurred for services rendered within three years from the date of the **Accident**.

PART C - UNINSURED / UNDERINSURED MOTORISTS COVERAGE

The **INSURING AGREEMENT** section is deleted and replaced by the following:

If **you** pay the premium for this coverage and it is shown on the **Declarations page**, **we** will pay damages, not exceeding the limits shown on the **Declarations page**, which an **insured person** is legally entitled to recover from the **owner** or operator of an **uninsured** or **underinsured motor vehicle** because of **bodily injury** or **property damage** caused by an accident resulting from the use of **your insured auto** and sustained by such **insured person**. The **bodily injury** or **property damage** must be caused by an accident and must arise out of the ownership, maintenance or use of the **uninsured** or **underinsured motor vehicle**.

If suit is brought to determine legal liability or damages without our written consent, **we** are not bound by any resulting judgment.

If **we** and **you** do not agree as to whether or not a vehicle is actually uninsured, the burden of proof as to that issue shall be upon us.

We will pay under **underinsured** motorists coverage only after the limits of liability under all applicable liability bonds or policies have been exhausted by payment of judgment or settlements.

2. **Property damage** means damage to or loss of use of:
 - a. Any property **owned** by an **insured person** while contained in the **Insured auto**
 - b. Any property **owned** by **you**, while contained in any **auto** not **owned** but operated by **you**.

PART D - COVERAGE FOR DAMAGE TO THE INSURED AUTO

This section is deleted in its entirety. No coverage applies under Part D- Coverage for Damage to the **insured auto** of this policy.

571A. FINANCIAL RESPONSIBILITY CERTIFICATION (SR-22 Filings)

For the additional fee shown in the **Declarations page** of the policy **we** certify this policy as proof of financial responsibility as required by the Texas Motor Vehicle Safety Responsibility Act. If this policy is cancelled or terminated, **we** will give written notice to the Texas Department of Public Safety in accordance with the provisions of the Texas Motor Vehicle Safety Responsibility Act prior to the date of such cancellation or termination.

COMPLAINT NOTICE:

Should any dispute arise about your premiums or about a claim you have filed, contact the agent or write the Company that issued the policy. If the problem is not resolved, you may also write the Texas Department of Insurance, Consumer Protection (111-1A) P.O. Box 149091, Austin, Texas 78712-9091. This notice of complaint procedure is for information only and does not become a part or condition of this policy.

AN30TX0315

IMPORTANT NOTICE

NON-RENEWALS FOR NOT-AT-FAULT ACCIDENTS OR CLAIMS (28 TAC §5.7016)

We may not use any of the following types of accidents or claims as the only reason for our refusal to renew your personal auto policy:

1. A claim involving damage from a weather related incident that does not involve a collision (some examples being hail, flood, tornado, winds or hurricanes);
2. An accident or claim involving damage by contact with an animal or fowl;
3. An accident or claim involving damage caused by flying gravel, missiles or falling objects; however, if you have three of these losses in any 36-month period, we may increase your deductible to the higher of \$250 or the next available deductible increment higher than your present deductible amount, at your renewal date;
4. A claim under towing and labor protection; however, if you have four claims of this type in any 36-month period, we have the option of eliminating this coverage from your policy;
5. Any other not-at-fault accident or claim unless there are two or more of these accidents or claims in any 12 month period.

“Refusal to renew” means our refusal to renew your personal auto policy in the same company which originally issued the policy. To the extent of any possible conflict between this notice and the Texas Administrative Code (28 TAC §5.7016), the latter will be controlling.

AN75TX0315

**REDPOINT COUNTY MUTUAL
INSURANCE COMPANY**

PRIVACY STATEMENT

To Redpoint Policy Holders:

Redpoint Insurance Group LLC values you as a customer and respects your right of privacy. We want to assure you that we have taken steps and will continue to take steps to maintain and safeguard your information. This privacy policy summarizes and describes our efforts to meet this objective. In this notice you will discover what information we collect, how we use it, and how we protect it from unauthorized access.

Security

Redpoint recognizes the importance of respecting the privacy of our policyholders and applicants. We have established physical, electronic and procedural protections to ensure that your personal information is kept confidential in accordance with this privacy policy. We want to assure you that any information that we gather is used strictly to affect, administer or enforce a transaction requested or authorized by you. Furthermore, we also restrict access to your personal information within our organization to those employees who need the information to service your account.

Information We Collect

We collect personal information about you and all policy-holders from the following sources:

- Information you gave us or your agent when submitting an application for one or more policies of insurance;
- Information from companies within Redpoint;
- Depending on the product requested and in order to verify your information and properly underwrite your request, we may obtain information from consumer reporting agencies (including credit information), medical providers, and/or others.

How We Use Your Information

We use your information within Redpoint for the following reasons:

- To protect you. The information we maintain about you and your policies of insurance help identify you and help protect you against unauthorized access to your information.
- To provide service. Your information helps us respond to your inquiries more efficiently.
- To improve and develop our products and services. Every policy we offer is designed to protect you and/or your property. The information we gather is analyzed and processed in order to provide you with a superior product at a reasonable price.

Information We Disclose

When we disclose your information to companies outside our group, we do so only for specific purposes as permitted by law. Accordingly, when we disclose information, we require companies to which we disclose your information to maintain and protect its confidentiality. We may disclose information to the following types of outside companies or entities:

- Independent contractors, such as technical system consultants, who program our software or maintain our systems to help us administer our products for you.
- Governmental or quasi-governmental entities, such as state insurance departments, guaranty funds or rate advisory organizations.
- Companies whom we have retained to provide services on our behalf or companies we have retained to administer your policy or account. For instance we may provide a body shop or contractor your name and address to hasten the repair process.

Some insurers release personal information to non-affiliated third parties that provide marketing support for products and services other than those offered by that insurer. Redpoint does not. If we change our policy, we will give you a supplemental notice with instructions on how you may opt out of this information sharing.

Questions ?

We value you as a customer and policyholder. *If you have any concerns about our privacy policy, you are entitled to access your personal information that we possess or can reasonably retrieve. This information can be obtained from your agent or directly from us. However, before we respond to a request by or through your agent, you must provide a signed and notarized request indicating that we can provide such information to your agent. All information requests must contain your policy number.*

This Privacy Statement describes our privacy practices for both current and former policyholders. We will provide one copy of this notice to joint policy or contract holders; please share this information with everyone covered by your policy.



5005 LBJ Freeway, Suite 810
Dallas, TX 75244
(469)249-1000
www.redpointinsurance.com

CONSUMER BILL OF RIGHTS

Personal Automobile Insurance

AVISO: Este documento es un resumen de sus derechos como asegurado. Usted tiene el derecho a llamar a su compañía y pedir una copia de estos derechos en español.

What is the Bill of Rights?

This Bill of Rights is a summary of your rights and does not become a part of your policy. The Texas Department of Insurance (TDI) adopted the Bill of Rights and requires insurance companies to provide you a copy when they issue your policy.

Texas law gives you certain rights regarding your automobile insurance. This Bill of Rights identifies your rights specified by rule or by state statute, but it does not include all your rights. Also, some exceptions to the rights are not listed here. If your agent, company, or adjuster tells you that one of these rights does not apply to you, contact TDI Consumer Protection Program at 1-800-252-3439 (512-804-5140 in Austin) by mail at Mail Code 111-1A, P.O. Box 149091, Austin, TX 78714-9091, or by email at ConsumerProtection@tdi.texas.gov. For a list of the specific law(s) and/or rule(s) summarized in each item of this Bill of Rights, or if you have questions or comments, contact the Office of Public Insurance Counsel (OPIC) at 1-877-611-6742, by mail at 333 Guadalupe, Street, Austin, TX 78701 or visit the OPIC website at www.opic.texas.gov.

This Bill of Rights does not address your responsibilities. Your responsibilities concerning your insurance can be found in your policy. Failure to meet your obligations may affect your rights.

Getting Information from the Department of Insurance and your Insurance Company

1. INFORMATION FROM TDI. You have the right to call TDI free of charge at 1-800-252-3439

or 512-804-5170 in Austin to learn more about:

- your rights as an insurance consumer;
- the license status of an insurance company or agent;
- the financial condition of an insurance company;
- the complaint ratio and type of consumer complaints filed against an insurance company;
- use of credit information by insurance companies, including which insurance companies use it and access to each company's credit scoring model;
- an insurance company's rates filed with the state;
- an insurance company's underwriting guidelines (subject to exemptions in the Public Information Act, also known as the Open Records Act; and
- other consumer concerns.

You can also find some of this information on the TDI website at www.tdi.texas.gov.

At www.helpinsure.com, Texans can find more detailed information on their current and prospective insurers. TDI, in conjunction with OPIC, maintains this website to help Texans shop for residential property insurance and personal automobile insurance. For companies writing in Texas that are in the top 25 groups nationally, the site also includes:

- a list of insurers by county and/or ZIP code;
- detailed contact information for each insurer;
- sample rates and a brief history of increases and or decreases in the rates;
- policy form comparisons;
- a list of policy forms, exclusions, endorsements, and discounts offered by each insurer; and
- non-confidential disciplinary actions against each insurer.

2. INFORMATION FROM YOUR INSURANCE COMPANY. You have the right to a toll-free number to call your insurance company free of charge with questions or complaints. You can find this number on a notice accompanying your policy. This requirement does not apply to small insurance companies.

WHAT YOU SHOULD KNOW BEFORE YOU BUY INSURANCE

3. PROHIBITED STATEMENTS. Your insurance company or agent is prohibited from making false misleading or deceptive statements to you relating to insurance.

4. EXCESS LIMITS. An insurer or agent cannot require you to purchase liability limits greater than the minimum limits required by law or require you to purchase other types of coverage as a condition of offering or renewing insurance. The current minimum limits are 30/60/25, which references the maximum amount the policy will pay for each accident: \$30,000 per person for a bodily injury claim/ \$60,000 for all bodily injury claims combined/ \$25,000 for property damage claims per accident.

NOTE: Texas law requires that automobile insurance policies include personal injury protection (PIP) and uninsured motorist protection (UM/UMI) unless you reject the coverages in writing. Also as a condition of your automobile loan, your lender may require you to purchase other types of coverage, such as collision or comprehensive coverage, to pay for damage to your vehicle.

5. CREDIT INFORMATION. An insurance company cannot deny you insurance solely on the basis of credit information. Insurers who use credit information must also consider other underwriting factors independent of credit information when deciding whether to offer coverage. (For additional information see the section of this Bill of Rights entitled *What you should know about insurance companies' use of credit information*).

6. SAFETY NET. You have the right to buy minimum liability, personal injury protection, and

uninsured motorist insurance through the Texas Automobile Insurance Plan Association, also known as TAIPA, if you have been denied coverage by two insurance companies.

7. PAYMENT PLANS. You have the right to pay your automobile insurance premium in installments. Insurance companies may charge a fee for each installment.

8. ELECTRONIC PAYMENTS If you authorize your insurer to withdraw your premium payments directly from your financial institution, your insurer cannot increase the amount withdrawn unless:

- the insurer notifies you by U.S. mail of the increase in premium increase at least 30 days prior to its effective date; and
- you do not notify the insurer that you object to the increase in the amount to be withdrawn at least five days prior to the increase. The notice provided by the insurer must include a toll-free number, a mailing address and an email address (if applicable), through which you can contact the insurer to object to the increase.

NOTE: This does not apply to premium increases specifically scheduled in the original policy, to increases based on policy changes you request, or to an increase that is less than \$10 or 10 percent of the previous month's payment.

9. NOTICE OF REDUCED COVERAGE. If an Insurer uses an endorsement to reduce the amount of coverage provided by your policy; the insurer must give you a written explanation of the change made by the endorsement. The insurer must provide the explanation not later than the 30th day before the effective date of the new or renewal policy. An insurance company cannot reduce coverage during the policy period unless you request the change. If you request the change, the company is not required to provide notice.

10. EXPLANATION OF DENIAL. Upon request, You have the right to be told in writing why you have been denied coverage. The written statement must

fully explain the decision, including the precise incidents, circumstances, or risk factors that disqualified you. It must also state the sources of information used.

NOTE: The obligation to provide a written explanation applies to insurance companies directly. An independent agent does not have a specific duty to quote the lowest possible rate to a consumer or to provide a written statement explaining why the agent did not offer the consumer the lowest possible rate.

11. RATE DIFFERENTIAL WITHIN A COUNTY. If an insurance company subdivides a county for the purpose of charging different rates for each subdivision, the difference between the lowest and the highest rate cannot exceed 15% unless actuarially justified.

12. RIGHT TO PRIVACY. You have the right to prevent an insurance company, agent, adjuster or financial institution from disclosing your personal financial information to companies that are not affiliated with the insurance company or financial institution. Some examples are income, social security number, credit history and premium payment history.

If you apply for a policy, the insurance company or financial institution must notify you if it intends to share financial information about you and give you at least 30 days to refuse. This refusal is called "opting out".

If you buy a policy, the insurance company or financial institution must tell you what information it collects about you and whether it intends to share any of the information, and give you at least 30 days to opt out. Agents and adjusters who intend to share your information with anyone other than the insurance company or financial institution must give you similar notices. You can opt out at any time. Your decision to opt out remains in effect unless you revoke it. These protections do not apply to information:

- publicly available elsewhere;

- insurance companies or financial institutions are required by law to disclose; or
- insurance companies or financial institutions must share in order to conduct ordinary business activities.

What You Should Know About Cancellation and Nonrenewal

Cancellation means that **before the end** of the policy period the insurance company:

- terminates the policy;
- reduces or restricts coverage under the policy; or
- refuses to provide additional coverage to which you are entitled under the policy.

Refusal to renew and nonrenewal mean the policy terminates **at the end** of the policy period.

The **policy period** is shown on the declarations page at the front of your policy.

13. LIMITATION ON CANCELLATION. After your initial policy with your company has been in effect for 60 days that insurance company cannot cancel your policy unless:

- you don't pay your premium when due;
- you file a fraudulent claim;
- your driver's license or car registration is revoked or suspended;
- the driver's license of any household resident or person who customarily drives a covered auto is suspended or revoked. If you agree to exclude coverage for that person, the insurance company cannot cancel your policy for this reason; or
- TDI determines continuation of the policy would result in violation of insurance laws.

14. NOTICE OF CANCELLATION. To cancel your policy, your insurance company must mail notice at least 10 days prior to cancellation. Your policy may provide for even greater notice.

15. POLICY HOLDER'S RIGHT TO CANCEL. You have the right to cancel your policy at any time and receive a refund of the remaining premium. The refund will be paid to you unless your premium was financed through a premium finance company. In that case, the refund will be paid to the premium finance company to reduce the amount you owe on your loan.

16. CHANGE IN MARITAL STATUS. If your marital status changes, you have the right to continue your insurance coverage. You have a right to a new policy in your name that has coverages which most nearly approximate the coverages of your prior policy, including the same expiration date. The insurance company cannot date the new policy so that a gap in coverage occurs.

17. NOT-AT-FAULT CLAIMS. Your insurance company cannot refuse to renew your policy solely because of any of the following types of claims:

- claims involving damage from a weather related incident that does not involve a collision, like damage from hail, wind or flood;
- accidents or claims involving damage by contact with animals or fowls;
- accidents or claims involving damage caused by flying gravel or flying objects; however, if you have three of these claims in a three year period, the insurance company may raise your deductible on your next renewal date;
- towing and labor claims; however, once you have made four of these claims in a three year period, the company may eliminate this coverage from your policy on your next renewal date; and
- any other accident or claim that was not your fault unless you have two or more of these claims or accidents in a one year period.

18. USE OF AGE TO NONRENEW. Your insurance company cannot refuse to renew your policy based solely on the age of any person covered by the policy

This includes placing you in a higher prices company or requiring a named driver exclusion for a teenager who reaches driving age.

19. USE OF CREDIT INFORMATION TO NONRENEW. An insurance company cannot refuse to renew your policy solely on the basis of credit information. Insurers who use credit information must also consider other underwriting factors independent of credit information when deciding whether to renew coverage. (For additional information see the section of this Bill of Rights entitled *What you should know about insurance companies' use of credit information*).

20. LENGTH OF POLICY TERM. If the term of your insurance policy is less than one year, your insurance company must renew that policy until it has been in effect for one year. Your insurance company may only refuse to renew your policy effective on the anniversary of the policy's original effective date. For instance, if your policy was originally effective on January 1, Year 1, the insurance company must renew your policy to provide coverage until January 1, Year 2, and thereafter, may only refuse to renew your policy effective January 1 of any subsequent year.

21. NOTICE OF NONRENEWAL. If the insurance company does not mail you notice of nonrenewal at least 30 days before your policy expires; you have the right to require the insurance company to renew your policy.

22. EXPLANATION OF CANCELLATION OR NONRENEWAL. Upon request, you have the right to a written explanation of an insurance company's decision to cancel or non-renew your policy. The written statement must fully explain the decision, including the precise incidents, circumstances, or risk factors that disqualified you. It must also state the sources of information used.

What You Should Know When You File a Claim.

23. FAIR TREATMENT. You have the right to be treated fairly and honestly when you make a claim. If you believe an insurance company has treated you unfairly, call the Department of Insurance at 1-800-252-3439 (512-804-5140 in Austin) or download a complaint form from the TDI website at <http://www.tdi.texas.gov>. You can complete a complaint form on-line via the Internet or fax it to TDI at 512-490-1007.

24. SETTLEMENT OFFER. You have the right to reject any settlement amount, including any unfair valuation, offered by the insurance company. If you reject a settlement offer your options include continuing to negotiate with the insurer or pursuing legal remedies, such as mediation, arbitration, or filing a lawsuit.

25. EXPLANATION OF CLAIM DENIAL. Your insurance company must tell you in writing why your claim or part of your claim was denied.

26. TIMEFRAMES FOR CLAIM PROCESSING. When you file a claim in your own policy, you have the right to have your claim processed and paid promptly. If the insurance company fails to meet required claims processing and payments deadlines, you have the right to collect 18% annual interest and attorney's fees in addition to your claim amount.

Generally, within **15 calendar days**, your insurance company must acknowledge receipt of your claim and request additional information reasonably related to your claim. Within **15 business days** after receipt of all requested information, the company must approve or deny your claim in writing. The law allows the insurance company to extend this deadline up to **45 days** if it notifies you that more time is needed and tells you why.

After notifying you that your claim is approved, your insurance company must pay the claim **within five business days**.

If your claim results from a weather-related

catastrophe or other major natural disaster as defined by TDI, these claims handling deadlines are extended for an additional 15 days.

27. CHOICE OF REPAIR SHOP AND REPLACEMENT PARTS. You have the right to choose the repair shop and replacement parts for your vehicle. An insurance company may not specify the brand, type, kind, age, vendor, supplier, or condition of parts or products used to repair your automobile. The insurance company must provide you notice of the above requirements as follows:

- claims submitted by telephone – written notice within three business days or immediate verbal notice, followed by written notice within 15 days;
- claims submitted in person – immediate written notice at the time you present your vehicle to an insurer or an insurance adjuster or other person in connection with a claim for damage repair;
- claims submitted in writing - written notice must be provided within 3 business days of the insurance company’s receipt of the notice.

28. DEDUCTIBLE RECOVERY. If another person is liable for damage to your auto and you filed a claim and paid a deductible on your own policy, your insurance company must make a reasonable and diligent effort to recover the deductible from that person within twelve months from the date your claim is paid. If not, your company must:

- authorize you, at least 90 days prior to the expiration of the statute of limitations, to pursue your own collection efforts, or
- refund your deductible.

29. NOTICE OF LIABILITY CLAIM SETTLEMENT. Your insurance company must notify you if it intends to pay a liability claim against your policy. The company must notify you in writing of an initial offer to compromise or settle a claim against you no later than the 10th day after the date the offer is made. The company must notify you in writing of any settlement of a claim against you no later than the 30th day after the date of the settlement.

30. INFORMATION NOT REQUIRED FOR CLAIM PROCESSING. You have the right to refuse to provide your insurance company with information that does not relate to your claim. In addition, you may refuse to provide your federal income tax records unless your insurer gets a court order or your claim involves lost income or a fire loss.

What You Should Know About Prohibited Discrimination

31. PROTECTED CLASSES. An insurance company cannot discriminate against you by refusing to insure you; limiting the amount, extent, or kind of coverage available to you; charging you a different rate for the same coverage or refusing to renew your policy:

- because of race, color, religion, or national origin; or
- unless justified by actual or anticipated loss experience, because of age, gender, marital status, geographic location, or disability or partial disability.

32. UNDERWRITING GUIDELINES. Underwriting guidelines may not be unfairly discriminatory and must be based on sound actuarial principles.

33. EQUAL TREATMENT. Unless based on sound actuarial principles, an insurance company may not treat you differently from other individuals of the same class and essentially the same hazard. If you sustain economic damages as a result of such unfair discrimination, you have the right to sue that insurance company in Travis County District Court.

If your suit prevails, you may recover economic damages, court costs and attorney and necessary expert witness fees. If the court finds the insurance company knowingly violated your rights, it may award up to an additional \$25,000 per claimant.

You must bring the suit on or before the second anniversary of the date you were denied

insurance or the unfair act occurred or the date you reasonably should have discovered the occurrence of the unfair act. If the court determines your suit was groundless and you brought the lawsuit in bad faith, or brought it for the purposes of harassment, you will be required to pay the insurance company’s court costs and attorney fees.

What You Should Know About Insurance Companies’ Use of Credit Information.

34. REQUIRED DISCLOSURE. If an insurance company uses credit information to make underwriting or rating decisions, the company must provide you a disclosure statement within 10 days after receiving your completed application for insurance.

The disclosure indicates whether the insurer will obtain and use your credit information and lists your specific legal rights, including:

- credit information insurance companies cannot use against you;
- how you can get reasonable exceptions that your insurer is required to make to its use of credit information if certain life events, such as divorce, death of a close family member, or identity theft, hurt your credit;
- the notice* an insurer must send you when making a credit-based decision that harms your ability to get or keep insurance or requires you to pay a higher premium; and
- how you can dispute credit information and require an insurer to re-rate your policy if the rate was increased because of inaccurate or unverifiable credit information.

* The notice must include a description of up to four primary factors that influenced the action taken by the insurer.

Insurers must use the disclosure form (CD-1) adopted by the Commissioner or an equivalent disclosure form filed prior to use with TDI. The CD-1 is available at www.tdi.texas.gov/forms/pcpersonal/pc328crtdts.pdf

f or by calling 1-800-252-3439. Additional information regarding insurers' use of credit information is available at www.tdi.texas.gov/credit.html.

on any automobile insurance issue that concerns you. Send your written request to: Texas Department of Insurance, Attn: Commissioner (113-2A), P.O. Box 149104, Austin, TX 78714-9104.

What You Should Know About Enforcing Your Rights

35. FILING COMPLAINTS. You have the right to complain to TDI about any insurance company and or insurance matter and to receive a prompt investigation and response to your complaint. To do so, you should:

- call TDI's *Consumer Help Line* at 1-800-252-3439, (512-804-5170 in Austin) for service in both English and Spanish;
- write to the Texas Department of Insurance, Consumer Protection, Mail Code 111-1A, P.O. Box 149091, Austin, Texas 78714-9091;
- e-mail TDI at ConsumerProtection@tdi.texas.gov
- fax your complaint to (512490-1007);
- download or complete a complaint form on line from the TDI website at www.tdi.texas.gov; or
- call the TDI Publications/Complaint Form order line (24 hours) at 1-800-599-SHOP (7467), (800-252-3439 in Austin). The order line is available 24 hours a day, seven days a week.

NOTE: TDI offers interpreter services and publications in alternate formats. Persons needing more information in alternate layouts or languages can call the *TDI Consumer Help Line* listed above.

36. RIGHT TO SUE: If an insurance company violates your rights, you may be able to sue that company in court, including small claims court, with or without an attorney.

37. BURDEN OF PROOF. If you sue to recover under your insurance policy, the insurance company has the burden of proof as to any application of exclusion in the policy and any exception to or other avoidance of coverage claimed by the insurer.

38. REQUESTING NEW RULES. You have the right to ask in writing that TDI make or change rules

**PRONTO GENERAL AGENCY,
LTD.
PRIVACY POLICY**

This Privacy Policy statement is limited to your relationship with **Pronto General Agency, Ltd.** Your relationship with other financial service providers and how they use the information you provide to them will be subject to and governed by their respective policies.

Our privacy policy is specifically designed for the protection of our consumer, in other words individuals obtaining a financial product for household purposes. **Pronto General Agency, Ltd.** recognizes the importance you place on your privacy and the confidentiality of your financial information. We think it is important for you to be informed of the policies we have in place to safeguard your privacy.

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

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

Information disclosed: We may disclose some or all of the information that we collect.

Parties Who May Receive Information: We may disclose the information about our customers and former customers to companies that perform marketing services on our behalf, to other financial institutions with whom we have joint marketing agreements, to third parties for certain purposes such as servicing customer relationships, fraud and risk management, and responding to transaction requests, and to third party companies in order to offer or support a product or service that we provide to you.

We may make disclosures to other non-affiliated third parties as permitted by law. This includes information to consumer reporting agencies for consumer reporting purposes, law enforcement agencies, or other third parties which prevent or investigate suspected fraudulent activities.

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

Changes to Privacy Policy: We reserve the right to amend, change, modify or supplement this Privacy Policy at any time. If we make material amendments, changes, modifications or supplements to this Privacy Policy, we will provide our current customers with a revised notice evidencing such action. We will send you an annual notice of this Privacy Policy if and to the extent required by applicable law or regulation.

Reporting Information: If you believe any information we have about you or your personal relationship with us is incorrect, please notify us at

Legal Department
Pronto General Agency, Ltd.
805 Media Luna, Suite 401
Brownsville, TX 78520

Or call 1-866-357-9787 x8874. We will take prompt action in making appropriate corrections.