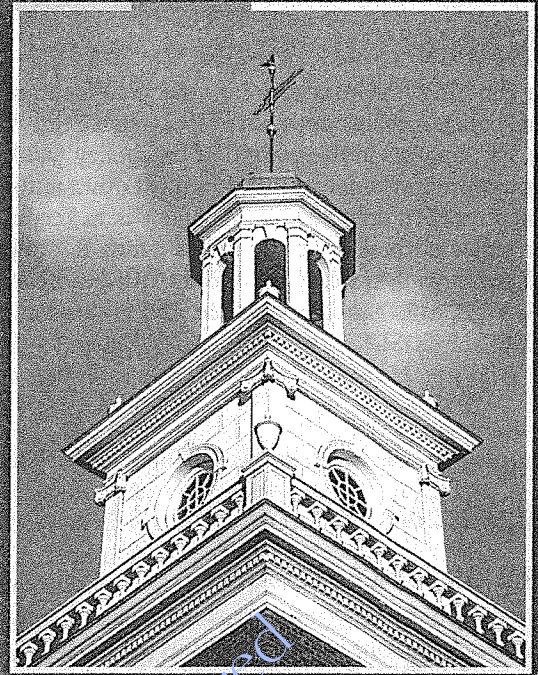




Erie Insurance®



# Auto Insurance Policy Maryland

## Where To Look In Your Policy

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## THANK YOU

for choosing Erie Insurance for your auto insurance needs. This policy contains many Xtra Protection Features. Wherever an "X" appears in the margin of this policy, you receive Xtra Protection that is not included in most other auto policies. The protection provided by this policy is in keeping with the single purpose of our Founders which is, "To provide YOU with as near PERFECT PROTECTION, as near PERFECT SERVICE, as is humanly possible, and to do so at the LOWEST POSSIBLE COST."

## AGREEMENT

### ERIE INSURANCE EXCHANGE

In return for "your" timely premium payment, "your" compliance with all of the provisions of this policy, and "your" signing of a "Subscriber's Agreement" with Erie Indemnity Company and other "Subscribers," "we" agree to provide the coverages "you" have purchased. "Your" coverages and limits of protection are shown on the "Declarations," which are part of this policy.

"Your" signing the "Subscriber's Agreement," which includes a limited power-of-attorney, permits Erie Indemnity Company, as Attorney-in-Fact, to make reciprocal insurance contracts between "you" and other Subscribers and otherwise manage the business of the Erie Insurance Exchange. This power-of-attorney applies only to "your" insurance business at the Exchange and is limited to the purposes described in the "Subscriber's Agreement."

"Your" responsibility as a "Subscriber" is determined by this policy and the "Subscriber's Agreement." "You" are liable for just the policy premiums charged and are not subject to any other premium liability under this policy.

This agreement is made in reliance on the information "you" have given "us" and is subject to all the terms of this policy.

This policy, with coverage agreements, limitations, exclusions and conditions, the "Declarations," applicable endorsements and waivers, and the "Subscriber's Agreement" constitute the entire agreement between "you" and "us."

### ERIE INSURANCE COMPANY

In return for "your" timely premium payment and "your" compliance with all of the provisions of this policy, "we" agree to provide the coverages "you" have purchased. "Your" coverages and limits of protection are shown on the "Declarations," which are part of this policy.

This agreement is made in reliance on the information "you" have given "us" and is subject to all the terms of this policy.

This policy, with coverage agreements, limitations, exclusions and conditions, the "Declarations" and applicable endorsements and waivers, constitute the entire agreement between "you" and "us."

## GENERAL POLICY DEFINITIONS

Throughout this policy and its endorsements, the following words and phrases have a special meaning when they appear in bold type and quotations.

### • "Additional auto" or "additional trailer:"

1. "Additional auto" means any "private passenger auto" other than a "replacement auto" that "you" acquire, purchase or lease during the policy period. For coverage to apply, "we" must insure all "private passenger autos" "you" own on the date "you" acquire, purchase or lease an "additional auto."
2. "Additional trailer" means any "trailer" other than a "replacement trailer" that "you" acquire, purchase or lease during the policy period. For coverage to apply, "we" must insure all "trailers" "you" own on the date "you" acquire, purchase or lease an "additional trailer."

"Additional auto" or "additional trailer" does not include any "auto" or "trailer" that "you" acquire, purchase or lease with anyone other than a "relative." Coverage does not apply to an "additional auto" or an "additional trailer" registered to a corporation or other business entity.

"You" must notify "us" during the policy period of "your" intention to have this policy apply to an "additional auto" or an "additional trailer." If "you" obtain an "additional auto" or an "additional trailer" within 30 days prior to the end of the policy period, "you" have 60 days after acquisition to notify "us."

Should a loss occur involving an "additional auto" or "additional trailer" prior to "your" notifying "us," the additional vehicle will have the broadest coverage "you" have purchased for any one vehicle listed on the "Declarations."

If "you" do not have:

1. Comprehensive Coverage on any vehicle listed on the "Declarations," then Comprehensive Coverage will apply, subject to a \$500 deductible. However, Comprehensive Coverage will end seven days after "you" acquire, purchase or lease the vehicle or when "you" report the additional vehicle to "us," whichever occurs first.
2. Collision Coverage on any vehicle listed on the "Declarations," then Collision Coverage will apply, subject to a \$500 deductible. However, Collision Coverage will end seven days after "you" acquire, purchase or lease the vehicle or when "you" report the additional vehicle to "us," whichever occurs first.

• "Anyone we protect" is defined separately under the LIABILITY PROTECTION Section, RIGHTS AND DUTIES—GENERAL POLICY CONDITIONS Section or any applicable coverage. Refer to each of these sections or the applicable endorsement for the definition of "anyone we protect" as it applies to each coverage.

• "Auto" means any land "motor vehicle" with at least four wheels except a:

1. vehicle designed for use principally off public roads;

2. vehicle operated on rails or crawler treads;
  3. vehicle located for use as a residence; or
  4. "miscellaneous vehicle."
- "Auto business" means the business of selling, leasing, renting, repairing, servicing, cleaning, painting, storing or parking "autos," "trailers" or "miscellaneous vehicles."
  - "Auto we insure" means:
    1. "owned auto we insure;"
    2. "temporary substitute;" or
    3. "nonowned auto." "Nonowned auto" is defined separately under the LIABILITY PROTECTION Section, the PHYSICAL DAMAGE COVERAGE Section or any applicable coverage. Refer to each of these sections or the applicable endorsement for the definition of "nonowned auto" as it applies to each coverage.
  - "Declarations" means "our" form which shows "your" coverages, limits of protection, "owned auto we insure," premium charges and other information.  
This form is part of this policy. "Declarations" include forms titled Amended, Revised, Duplicate, New, Reinstated or Continuation Notice.
  - "Fungi" means any type or form of fungus, including, but not limited to, molds, mildews, smuts, mushrooms, yeasts and any mycotoxin, spores, scents, vapors, gases or byproducts produced, arising out of or released by any type or form of fungus.
  - "Miscellaneous vehicle" means a motorcycle (including a motorcycle with a sidecar), moped, snowmobile, golf cart, all terrain vehicle and any similar recreational vehicle. It does not include a lawn and garden tractor or mower or similar vehicle.
  - "Motor vehicle" means any vehicle that is self-propelled and is required to be registered under the laws of the state in which "you" reside at the time this policy is issued. "Motor vehicle" does not include a vehicle:
    1. propelled solely by human power;
    2. propelled by electric power obtained from overhead wires;
    3. operated on rails or crawler treads;
    4. located for use as a residence or premises; or
    5. which is a lawn and garden tractor or mower or similar vehicle.
  - "Moving van" means a four or six wheel "motor vehicle," such as a compact van or step van, designed mainly to transport household goods. It must be borrowed or rented and driven by "you" or a "relative" for personal use.
  - "Occupying" means in, upon, getting into or getting out of.
  - "Owned auto we insure" means any:
    1. "auto" or "trailer" described on the "Declarations" for the coverages "you" have purchased;
    2. "additional auto," or "additional trailer;" or
    3. "replacement auto," or "replacement trailer."

- "Private passenger auto" means a four wheel land "motor vehicle" designed mainly to transport people on public roads. It includes station wagons and the following types of vehicles, even with dual rear wheels, when not used for business purposes, except farming or ranching:
  1. motor homes;
  2. pickups; and
  3. vans.
- "Relative" means a "resident" of "your" household who is a:
  1. person related to "you" by blood, marriage, or adoption; or
  2. ward or any other person under 21 years old in "your" care.

- "Replacement auto" or "replacement trailer:"
  1. "Replacement auto" means any "private passenger auto" that "you" acquire, purchase or lease within the policy period to replace an "auto" described on the "Declarations."
  2. "Replacement trailer" means any "trailer" that "you" acquire, purchase or lease within the policy period to replace a "trailer" described on the "Declarations."

"Replacement auto" or "replacement trailer" does not include any "auto" or "trailer" that "you" acquire, purchase or lease with anyone other than a "relative." Coverage does not apply to "replacement autos" or "replacement trailers" registered to a corporation or other business entity.

"You" must notify "us" during the policy period of "your" intention to have this policy apply to a "replacement auto" or "replacement trailer." If "you" obtain a "replacement auto" or "replacement trailer" within 30 days prior to the end of the policy period, "you" have 60 days after acquisition to notify "us." X

Should a loss occur involving a "replacement auto" or "replacement trailer" prior to "your" notifying "us," the replacement vehicle will have the broadest coverage "you" have purchased for any one vehicle listed on the "Declarations." X

If "you" do not have:

1. Comprehensive Coverage on any vehicle listed on the "Declarations," then Comprehensive Coverage will apply, subject to a \$500 deductible. However, Comprehensive Coverage will end seven days after "you" acquire, purchase or lease the vehicle or when "you" report the replacement vehicle to "us," whichever occurs first. X

2. Collision Coverage on any vehicle listed on the "Declarations," then Collision Coverage will apply, subject to a \$500 deductible. However, Collision Coverage will end seven days after "you" acquire, purchase or lease the vehicle or when "you" report the replacement vehicle to "us," whichever occurs first. X

- "Resident" means a person who physically lives with "you" in "your" household on a regular basis. "Your" unmarried, unemancipated children attending school full time, living away from home, will be considered "residents" of "your" household.

- **"Suit"** means a civil proceeding in which damages are alleged because of bodily injury or property damage to which this insurance applies. **"Suit"** includes:
  1. an arbitration proceeding; or
  2. any other alternative dispute resolution proceeding,
 to which **"anyone we protect"** must submit or submit with **"our"** consent alleging such damages.
- **"Temporary substitute"** means any **"auto"** or **"trailer"** which is a substitute for an **"owned auto we insure."** The **"owned auto we insure"** must be withdrawn from normal use because of its breakdown, destruction, loss, repair or servicing. The **"temporary substitute"** cannot be owned by **"you"** and must be used with the permission of the owner.
- **"Trailer"** means a vehicle designed to be pulled by a **"private passenger auto,"** if not being used for business purposes except with a **"private passenger auto."** In the LIABILITY PROTECTION Section of this policy, **"trailer"** includes a farm wagon or farm implement while used with a **"private passenger auto."**

#### ADDITIONAL ERIE INSURANCE EXCHANGE DEFINITIONS

*The following words and phrases have a special meaning in policies issued by Erie Insurance Exchange when they appear in bold type and quotations.*

- **"Subscriber"** means the person(s) who signed the **"Subscriber's Agreement."**
- **"Subscriber's Agreement"** means the agreement, including a limited power-of-attorney, among the Subscribers and the Erie Indemnity Company, as Attorney-in-Fact.
- **"We," "us" or "our"** means the Subscribers at Erie Insurance Exchange as represented by their common Attorney-in-Fact, Erie Indemnity Company.
- **"You," "your" or "Named Insured"** means the **"Subscriber"** identified as a Named Insured on the **"Declarations"** and others identified as Named Insured(s) on the **"Declarations."** Except under the RIGHTS AND DUTIES—GENERAL POLICY CONDITIONS Section, these words include the spouse of the **"Subscriber"** identified as a Named Insured on the **"Declarations,"** provided the spouse is a **"resident."**

#### ADDITIONAL ERIE INSURANCE COMPANY DEFINITIONS

*The following words and phrases have a special meaning in policies issued by Erie Insurance Company when they appear in bold type and quotations.*

- **"We," "us" or "our"** means the Erie Insurance Company.
- **"You," "your" or "Named Insured"** means the person(s) identified as Named Insured(s) on the **"Declarations."** Except in the RIGHTS AND DUTIES—GENERAL POLICY CONDITIONS Section, these words include the spouse of the person(s) identified as Named Insured(s) on the **"Declarations,"** provided the spouse is a **"resident."**

## LIABILITY PROTECTION

### DEFINITIONS

*The following words and phrases have a special meaning when they appear in bold type and quotations in the LIABILITY PROTECTION Section.*

- **"Anyone we protect"** means:
  1. **"you"** or any **"relative"** using an **"auto we insure;"**
  2. any person using, or any person or organization legally responsible for the use of, an **"owned auto we insure."** This use must be with **"your"** permission unless the use is by a **"relative;"** and
  3. any person or organization legally responsible for the use, by **"you"** or a **"relative,"** of any **"nonowned auto."** This protection applies only if the person or organization does not own or hire the vehicle being used.
- **"Nonowned auto"** means:
  1. while **"you"** are using it, any **"auto," "moving van," "trailer" or "temporary substitute"** not owned or leased by **"you;"** or
  2. while a **"relative"** is using it, any **"private passenger auto," "moving van," "trailer" or "temporary substitute"** not owned or leased by **"you"** or a **"relative."**

The operation or other use by **"you"** or a **"relative"** must be with the permission of the owner or **"you"** or the **"relative"** must reasonably believe the permission of the owner exists.

### OUR PROMISE

#### Bodily Injury Liability Coverage

#### Property Damage Liability Coverage

If these coverages are indicated on the **"Declarations,"** **"we"** will pay all sums that **"anyone we protect"** legally must pay as damages caused by an accident covered by this policy. The accident must arise out of the ownership, maintenance, use, loading or unloading of an **"auto we insure."**

Damages must involve:

1. bodily injury, meaning physical harm, sickness, disease, or resultant death to a person; or
2. property damage meaning:
  - a. physical injury to or destruction of tangible property, including loss of its use; or
  - b. loss of use of tangible property which is not physically injured or destroyed.

**"We"** may investigate or settle any claim or **"suit"** for damages against **"anyone we protect,"** at **"our"** expense. If **"anyone we protect"** is sued for damages covered by this policy, **"we"** will defend, with a lawyer **"we"** choose, even if the allegations are not true. **"Our"** obligation to pay any claim or judgment or defend any **"suit"** ends when **"we"** have used up **"your"** limit of protection by paying judgments or settlements or making a deposit in court.

## ADDITIONAL PAYMENTS

Payment for the following is in addition to the limit of protection shown on the "Declarations."

### Claim Expenses

"We" will pay:

1. court costs to defend or settle, as "we" believe proper, any claim or "suit" against "anyone we protect," for damages covered under this section. "Our" payment of the limit of protection for a settlement, judgment or deposit in court ends "our" duty to pay under this item.
2. expenses incurred to investigate and defend or settle, as "we" believe proper, any claim or "suit" against "anyone we protect" for damages covered under this section. "Our" payment of the limit of protection for a settlement, judgment or deposit in court ends "our" duty to pay under this item.
3. post-judgment interest, but only that portion of the post-judgment interest which accrues on that part of the judgment that does not exceed the limit of protection on a "suit" "we" defend. "Our" payment, offer in writing, or deposit in court of that part of the judgment that does not exceed the limit of protection ends "our" duty to pay any post-judgment interest that accrues after the date of "our" payment, written offer or deposit.
4. prejudgment interest or delay damages awarded on that part of any judgment that does not exceed the limit of protection. If "we" offer in writing to pay the applicable limit of protection, "we" will not pay any prejudgment interest or delay damages for the period of time after the offer.
5. reasonable expenses "anyone we protect" may incur at "our" request to help "us" investigate or defend a claim or "suit." This includes up to \$300 a day for actual loss of earnings, limited to those days "anyone we protect" attends hearings or trials at "our" request.
6. premiums on the following types of bonds, but not for bond amounts greater than the limit of protection:
  - a. appeal bond in a "suit" "we" defend;
  - b. up to \$500 for a bail bond premium required because of an accident or related traffic violation involving an "auto we insure;" and
  - c. attachment bond to release property of "anyone we protect" due to an accident or related traffic violation involving an "auto we insure."

"We" have no duty to apply for or furnish such bonds.

7. reasonable lawyers' fees up to \$50 which "anyone we protect" incurs because of arrest, resulting from an accident involving an "auto we insure."

### First Aid Expenses

"We" will pay reasonable expenses for first aid to other persons and animals at the time of an accident involving an "auto we insure."

## EXTRA PROTECTION WHEN TEMPORARILY OUT OF STATE

If "anyone we protect:"

1. travels to another state, the District of Columbia, a territory or possession of the United States of America, Puerto Rico or Canada; and
2. as a nonresident becomes subject to a motor vehicle financial responsibility law, compulsory insurance law, or other similar law that imposes insurance requirements which are greater than the insurance provided by this policy,

then, the Liability Protection under this policy will be increased to the minimum amount of liability coverage required by law. Coverage provided to meet the minimum limits will be in lieu of the insurance otherwise provided by this policy.

The insurance under this provision will be reduced to the extent that there is other valid and collectible insurance under this or any motor vehicle insurance policy. In no event will any person be entitled to receive duplicate payments for the same elements of loss.

## EXCLUSIONS—What We Do Not Cover

"We" do not cover:

1. damage caused by "anyone we protect" to property they own or are transporting.
2. damage caused by "anyone we protect" to property rented to them or in their charge. This exclusion does not apply to household goods or household premises.
3. damages caused intentionally by or at the direction of "anyone we protect."
4. an "owned auto we insure" while being used in the "auto business." This exclusion does not apply if the "owned auto we insure" is being used by:
  - a. "you" or a "resident" of "your" household;
  - b. any partner, agent, or employee of "you" or a "resident" of "your" household; or
  - c. any other person with respect to coverage up to the minimum limits of liability required by the Maryland Vehicle Laws—Required Security.
5. an "owned auto we insure" or a "nonowned auto" while used in the business of the United States Government where the United States Government is responsible under the Federal Tort Claims Act (28 USCA § 1346, 2671-2680).
6. a "nonowned auto:"
  - a. while used by "anyone we protect" while employed or otherwise engaged in the "auto business;"
  - b. while used in connection with any other business or occupation of "anyone we protect." This exclusion does not apply to a "private passenger auto" or "trailer;"
  - c. while being operated by someone other than "you" or a "relative" even if the "nonowned auto" is in the custody or control of "anyone we protect;"

X

- d. furnished or available for the regular use of a **"relative"** while a **"relative"** is using it. This exclusion does not apply if the vehicle is furnished or available for **"your"** regular use; or
- e. furnished or available by a governmental agency or unit:
  - 1) for **"your"** use while **"you"** or a **"relative"** are using it; or
  - 2) for a **"relative's"** use unless being used by **"you."**
7. bodily injury to employees of **"anyone we protect"** occurring in the course of employment. **"We"** will provide coverage for such an injury to a domestic employee not covered and not required to be covered by a workers compensation law.
8. a vehicle **"you"** acquire during the policy period or any **"temporary substitute"** for it if there is other applicable insurance.
9. an **"auto we insure"** while hired by or rented to others for a fee or while available for hire by the public. **"We"** will protect **"you"** or a **"relative"** held responsible for damages while **"occupying"** but not driving such a vehicle, if it is a **"nonowned auto."** Fee does not include payment received in a car pool or for trips for nonprofit social, educational, or charitable agencies.
10. damages for which there is insurance under a nuclear energy liability insurance policy, even if the limits of protection under that policy have been used up.
11. bodily injury or property damage arising out of the practice, preparation or participation in any prearranged, organized or spontaneous:
  - a. racing contest;
  - b. speed contest;
  - c. demolition contest;
  - d. high performance driving;
  - e. stunting activities; or
  - f. similar activities,
 including such use while at a facility or course designed for such purposes listed above.
12. punitive or exemplary damages and related defense costs.
13. bodily injury or property damage arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of or presence of any **"fungi,"** wet or dry rot, or bacteria.
14. bodily injury or property damage arising out of the ownership, maintenance, use, loading or unloading of a **"miscellaneous vehicle."**

## LIMIT OF PROTECTION

**"We"** will pay no more than the limit(s) shown on the **"Declarations"** for one **"auto"** in any one accident as explained below. It makes no difference how many persons **"we"** protect, **"autos we insure,"** claims are made or **"autos"** are involved in the accident.

An **"auto"** and attached **"trailer"** are considered one **"auto"** under this coverage.

If coverage is purchased on a Split Limits basis, the **"Declarations"** will show a "per person" and "per accident" limit for Bodily Injury Liability and a "per accident" limit for Property Damage Liability. The "per person" limit for Bodily Injury Liability is the most **"we"** will pay for all damages arising out of bodily injury to one person in any one accident. The "per accident" limit for Bodily Injury Liability is the most **"we"** will pay for all damages arising out of bodily injury to all persons resulting from any one accident, subject to the "per person" limit. The "per accident" limit for Property Damage Liability is the most **"we"** will pay for all property damage caused by any one accident.

If coverage is purchased on a Single Limit basis, the **"Declarations"** will show a "per accident" limit for Bodily Injury Liability and Property Damage Liability. This is the most **"we"** will pay for all damages arising out of bodily injury and property damage caused by any one accident. **"We"** will apply the limit of protection to provide any separate limits required by law for bodily injury and property damage liability. However this provision will not change **"our"** total limit of protection.

If an individual's damages derive from, arise out of or otherwise result from bodily injury to another person injured in the accident or the death of another person killed in the accident, **"we"** will pay only for such damages within the "per person" limit available to the person injured or killed in the accident.

## OTHER INSURANCE

This policy provides primary insurance for any **"owned auto we insure."** The policy's coverage is excess over any other collectible insurance on a **"nonowned auto,"** up to the limit(s) of protection for one **"auto."**

**"We"** will, however, provide primary insurance for a motor vehicle **"you"** do not own if it is insured under a policy issued to a business engaged in selling, leasing, repairing, servicing, delivering, testing, road testing, parking or storing motor vehicles. This applies only if **"you"** or a **"relative"** are operating the motor vehicle and are not the owner, operator, employee or agent of that business.

When there is other insurance applicable to the accident on the same basis, **"we"** will pay **"our"** share. **"Our"** share is the proportion that **"our"** limit of protection bears to the total of all applicable limits.

**"We"** will never pay more than the limit of protection.

## PHYSICAL DAMAGE COVERAGES

### DEFINITIONS

The following words and phrases have a special meaning when they appear in bold type and quotations in the PHYSICAL DAMAGE COVERAGES Section.

- "Loss" means direct and accidental damage or direct and accidental loss.
- "Nonowned auto" means, while "you" or a "relative" are using it, any "private passenger auto," "moving van," "trailer" or "temporary substitute" not owned or leased by "you" or a "relative." "You" or a "relative" must have permission to operate or use the vehicle or "you" or the "relative" must reasonably believe that permission exists.

A "nonowned auto" does not include one that is furnished or available for the regular use of "you" or a "relative." A "private passenger auto," "moving van" or "trailer" (not including a "temporary substitute") rented or leased to "you" for a period of more than 45 consecutive days will be considered as furnished or available for the regular use of "you" or a "relative."

### OUR PROMISE—Comprehensive Coverage

If Comprehensive Coverage is indicated on the "Declarations," "we" will pay for "loss" to an "auto we insure" and its equipment not caused by collision or upset. If the "loss" is to an "owned auto we insure," "we" will only pay if "you" purchased Comprehensive Coverage for the "owned auto we insure." "We" will pay for "loss" less the deductible shown on the "Declarations." Comprehensive Coverage includes glass breakage, contact with persons, animals, birds, missiles or falling objects. Should only "your" windshield be damaged, "we" will not apply the deductible if the windshield is repaired rather than replaced.

### OUR PROMISE—Collision Coverage

If Collision Coverage is indicated on the "Declarations," "we" will pay for "loss" to an "auto we insure" and its equipment caused by collision or upset. If the "loss" is to an "owned auto we insure," "we" will only pay if "you" purchased Collision Coverage for the "owned auto we insure." "We" will pay for "loss" less the deductible shown on the "Declarations."

"We" will not subtract the deductible if the accident is between an "auto we insure" and another "auto:"

1. insured by the Erie Insurance Group.
2. not insured by the Erie Insurance Group, if:
  - a. the "loss" to the "auto we insure" is greater than the deductible amount;
  - b. the owner of the other "auto" has been identified;
  - c. the owner or operator of the other "auto" is solely liable for the "loss;" and
  - d. there is adequate property damage liability insurance which protects anyone responsible for the "loss."

### ADDITIONAL PAYMENTS (No Deductible Applies To These Additional Payments)

If Comprehensive Coverage and/or Collision Coverage are purchased, "we" will:

1. pay all reasonable expenses necessary to return "your" stolen "auto we insure."
2. reimburse "you" for travel costs, including meals and lodging, paid by anyone because "you" were unable to reach "your" destination after "loss" to an "auto we insure." Payment will not exceed \$75 per person for each "loss."
3. pay for "loss" to personal effects, including clothes and luggage, that are normally carried by a person, while the personal effects are in or upon an "auto we insure." The following restrictions apply:
  - a. personal effects must be owned by "you" or a "relative."
  - b. money, professional or occupational tools or machines, sales samples, and merchandise for sale, delivery or exhibition are not considered personal effects.
  - c. theft losses are covered only if the entire vehicle is stolen.
  - d. when "loss" results from a collision, there must be enough damage to the "auto we insure" to require a Collision "loss" payment by "us."
  - e. payment for "loss" to personal effects will not exceed \$350. "We" will only pay for "loss" not covered by other insurance.
4. pay all expenses necessary to replace a deployed airbag.
5. reimburse "you" up to \$75 for the cost incurred for locksmith services if keys are accidentally locked in an "auto we insure."

### EXCLUSIONS—What We Do Not Cover

"We" will not pay for "loss:"

1. confined to or resulting from wear and tear, freezing, mechanical or electrical breakdown or failure. "We" will pay for such damage resulting from a covered "loss." A covered "loss" does not include a "loss" confined to mechanical or electrical failure or body defects caused by or resulting from faulty workmanship or negligence by "you" or others.
2. caused intentionally by or at the direction of "you" or a "relative."
3. to any:
  - a. tape players;
  - b. compact disc players or recorders;
  - c. digital video disc players or recorders;
  - d. video cassette players or recorders;
  - e. electronic navigational systems;
  - f. radios;
  - g. two-way mobile radios or telephones;
  - h. scanners;
  - i. televisions; and

- j. any other similar equipment that records, receives or transmits audio, visual or data signals.

This exclusion does not apply to such equipment, its accessories, attachments and antennas if it is permanently installed.

Payment for "loss" to permanently installed equipment will be limited to \$1,000. This limit will not apply if the equipment is permanently installed:

- a. in the opening of the dash, console, or overhead console, normally used by the auto manufacturer to install such equipment; or
- b. by the auto manufacturer in other locations of the "auto."

Payment for "loss" to tapes, digital video discs or compact discs will be limited to no more than ten tapes, digital video discs or compact discs in any one "loss." Coverage for theft of tapes, digital video discs or compact discs will be provided only if the sound equipment is stolen or the entire "auto" is stolen.

- 4. to fax machines, personal computers and peripheral equipment and similar electronic equipment.
- 5. to a vehicle "you" acquire during the policy period or any "temporary substitute" for it, if there is other applicable insurance.
- 6. to a "nonowned auto:"
  - a. while used in connection with the "auto business;" or
  - b. while used in connection with any other business or occupation. This exclusion does not apply to a "private passenger auto" or "trailer."
- 7. to any "trailer" used as a residence, office, store, display or passenger "trailer."
- 8. to any "auto we insure" while hired by or rented to others for a fee, or while available for hire by the public. Fee does not include payment received in a car pool or for trips for nonprofit social, educational or charitable agencies.
- 9. due to any act or condition of war, including discharge of any nuclear weapon (even if accidental). War (declared or undeclared) means a state of armed hostile conflict between states or nations, civil war, insurrection, rebellion or revolution.
- 10. due to radioactive contamination.
- 11. to camper bodies unless described on the "Declarations" or replacing one described there. A camper body is a unit designed and equipped for use as living quarters to be mounted on an "auto" with a separate cab.
- 12. to radar detectors and other equipment designed to give advance warning of the operation of a speed-measuring device.
- 13. to tires caused by road damage, such as a blow out or puncture, unless it results from another "loss" covered by this policy.

- 14. to an "auto we insure" because of destruction or confiscation by governmental or civil authorities if "you," a "relative" or a person using an "auto we insure" with "your" permission was involved in illegal activities.

- 15. to an "auto we insure" arising out of practice, preparation or participation in any prearranged, organized or spontaneous:
  - a. racing contest;
  - b. speed contest;
  - c. demolition contest;
  - d. high performance driving;
  - e. stunting activities; or
  - f. similar activities,

including such use while at a facility or course designed for such purposes listed above.

- 16. resulting directly or indirectly from "fungi," wet or dry rot, or bacteria, meaning the presence, growth, proliferation, spread or any activity of "fungi," wet or dry rot, or bacteria, even if other events or happenings contributed concurrently or in sequence to the "loss."

- 17. due to diminution in value. Diminution in value means any actual or perceived "loss" in market or resale value that results from a direct and accidental "loss." Diminution in value includes any actual or perceived "loss" or reduction in market or resale value after an "auto we insure" has been damaged and has been repaired.

- 18. to, or loss of use of, a "nonowned auto" rented by "you" or a "relative" if a rental vehicle company is precluded from recovering such "loss" or loss of use, from "you" or that "relative," pursuant to the provisions of any applicable rental agreement or state law.

#### LIMIT OF PROTECTION

"We" will pay Actual Cash Value for "loss" to stolen or damaged property, but no more than:

- 1. what it would cost to repair or replace the property with other of like kind and quality. However, if an "auto" has been driven 15,000 miles or less, or the "auto" is one year old or less, "we" will use only OEM (Original Equipment Manufacturer) parts for repairs. The age of the "auto" will be determined by subtracting the model year of the "auto" from the year of inception of the current policy period; or
- 2. the Stated Amount that may be shown on the "Declarations."

Actual Cash Value reflects fair market value, age and condition of the property at the time of the "loss."

An "auto" and attached "trailer" are considered to be two separate vehicles under these coverages. The limit of protection for "loss" to any "trailer" not owned by "you" is \$2,000.

An "auto" and its equipment are considered one "auto" under these coverages including any deductible provision that applies. Equipment means that which is usual or incidental to the use of an "auto" as a vehicle.



Equipment includes, but is not limited to:

1. customized or individually adapted items when built or fit in or upon pickups or vans:
  - a. truck caps;
  - b. bay or custom windows;
  - c. interior wood trim;
  - d. special lighting fixtures; and
  - e. window treatments, such as draperies or mini-blinds.
2. equipment that allows a handicapped person to enter, exit or operate the vehicle;
- X 3. attached child safety seats; and
4. a camper body if it is:
  - a. described on the "Declarations" or replaces one described there; and
  - b. mounted on an "auto."

"Loss" to a camper body while not mounted on an "auto" will be paid in accordance with the deductibles purchased on the camper body.

#### OTHER INSURANCE

When there is other insurance for "loss" to an "owned auto we insure," "we" will pay "our" share of the "loss."

When there is "loss" to a "nonowned auto," "we" will pay the "loss" not covered by other insurance less any applicable deductible.

#### APPRAISAL

If "you" and "we" fail to agree on the amount of "loss," either party may make written demand for an appraisal. Each party will select an appraiser and notify the other of the appraiser's identity within 20 days after the demand is received. The appraisers will select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days after both appraisers have been identified, "you" or "we" can ask a judge of a court of record in the state where "you" reside at the time the policy is issued to select an umpire.

The appraisers will then set the amount of "loss." If the appraisers submit a written report of an agreement to "us," the amount agreed upon will be the amount of "loss." If they cannot agree, they will submit their differences to the umpire. A written award by two will determine the amount of "loss."

Each party will pay the appraiser they choose, and equally bear all other expenses of the appraisal. However, if the written demand for appraisal is made by "us," "we" will pay for the reasonable cost of "your" appraiser and "your" share of the cost of the umpire.

"We" will not be held to have waived any rights by any act related to appraisal.

#### LOSS PAYMENT

At "our" option, "we" will pay the "loss" in money, or repair or replace the damaged or stolen property. At any time before the "loss" is paid or the property is replaced, "we" may return any

stolen property to "you." "We" will pay the reasonable expense for its return and for any damage to it. Upon payment of the "loss," "we" have the right to take all or part of the property at its agreed or appraised value. There can be no abandonment of property to "us."

"We" may settle any claim for "loss" with "you" or anyone that has a legal interest in the property.

For damage to a "nonowned auto," "we" will pay the broadest amount available among the coverages "you" purchased under this section.

"You" must assign or transfer to "us" the Certificate of Title for the "auto" sustaining the "loss" before "we" will make a payment for all or part of the Actual Cash Value for a total "loss" to an "auto we insure." A total "loss" will be determined in compliance with the laws of the state in which "you" reside at the time the policy is issued. This paragraph is not applicable if "you" choose to retain ownership of the salvage vehicle as part of the total "loss" settlement.

#### NO BENEFIT TO BAILEE

No bailee will benefit, directly or indirectly, from this insurance.

#### LOSS PAYABLE CLAUSE

This clause applies to the Physical Damage Coverages provided by this policy for the Lienholder named on the "Declarations." It protects the Lienholder's financial interest in the vehicle insured.

Payment for any "loss" under these coverages will be made in accordance with the financial interest the "Named Insured" and the Lienholder, as its interest may appear for specific vehicle(s), have in the "loss." Payment may be made to the "Named Insured" and the Lienholder jointly or to either or both separately. If separate payments are made, the financial interests of both will be protected by "us."

When "we" pay the Lienholder for a "loss" for which the "Named Insured" is not insured, "we" are entitled to the Lienholder's right of recovery against the "Named Insured," to the extent of "our" payment. "Our" recovery will not impair the right of the Lienholder to recover the full amount of its claim.

The Lienholder will, on demand, pay any premium due under this policy for coverages which protect the Lienholder's interests, if the "Named Insured" fails to do so.

The Lienholder's financial interest will be protected regardless of the acts or neglect of the "Named Insured," subsequent legal encumbrance or any change in ownership of the property. However, this clause does not apply, and "we" will not protect, the Lienholder's financial interest in any case of fraudulent acts or omissions by the "Named Insured" or anyone representing the "Named Insured." If "we" cancel or refuse to renew this policy, not less than 10 days advance notice of such termination will be mailed to the Lienholder. If this policy is cancelled by the "Named Insured," "we" will mail notice of cancellation to the Lienholder. Mailing notice to the Lienholder's address shown on the "Declarations" will be sufficient proof of notice.

## ADDITIONAL COVERAGE

### X PET PROTECTION

"We" will pay reasonable veterinarian costs incurred for the necessary treatment of a domestic dog or domestic cat which is:

1. owned by "you" or a "relative;" and
2. injured while riding inside an "auto we insure" at the time of a covered loss.

If such injury results in the death of a domestic dog or domestic cat, "we" will pay to replace the animal with one of like kind and quality whether or not the animal is actually replaced. Replacement cost includes the amount associated with the first wellness visit as well as the cost to spay or neuter the animal. Replacement cost does not include any amounts associated with training. The most "we" will pay for any one animal for any one covered loss for both veterinarian costs and replacement costs is \$500. If more than one animal is injured or dies as a result of a covered loss, the maximum amount "we" will pay is \$1,000 subject to a maximum payment of \$500 for any one animal for both veterinarian costs and replacement costs.

### REIMBURSEMENT FOR COVERAGE IN MEXICO AND OTHER FOREIGN COUNTRIES

**WARNING:** "We" will not be liable for damages or other expenses incurred in any foreign country where this policy does not apply. In Mexico, however, Collision Coverage, if purchased, will apply.

- X "We" will reimburse "you" for premium paid for up to 30 days of coverage in a foreign country where this policy does not apply. Reimbursement will be made ONLY for similar coverages. Such coverages must apply to an "owned auto we insure," used by "you" or a "relative" in the foreign country. Reimbursement will not be made to anyone employed, stationed in the armed services, or attending school in a foreign country.

## RIGHTS AND DUTIES—GENERAL POLICY CONDITIONS

"We," "you" and anyone else protected by this policy must do certain things in order for the terms of this policy to apply.

### DEFINITIONS

The following words and phrases have a special meaning when they appear in bold type and quotations in the RIGHTS AND DUTIES—GENERAL POLICY CONDITIONS Section.

- "Anyone we protect" means:
  1. "you" and "your" spouse, if a "resident" of "your" household; and
  2. persons or organizations defined as "anyone we protect" in the LIABILITY PROTECTION Section or any applicable coverage.

### ASSIGNMENT

Interest in this policy may be transferred only with "our" written consent. "We" may require evidence that all "Named Insureds" approve the assignment.

### BANKRUPTCY OF ANYONE WE PROTECT

Bankruptcy or insolvency of "anyone we protect" will not relieve "us" of "our" obligations.

### CONCEALMENT, FRAUD OR MISREPRESENTATION

"We" do not provide coverage for "anyone we protect" if, before or after an accident or loss, "anyone we protect" has intentionally concealed or misrepresented any material fact or circumstance concerning this insurance. "We" will not make payment for the accident or loss if "anyone we protect" has intentionally concealed or misrepresented any material fact or circumstance concerning this insurance.

In the event of a fraudulent claim, "we" will not make payment for the accident or loss.

### CONTINUOUS POLICY

This policy is a continuous policy. It will continue in force until cancelled by "you" or terminated by "us" as explained in the Termination Condition. Each year "we" will send "you" a "Declarations" that shows the premium due for the next policy period.

In return for this service, "you" must mail "us" written notice prior to the new policy period if "you" want to cancel. If "we" do not receive this notice, this policy remains in force and "you" must pay "us" the earned premium due for this time.

### COOPERATION

"You" agree to cooperate with "us" by promptly and truthfully answering all questions about drivers and "autos we insure" and signing all papers relating to such insurance.

### DIVIDENDS

Policyholder dividends may be established by the Board of Directors upon such terms as the Board may determine consistent with applicable law. The decision to pay a dividend rests in the sole discretion of the Board of Directors. Policyholder dividends are not guaranteed.

### HOW YOUR POLICY MAY BE CHANGED

#### Changes To Your Policy

This policy conforms to the laws of the state in which "you" reside at the time it is issued. If the laws of the state change, this policy will comply with those changes. "We" will give "you" the benefit of any change made by "us" if it does not require additional premium. This change will be effective as of the date "we" implement the change in "your" state.

"You" may change this policy by asking "us." Asking "our" Agent is the same as asking "us." "Your" request must contain enough information to identify "you." If "we" agree with "your"

request, "we" will then issue a "Declarations." If there is a change in the information used to develop the policy premium, "we" may adjust "your" premium during the policy period effective as of the date the change occurred. Premium adjustments will be made using the rules and rates in effect for "our" use. Changes that may result in a premium increase or decrease during the policy period include, but are not limited to:

1. change to "your" address;
2. change to the location where the insured vehicle is principally garaged;
3. change in "your" marital status;
4. change to the distance "you" drive to or from work or school;
5. change in the use of "your" vehicle (i.e., business use of a vehicle);
6. addition or deletion of an "auto" or lienholder or another party having a financial interest in "your" vehicle(s);
7. addition or deletion of a licensed driver in "your" household regardless of whether they have their own "auto" and insurance; and
8. changes which modify the appearance or performance of "your" vehicle with customized equipment. Customized equipment includes those items or changes that are other than what is offered by the auto manufacturer of that specific model of vehicle or what is added or altered by the auto dealer when the vehicle is new at the time of original sale. Equipment added to a vehicle to allow a disabled person to enter, exit or operate the vehicle is not considered customized equipment.

#### Your Duty To Notify Us Of Changes

"You" agree to promptly notify "us" if "you" have made any material changes, including, but not limited to, those listed above. Changes may result in an increased premium, an adjustment in the coverage available under this policy, or cancellation or nonrenewal as permitted by law.

#### LAWSUITS AGAINST US

No legal action may be brought against "us" until there has been full compliance with all the terms of this policy. The legal liability of "anyone we protect" must be determined before "we" may be sued. This determination may be made by a court of law or by written agreement of all parties, including "us." No one has the right to make "us" a party to a "suit" to determine the liability of "anyone we protect." In the event of a medical, income or funeral payments claim or a Comprehensive or Collision loss, no "suit" may be brought against "us" until 30 days after proof of loss is filed.

#### OUR RIGHT TO RECOVER FROM OTHERS

After "we" make a payment under this policy, "we" will have the right to recover from anyone else held responsible. "Anyone we protect" is required to transfer this right to "us," and do nothing to harm this right.

Anyone receiving payment from "us" and from someone else for the same accident or loss will reimburse "us" up to "our" payment.

"We" will pay all reasonable expenses "anyone we protect" may incur at "our" request to help "us" recover damages from anyone else held responsible. This includes up to \$300 a day for actual loss of earnings, limited to those days "anyone we protect" attends hearings or trials at "our" request.

#### PRIORITY

This insurance will first protect "you," "your" spouse residing in "your" household and then others "we" protect. X

#### SURVIVORS' COVERAGE

If "you" die, the policy will cover:

1. "your" spouse if residing in the same household at the time of "your" death;
2. anyone having proper custody of an "owned auto we insure" until a representative is appointed, but only until the end of the policy period during which "your" death occurs;
3. "your" legal representative, but only while performing duties as "your" representative and only until the end of the policy period during which "your" death occurs. However, if "your" death occurs 30 days or less before the end of the policy period, coverage will be extended up to 60 days from the date of "your" death; and X
4. any "relative" covered under this policy on the date of "your" death, but only until the end of the policy period during which "your" death occurs. However, if "your" death occurs 30 days or less before the end of the policy period, coverage will be extended up to 60 days from the date of "your" death. X

#### TERMINATION

##### Cancellation

"You" may cancel this policy by mailing or delivering to "our" Agent or "us" written notice stating at what future date "you" want the cancellation to take effect. "We" may waive these requirements by confirming the date of cancellation to "you" in writing.

Except for nonpayment of premium, the effective date of cancellation will never be earlier than 45 days after "we" send it.

For nonpayment of premium, the effective date of cancellation will never be earlier than 10 days after "we" send it.

This policy may be cancelled during the policy period for the following reasons:

1. nonpayment of premium.
2. material misrepresentation or fraud in connection with the application, policy, or presentation of a claim.
3. revocation or suspension of the driver's license or motor vehicle registration of "anyone we protect" under this policy for reasons related to the driving record of "anyone we protect."

4. a matter or issue related to the risk that constitutes a threat to public safety.
5. a change in the condition of the risk that results in an increase in the hazard insured against.

X If this policy is cancelled, "we" will return the pro rata unused share of "your" premium. Cancellation will be effective even if "we" have not given or offered any return premium.

#### Nonrenewal

Should "we" refuse to renew this policy, "we" will do so in compliance with the laws of the state in which "you" reside. "We" will notify "you" before the end of the policy period.

"We" will send this notice at least 45 days in advance of the end of the policy period.

#### Method Of Giving Notice

"We" may cancel or refuse to renew this policy or any coverage by mailing "you" written notice stating the effective date of "our" action. Mailing notice to "you" at "your" last known address by certified mail will be sufficient proof of notice. The policy period will end on the date and time stated in the notice.

#### WHAT TO DO WHEN AN ACCIDENT OR LOSS HAPPENS

When there is an accident or loss, "anyone we protect" will:

1. notify "us" or "our" Agent in writing as soon as possible stating the:
  - a. name and policy number of "our" Policyholder;
  - b. time, place and circumstances of the accident or loss; and
  - c. names and addresses of injured persons and witnesses.
2. promptly notify the police in case of theft.
3. provide "us:"
  - a. promptly, any papers that relate to the accident or loss;
  - b. separate, signed, written and/or oral statements containing all the facts about the claim; and
  - c. proof of loss to damaged property.
4. at "our" request, separately:
  - a. answer all questions about the accident or loss;
  - b. submit to examinations and statements under oath and sign transcripts of the same;
  - c. assist in making settlement;

- d. help "us" enforce any right of recovery against anyone liable to "anyone we protect;"
  - e. cooperate with "our" investigations and any lawsuits;
  - f. attend hearings and trials;
  - g. assist "us" in securing and giving evidence and in obtaining the attendance of witnesses;
  - h. submit to physical and mental examination by doctors "we" choose as often as "we" reasonably require. "We" will pay for these examinations;
  - i. sign papers to allow "us" to obtain medical reports, earnings statements and copies of records; and
  - j. allow "us" to inspect and appraise the damaged property before its repair or disposal.
5. not make payments, assume obligations or incur expenses, except at their own cost.
  6. protect "autos we insure" from further damage. "We" will pay reasonable costs to do so. "We" will not pay for loss due to "your" failure to protect an "auto we insure" from further damage after a loss.

#### WHEN AND WHERE YOUR POLICY APPLIES

This policy applies to accidents or losses that occur during the policy period in the United States of America, its territories and possessions, Puerto Rico, Canada or between their ports. The policy period is shown on the "Declarations." Unless otherwise specified on the "Declarations," the policy period begins and ends at 12:01 A.M., Standard Time at the stated address of the "Named Insured."

This policy has been signed on "our" behalf in Erie, Pennsylvania, by "our" President and Secretary.

*Tenore W. Carara*

President

*Sean J. McLaughlin*

Secretary



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## POLICY CHANGE ENDORSEMENT – MARYLAND

Words and phrases in bold type and quotations are used as defined in the GENERAL POLICY DEFINITIONS section.

### PHYSICAL DAMAGE COVERAGES

The following is added after OUR PROMISE – Collision Coverage:

#### OUR PROMISE – Road Service (No Deductible Or Waiting Period Applies)

If Road Service Coverage is indicated on the "Declarations," "we" will reimburse "you" for reasonable towing and labor costs required because an "auto we insure" is disabled. Labor must be done at the site of the disablement. "We" will only pay for "loss" to an "owned auto we insure" on which "you" have purchased Road Service Coverage.

#### OUR PROMISE - Transportation Expenses (No Deductible Or Waiting Period Applies)

This section is deleted and replaced by the following:

If Transportation Expenses – Collision Coverage is indicated on the "Declarations," "we" will reimburse "you" for Transportation Expenses that result from a Collision loss to an "owned auto we insure" that has a premium shown on the "Declarations" for this coverage.

If Transportation Expenses – Comprehensive Coverage is indicated on the "Declarations," "we" will reimburse "you" for transportation expenses that result from a

Comprehensive "loss" to an "owned auto we insure" that has a premium shown on the "Declarations" for this coverage.

Payment may start on the day of the "loss" if the "auto" cannot be driven. If drivable, payment may start the day "you" leave the "auto" at the garage for repairs.

Transportation Expenses will be provided for up to 45 days per disablement. Payment for Transportation Expenses will end as indicated below, whichever occurs first:

1. no more than ten days after "we" offer settlement;
2. on the day the "auto" is replaced;
3. on the day the "auto" is returned to "you" in usable condition; or
4. on the day the "auto" could reasonably be expected to be repaired.

Transportation Expenses apply whether or not "we" pay for damages under Comprehensive or Collision Coverage.

Auto rental, bus, or taxi fares are examples of covered Transportation Expenses.

Transportation Expenses are provided for loss of use to a "nonowned auto" if:

1. "you" or a "relative" are legally liable for damages to the "nonowned auto;" and
2. "we" are provided with actual proof of loss of income.

Transportation Expenses for an auto rental will be provided as indicated below for the Rental Class/Vehicle Type listed on the "Declarations" without regard to the "per day" limit for that class. The "per day" limit will apply for transportation fares, loss of use or a rental in a higher class as indicated below.

Rental Class	Vehicle Type	Amount Available for Transportation Fares (Such as Bus or Taxi), Loss of Use, or Rental in Higher Class (Limited to any amount available after payment is made for applicable rental vehicle for Class indicated on the "Declarations")	
		Per Day Limit	Per Loss Limit
Class 1	Compact Sedan	\$20	\$900
Class 2	Traditional Sedan	\$25	\$1,125
Class 3	Small SUV/Pickup Truck	\$30	\$1,350
Class 4	Minivan/Midsize SUV	\$35	\$1,575
Class 5	Luxury Sedan/Large SUV	\$40	\$1,800



If \$100 per day, \$4,500 per loss is indicated on "your" "Declarations," a "per day" and "per loss" limit applies to a rental vehicle. This limit is only available for vehicles specially equipped to be operated by an individual with a disability.

### **ADDITIONAL PAYMENTS (No Deductible Applies To These Additional Payments)**

*Item 6. is added:*

If Comprehensive Coverage and/or Collision Coverage are purchased, "we" will:

6. provide Transportation Expenses – Comprehensive for a Class 1 – Compact Sedan rental or up to \$20 per day for other covered Transportation Expenses as described under OUR PROMISE – Transportation Expenses (No Waiting Period Applies).

### **MISCELLANEOUS VEHICLE PROVISIONS**

*If a "miscellaneous vehicle" is listed under "Vehicles Covered" on the "Declarations," the following provisions apply:*

#### **GENERAL POLICY DEFINITIONS**

*If a "miscellaneous vehicle" is listed under "Vehicles Covered" on the "Declarations," then the GENERAL POLICY DEFINITIONS are revised as follows:*

*Under "owned auto we insure" the following subparagraphs are added:*

4. any "miscellaneous vehicle" described on the "Declarations" for the coverages "you" have purchased; or
5. any "additional miscellaneous vehicle" or "replacement miscellaneous vehicle."

*Under "Temporary substitute" the following paragraph is added:*

"Temporary substitute" means any "miscellaneous vehicle" which is a substitute for an owned "miscellaneous vehicle" described on the "Declarations" which has been withdrawn from normal use because of a breakdown, destruction, loss, repair or servicing. The "temporary substitute" cannot be owned by "you" and must be used with the permission of the owner. The "temporary substitute" must be the same type of "miscellaneous vehicle" as shown on the "Declarations."

*The following definitions are added:*

"Additional miscellaneous vehicle" means a "miscellaneous vehicle" other than a "replacement miscellaneous vehicle" which "you" acquire, purchase or lease during the policy period. For coverage to apply, "we" must insure all owned "miscellaneous vehicles" of the

same type on the date "you" acquire an "additional miscellaneous vehicle." "We" will not automatically cover an "additional miscellaneous vehicle" when "we" do not already insure a "miscellaneous vehicle" of the same type owned by "you."

"Additional miscellaneous vehicle" does not include any "miscellaneous vehicle" that "you" acquire, purchase or lease with anyone other than a "relative." Coverage does not apply to an "additional miscellaneous vehicle" registered to a corporation or other business entity.

"You" must notify "us," during the policy period, of "your" intention to have this policy apply to the "additional miscellaneous vehicle." If "you" obtain an "additional miscellaneous vehicle" within 30 days prior to the end of the policy period, "you" have 60 days after acquisition to notify "us."

Should a loss occur involving an "additional miscellaneous vehicle" prior to "your" notifying "us," the "additional miscellaneous vehicle" will have the broadest coverage "you" have purchased for any one vehicle listed on the "Declarations." If "you" do not have:

1. Comprehensive Coverage on any vehicle listed on the "Declarations," then Comprehensive Coverage will apply, subject to a \$500 deductible. However, Comprehensive Coverage will end seven days after "you" acquire, purchase or lease the vehicle or when "you" report the "additional miscellaneous vehicle" to "us," whichever occurs first.
2. Collision Coverage on any vehicle listed on the "Declarations," then Collision Coverage will apply, subject to a \$500 deductible. However, Collision Coverage will end seven days after "you" acquire, purchase or lease the vehicle or when "you" report the "additional miscellaneous vehicle" to "us," whichever occurs first.

"Replacement miscellaneous vehicle" means a "miscellaneous vehicle" that "you" acquire, purchase or lease within the policy period to replace a "miscellaneous vehicle" of the same type described on the "Declarations." "Replacement miscellaneous vehicle" does not include a "miscellaneous vehicle" that "you" acquire, purchase or lease with anyone other than a "relative." Coverage does not apply to a "replacement miscellaneous vehicle" registered to a corporation or other business entity.

"You" must notify "us" during the policy period of "your" intention to have this policy apply to a "replacement miscellaneous vehicle." If "you" obtain a "replacement miscellaneous vehicle" within 30 days prior to the end of the policy period, "you" have 60 days after acquisition to notify "us."

Should a loss occur involving a "replacement miscellaneous vehicle" prior to "your" notifying "us," the "replacement miscellaneous vehicle" will have the

broadest coverage "you" have purchased for any one vehicle listed on the "Declarations." If "you" do not have:

1. Comprehensive Coverage on any vehicle listed on the "Declarations," then Comprehensive Coverage will apply, subject to a \$500 deductible. However, Comprehensive Coverage will end seven days after "you" acquire, purchase or lease the vehicle or when "you" report the "replacement miscellaneous vehicle" to "us," whichever occurs first.
2. Collision Coverage on any vehicle listed on the "Declarations," then Collision Coverage will apply, subject to a \$500 deductible. However, Collision Coverage will end seven days after "you" acquire, purchase or lease the vehicle or when "you" report the "replacement miscellaneous vehicle" to "us," whichever occurs first.

## LIABILITY PROTECTION

### EXCLUSIONS – What We Do Not Cover

*Exclusion 14. does not apply to a "miscellaneous vehicle" listed under "Vehicles Covered" on the "Declarations."*

### OTHER PROVISIONS

All other provisions of the policy apply.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PERSONAL INJURY PROTECTION ENDORSEMENT – MARYLAND

*This endorsement contains provisions applicable to Personal Injury Protection Coverage and changes provisions contained in your policy to the extent that the provisions in this endorsement are different from those in your policy.*

### DEFINITIONS

*Words and phrases in bold type and quotations are used as defined in this endorsement. If a word or phrase in bold type and quotations is not defined in this endorsement, then the word or phrase is defined in the GENERAL POLICY DEFINITIONS section of the policy.*

"Anyone we protect" means:

1. "you" and any "relative;" and
2. except for the Death Benefit, anyone else:
  - a. while "occupying" an "insured motor vehicle" as a guest or passenger;
  - b. while using an "insured motor vehicle" with "your" permission; or
  - c. when hit as a pedestrian in an accident involving an "insured motor vehicle." A pedestrian is anyone not "occupying" a self-propelled vehicle.

"Income" means earnings from work, including earnings from businesses or farms owned in whole or in part. When earnings are payable in property or services, "income" means their reasonable value.

"Insured motor vehicle" means a "motor vehicle" "you" own and to which the bodily injury liability insurance of the policy applies.

"PIP" means Personal Injury Protection.

### OUR PROMISE

"We" will pay "PIP" benefits for bodily injury that "anyone we protect" sustains in a "motor vehicle" accident. Bodily injury means physical harm, sickness, disease or resultant death. "We" will pay these benefits no matter who is at fault in the accident.

### BENEFITS

#### Medical Expenses

"We" will pay all reasonable medical expenses. Medical expenses means necessary medical, dental, ambulance, hospital, licensed nurse and funeral expenses and services. Hearing aids and eyeglasses are included. These expenses

and services must be incurred and completed within three years of the date of the accident.

#### Loss of Income

"We" will pay for 85% of loss of gross "income" sustained within three years from the date of an accident by "anyone we protect" while living. Such "income" loss must be the direct result of a "motor vehicle" accident. The person sustaining the loss must be an "income" or wage producer at the time of the accident. An "income" or wage producer is a person who, at the time of the accident, was earning or producing "income."

#### Replacement Services

"We" will reimburse "anyone we protect" for the necessary and reasonable expenses such person incurs within three years from the date of an accident for essential services. Such services must be those ordinarily performed by the injured person for the care and maintenance of such person's family or family household. "We" will make these payments only if the injured person was not an "income" or wage producer at the time of the accident.

"We" will not pay for replacement services performed by members of the injured person's household.

#### Death Benefit

If "you" or any "relative" die as the result of bodily injury in a "motor vehicle" accident, "we" will pay any balance remaining from the limit of protection after paying other benefits under this coverage. "We" will pay this benefit to the surviving kin "we" choose or to the victim's estate.

The amount of the Death Benefit will never be less than \$1000 nor more than \$5000. "We" will pay this benefit provided death occurs within one year of the date of the accident, claim is made within 60 days after death and there are surviving kin. Surviving kin means a spouse residing in the same household or any parent, child or dependent.

#### EXCLUSIONS - What We Do Not Cover

"We" do not protect anyone who:

1. intentionally causes an accident that results in their bodily injury.



2. sustains bodily injury while operating or voluntarily riding in a vehicle known by them to be stolen.
3. sustains bodily injury while committing a felony or while trying to avoid the police.
4. sustains bodily injury arising out of the ownership or use of a motorcycle. A motorcycle is a two or three-wheel "motor vehicle."
5. is the "Named Insured" or a "relative" who sustains bodily injury while "occupying," or struck as a pedestrian by an uninsured "motor vehicle" which is owned by the "Named Insured" or a "relative."
6. sustains bodily injury as a pedestrian if not a resident of Maryland and the accident occurs outside the state of Maryland.
7. is the owner of a "motor vehicle" and fails to maintain the security required by subsection 17-103 of the Transportation Article of Maryland Statutes.
8. has waived "PIP" or who has been waived from "PIP" under any private passenger motor vehicle liability policy issued in this state.

exceed the highest amount payable under any one policy.

Payment will be reduced by the amount of medical or disability benefits collectible from the insurer of a "motor vehicle" not protected under Maryland "PIP" Coverage.

Death Benefit - Payment will be reduced by:

1. all medical expenses paid by "us" or any other insurance company.
2. the amount of any Death Benefit "we" have paid under another policy issued by "us."

#### PAYMENT OF LOSS

Payment for 85% of loss of "income" will be made to the person who is disabled. Once application for benefits is made:

1. loss of "income" is payable every two weeks;
2. any amount "we" owe for a period of less than two weeks is payable at the end of the disability period.

#### ADDITIONAL DUTIES

Anyone making a claim will tell "us" the nature and extent of the injuries, treatment and any other details that will help "us" decide the amount "we" owe. Proof of claim or application for benefits will be made on forms furnished by "us." The original claim for benefits must be mailed as soon as possible, but no later than 12 months after the accident.

Anyone making a claim will submit to questioning by "us" under oath, as often as reasonably required.

Anyone making a claim will submit to physical and mental examinations by doctors selected by "us" when and as often as "we" may reasonably require. "We" will pay for these examinations.

Anyone making a claim for recurrence of bodily injury for which the original claim was made will submit reasonable medical proof of such recurrence.

#### SPECIAL PROVISIONS PERTAINING TO WAIVER OF PERSONAL INJURY PROTECTION

If "PIP" is waived under this policy, the "Declarations" will show "PERSONAL INJURY PROTECTION - WAIVED." The waiver of coverage will be binding upon:

1. "you,"
2. an individual driver listed on the "Declarations" or Waiver Forms, and
3. all "relatives" who are age 16 or older.

If "PIP" Benefits are provided under this policy, this waiver will apply to "PIP" provided under this policy and to any

#### LIMIT OF PROTECTION

"Our" duty to pay the "PIP" benefits, for bodily injury to one person in one accident, is limited by the amount shown on the "Declarations" under "PIP" for insurance to one "auto." The insuring of more than one person or "auto" under this coverage does not increase the limit of protection for any one person in any one accident. "We" will reduce payment to "anyone we protect" under this coverage by the amount of all workers' compensation benefits received for the same losses and expenses.

#### OTHER INSURANCE

"PIP Benefits" - When "PIP" benefits are in effect for an injured person under more than one policy, benefits will be paid as follows:

1. If the injured person is "occupying" or hit as a pedestrian by a vehicle protected under Maryland "PIP," the benefits of the policy insuring that vehicle will apply. The benefits available through other policies that insure the injured person as a named insured or relative will then apply. Benefits paid under all applicable policies will never exceed the highest amount payable under any one policy.
2. If the injured person is "occupying" or hit as a pedestrian by a vehicle not protected under Maryland "PIP," and is a named insured or relative under more than one policy, each policy will pay its share of the loss. Such share will be the proportion that the limit of each policy bears to the total of all applicable limits. Benefits paid under all applicable policies will never



other private passenger "**motor vehicle**" liability policy issued in this state.

However, an individual listed in 2. or 3. above may recover "**PIP**" under another private passenger "**motor vehicle**" liability policy if that individual:

1. is the first named insured under the other policy and has not waived "**PIP**" under that policy, and

2. is not a named insured under any other policy where a waiver of "**PIP**" is in effect.

"**PIP**" for all other eligible claimants is limited to \$2500 for each person injured in each accident.

#### **OTHER PROVISIONS**

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## UNINSURED/UNDERINSURED MOTORISTS COVERAGE ENDORSEMENT – MARYLAND

*This endorsement contains provisions applicable to Uninsured/Underinsured Motorists Bodily Injury Coverage and Property Damage Coverage and changes provisions contained in your policy to the extent that the provisions in this endorsement are different from those in your policy.*

### DEFINITIONS

*Words and phrases in bold type and quotations are used as defined in this endorsement. If a word or phrase in bold type and quotations is not defined in this endorsement, then the word or phrase is defined in the GENERAL POLICY DEFINITIONS section of the policy.*

"Anyone we protect" means:

1. "you" and any "relative;"
2. anyone else, while "occupying" any "owned auto we insure" other than:
  - a. one while hired by or rented to others for a fee, or while available for hire by the public. Fee does not include payment received in a car pool or for trips for nonprofit social, educational or charitable agencies; or
  - b. one being used without the permission of the owner;
3. anyone else who is entitled to recover damages because of bodily injury to any person protected by this coverage; and
4. anyone else while "occupying" a "nonowned auto" other than:
  - a. one "you" are using that is owned or leased by a "resident" of "your" household;
  - b. one furnished or available for the regular use of "you" or a "resident" of "your" household;
  - c. one being operated by anyone other than "you" or a "relative;"
  - d. one while hired by or rented to others for a fee, or while available for hire by the public. Fee does not include payment received in a car pool or for trips for nonprofit social, educational or charitable agencies; or
  - e. one being used without the permission of the owner.

"Nonowned auto" means, while "you" or a "relative" are using it, any "private passenger auto," "moving van," "trailer" or "temporary substitute" not owned or leased by "you" or a "relative." The operation or other use by "you" or a "relative" must be with the permission of the owner, or "you" or a "relative" must reasonably believe the permission of the owner exists.

"Uninsured motor vehicle" means:

1. a "motor vehicle" for which there is no liability bond, or insurance at the time of the accident in the amounts required by the financial responsibility law where the "auto we insure" is principally garaged;
2. a "motor vehicle" for which the insuring company denies coverage or is or becomes insolvent; or
3. a hit-and-run "motor vehicle." The identity of the driver and owner of the hit-and-run vehicle must be unknown. The accident must be promptly reported to the police or other proper governmental authority within 24 hours or as soon as practicable. "You" must notify "us" as soon as possible.

"Uninsured motor vehicle" does not include:

1. "motor vehicles" insured for Liability Protection under this policy;
2. "motor vehicles" designed for use mainly off public roads; or
3. "motor vehicles" owned, leased or rented by, furnished to or available for the use of "you" or a "relative."

"Underinsured motor vehicle" means a "motor vehicle" that has liability insurance in effect, but:

1. the available limits have been reduced by payment to others from claims arising from the same occurrence to less than the limits shown on the "Declarations" for Underinsured Motorists Coverage for one "auto;" or
2. the sum of the applicable limits of liability under all bodily injury and property damage liability bonds, insurance policies and self-insurance plans applicable at the time of the accident is less than the applicable limits



shown on the "**Declarations**" for Underinsured Motorists Coverage for one "**auto**."

"**Underinsured motor vehicle**" does not include:

1. "**motor vehicles**" insured for Liability Protection under this policy; or
2. "**motor vehicles**" designed for use mainly off public roads.

## OUR PROMISE

"**We**" will pay damages for bodily injury and property damage that "**anyone we protect**" or the legal representative of "**anyone we protect**" are legally entitled to recover from the owner or operator of an "**uninsured motor vehicle**" or "**underinsured motor vehicle**."

Damages must result from a motor vehicle accident arising out of the ownership or use of the "**uninsured motor vehicle**" or "**underinsured motor vehicle**" as a motor vehicle and involve:

1. bodily injury to "**anyone we protect**." Bodily Injury means physical harm, sickness, disease or resultant death to a person; or
2. property damage, meaning destruction of or injury to:
  - a. an "**owned auto we insure**" and property owned by "**anyone we protect**" while contained in such "**auto**;" and
  - b. property owned by "**you**" or a "**relative**" while contained in any "**auto we insure**" under this coverage.

If loss results in an Uninsured/Underinsured Motorists Property Damage claim, "**we**" will pay "**you**" the greater of the fair market rental value of a like kind replacement vehicle or the amount to which "**you**" are entitled under Transportation Expenses Coverage, if purchased.

"**We**" will not be bound by a judgment against the owner or operator of the "**uninsured motor vehicle**" or "**underinsured motor vehicle**" on issues of liability or amount of damages unless:

1. it is obtained with "**our**" written consent; or
2. "**we**" received reasonable notice that the suit was pending; and
3. "**we**" had reasonable time to protect "**our**" interests in the suit.

## EXCLUSIONS – What We Do Not Cover

This insurance does not apply to:

1. damages sustained by "**anyone we protect**" if he, she or a legal representative settled with anyone who may be liable for the damages, without "**our**" written consent.

2. the first \$250 of damage to the property of "**anyone we protect**" as the result of any one accident.
3. the benefit of any property insurance company.
4. the benefit of any workers' compensation or disability benefits carrier or anyone qualifying as a self-insurer under a workers' compensation, disability benefits or similar law.
5. injury to "**anyone we protect**" while "**occupying**," or struck as a pedestrian by, an "**uninsured**" or "**underinsured motor vehicle**" which is owned or leased by "**you**" or a "**relative**."
6. damages sustained by "**anyone we protect**" while "**occupying**," or struck as a pedestrian by, a "**motor vehicle**" or "**miscellaneous vehicle**" owned or leased by "**you**" or a "**relative**," but not insured for Uninsured/Underinsured Motorists Coverage under this policy.
7. property in or hit by a "**motor vehicle**" owned by "**you**" or any "**relative**."
8. punitive or exemplary damages and related defense costs.
9. bodily injury sustained by "**anyone we protect**" resulting from the accidental or intentional use of any weapon.
10. bodily injury sustained by "**anyone we protect**" resulting from assault and/or battery.
11. bodily injury sustained by "**anyone we protect**" while engaged in the theft of a "**motor vehicle**" or using a "**motor vehicle**" in connection with carjacking, kidnapping, abduction or attempting to flee police or evade arrest.

## LIMIT OF PROTECTION

### Limitations of Payment

If coverage is purchased on a "Split Limits" basis, the "**Declarations**" will show a PER PERSON and PER ACCIDENT limit for Uninsured/Underinsured Motorists Bodily Injury and a PER ACCIDENT limit for Uninsured/Underinsured Motorists Property Damage. The PER PERSON limit for Bodily Injury for one "**auto**" is the most "**we**" will pay for damages arising out of bodily injury or death to one person in any one accident. The PER ACCIDENT limit for Bodily Injury for one "**auto**" is the most "**we**" will pay for damages arising out of bodily injury or death to all persons resulting from any one accident, subject to the PER PERSON limit. The PER ACCIDENT limit for Property Damage is the most "**we**" will pay for all property damage caused by any one accident.

If coverage is purchased on a "Single Limit" basis, the "**Declarations**" will show a PER ACCIDENT limit for

Uninsured/Underinsured Motorists Bodily Injury and Property Damage. The PER ACCIDENT limit for one "auto" is the most "we" will pay for all damages arising out of bodily injury and property damage resulting from any one accident.

"We" will pay no more than the Uninsured/Underinsured Motorists Coverage limits shown on the "Declarations" for the "auto" involved in the accident, regardless of the number of persons "we" protect, "autos we insure," premiums paid, claims made or "autos" involved in the accident.

If "anyone we protect" insures more than one "auto" and none of the "autos" are involved in the accident, the highest limit of Uninsured/Underinsured Motorists Coverage applicable to any one "auto" will apply.

Uninsured/Underinsured Motorists Coverage does not apply to a "miscellaneous vehicle" owned or leased by "you" or a "relative" unless the "miscellaneous vehicle" is listed on the "Declarations" and a premium is shown for this coverage.

No separate limit of protection for Uninsured/Underinsured Motorists Coverage is provided for a "trailer." When a "trailer" is towed by a "motor vehicle" or "miscellaneous vehicle," the Uninsured/Underinsured Motorists Coverage applicable to the "motor vehicle" or "miscellaneous vehicle" extends to the "trailer."

No one will be entitled to receive duplicate payments for the same elements of loss. If an individual's damages derive from, arise out of, or otherwise result from bodily injury to another person injured in the accident or the death of another person killed in the accident, "we" will pay only for such damages within the PER PERSON limit available to the person injured or killed in the accident.

### Reductions

The limit of protection is the amount shown on the "Declarations," less the amount paid to "anyone we protect," that exhausts any applicable liability insurance policies, bonds, and securities on behalf of any person who may be held liable for bodily injury or death of "anyone we protect."

The limits of protection available under this Uninsured/Underinsured Motorists Coverage will be reduced by:

1. the amounts paid or payable by or for those liable for bodily injury or property damage to "anyone we protect."
2. the amounts paid or payable under any workers' compensation, disability benefits or similar law.
3. the sum of the limits of any liability insurance policies, bonds, and securities applicable to the bodily injury or death of "anyone we protect." This includes all sums paid under the Liability Coverage of this policy.

Payment under this coverage to or for "anyone we protect" will reduce the amount of damages they may be entitled to recover from those protected under the Liability Protection of this policy.

### OTHER INSURANCE

If other similar insurance applies to the accident, "we" will pay "our" share of the loss, subject to the other terms and conditions of the policy and this endorsement. "Our" share will be the proportion the limit of protection of this insurance bears to the total limit of liability of all applicable insurance. Recovery will not exceed the highest limit available among the applicable policies.

For damages to "anyone we protect" while "occupying" a "motor vehicle" "you" do not own, "we" will pay the amount of the loss up to the applicable limit(s) shown on the "Declarations" for one "auto," less the amount paid or payable by other insurance.

When the accident involves "underinsured motor vehicles," "we" will not pay until all other forms of insurance under all bodily injury and property damage liability bonds and insurance policies and self-insurance plans applicable at the time of the accident have been exhausted by payment of their limits.

### PAYMENT OF LOSS

At "our" option, "we" will pay:

1. "anyone we protect;"
2. the surviving spouse;
3. the legal representative; or
4. anyone legally entitled to recover.

### TRUST AGREEMENT

1. When "we" owe anyone under this coverage, they will:
  - a. hold in trust for "us" all rights of recovery against the other party;
  - b. do whatever is proper to secure these rights, and do nothing to harm them; and
  - c. sign and deliver to "us" all relevant papers.
2. When "we" pay anyone under this coverage, they will:
  - a. repay "us" out of any damages recovered from any legally liable party;
  - b. take any action necessary to recover payments made under this coverage, through a lawyer chosen by "us;" and
  - c. repay "us" from any recovery for expenses, costs or lawyers' fees "we" paid in the action.



## RIGHTS AND – GENERAL POLICY CONDITIONS

### WHAT TO DO WHEN AN ACCIDENT OR LOSS HAPPENS

*The following is added:*

1. Anyone making a claim for property damage under this Uninsured or Underinsured Motorists Coverage will, at "our" request, give "us" a sworn statement within 60 days of the loss. The statement will set forth:
  - a. the interest of "anyone we protect" and all others in the damaged property;
  - b. the actual cash value of the property at the time of the loss;
  - c. the amount, place, time and cause of such loss; and
  - d. the description and amounts of all other insurance covering the property.

"Anyone we protect" will show the damaged property to "us," at "our" request.
2. In an action against "us," "we" may require "anyone we protect" to join with "us" to bring those "we" allege to be liable into the action as party defendants.
3. "Anyone we protect" must notify "us" by certified mail of any offer to settle a claim for bodily injury or death that, in combination with any other settlements for the same loss, would exhaust the applicable bodily injury or death limits of the liability insurance policy. Within 60

days after receipt of such notice, "we" will send "anyone we protect:"

- a. written consent to accept the settlement and to the execution of releases; or
- b. written refusal not to accept the settlement offer. Within 30 days of such notice of refusal, "we" will pay "anyone we protect" the amount of the settlement offer. Payment of the amount of the settlement offer to "anyone we protect" preserves "our" right of recovery from anyone else held responsible. Once this payment is made, "anyone we protect" is required to transfer the right of recovery up to the amount of such payment to "us" and to do nothing to harm this right. Anyone receiving payment from "us" and from someone else for the same accident or loss will reimburse "us" up to the amount of "our" payment.

If "we" fail to meet all of the requirements imposed on "us" under this section, "anyone we protect" may accept a settlement offer and execute releases from anyone held responsible for the loss without prejudice to any uninsured motorists claim.

### LAWSUITS AGAINST US

*This condition is deleted and replaced by the following:*

"You" must comply with the terms of the policy before "you" may sue "us."

### OTHER PROVISIONS

All other provisions of the policy apply.

information about Transportation Expenses, please read the Policy Change Endorsement, the enclosed brochure titled "Auto Transportation Expenses" or discuss with your ERIE Agent.

**ADDITIONAL PAYMENTS (No Deductible Applies To These Additional Payments)**

Item 6. has been added. If Comprehensive Coverage is purchased, "we" will provide Transportation Expenses – Comprehensive for a Class 1 – Compact Sedan rental or up to \$20 per day for other covered Transportation Expenses as described under OUR PROMISE – Transportation Expenses (No Waiting Period Applies).

**ERIE AUTO PLUS COVERAGE**

Erie Auto Plus Coverage is an optional coverage that you may add to your auto policy for \$30 if you have Comprehensive and Collision on at least one auto. If your previous policy included optional Auto Enhancement Coverage, enclosed is a copy of revised of endorsement AFAZ01 (Ed. 4/14) which has been renamed Erie Auto Plus Coverage. Several of the changes to the endorsement are editorial revisions. However, the following coverage enhancements have been made:

- The premium amount that we will pay for a bail bond required because of an auto accident or related traffic violation involving an "auto we insure" has been increased from \$1,000 to \$3,000.
- If a diminished deductible applies to a Comprehensive or Collision loss, the diminished deductible now applies to all accidents which occurs during the policy period, not just the first accident.

If you have questions regarding these revisions or would like to add this optional coverage to your policy, please contact your ERIE Agent.



## ERIE INSURANCE GROUP PRIVACY NOTICE

The privacy and security of your personal information is important to us. This notice will inform you about our policies and procedures concerning the personal information about you that we collect, maintain and disclose in connection with the insurance policies you obtain from us. In order to offer the highest quality insurance products at the lowest possible rates, we collect, maintain, and, in some instances, disclose "nonpublic personal information" about you. Nonpublic personal information may include your name, address, social security number, wage information, driving record, policy coverages, medical information or credit history. It may also include transaction information such as your premium payment or claims history with us. We appreciate the importance of your personal privacy and are committed to protecting it as we provide for your insurance needs. Questions concerning our privacy policy may be sent to us at Customer Service Department, 100 Erie Insurance Place, Erie, PA 16530. You may also contact us through our Website at [www.erieinsurance.com](http://www.erieinsurance.com).

### COLLECTION OF INFORMATION

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

- Your insurance Agent or Producer;
- From you through applications or other forms such as claims forms or underwriting questionnaires;
- Insurance support organizations such as claims reporting services and other parties who provide information on insurance related transactions you have conducted with us, our affiliates, as listed below, or others;
- Consumer reporting agencies.

### WE DO NOT SELL YOUR INFORMATION TO OTHERS FOR MARKETING PURPOSES

Because we respect your privacy, we do not sell, trade or otherwise disclose your identity or any other personal information about you to third parties for their marketing purposes. This includes information we obtain concerning all applicants, customers and former customers. We may, however, share information regarding your transactions with us, with our affiliates, as listed below, or companies that perform marketing services on our behalf to assist us in providing our products and services to you. These companies are required to keep your information confidential.

### AFFILIATES OF ERIE INSURANCE GROUP

- Erie Insurance Exchange
- Erie Indemnity Company
- Erie Family Life Insurance Company
- Erie Insurance Company
- Erie Insurance Company of New York
- Erie Insurance Property and Casualty Company
- Flagship City Insurance Company
- E I Service Corp.

### INFORMATION WE MAY PROVIDE TO OTHERS

We only disclose nonpublic personal information about our applicants, customers and former customers as permitted or required by law in conjunction with our normal insurance operations. Here are some examples:

- We may disclose information to others such as our claims adjusters and our attorneys in the processing of an insurance claim;
- We may be required by a court of law to provide information in connection with a legal proceeding;
- We share information with consumer reporting agencies and insurance support organizations;
- We may share information with government agencies which conduct examinations of our procedures.

### SECURITY OF YOUR PERSONAL INFORMATION

While your nonpublic personal information is under our control, access is limited to those employees who have a legitimate business need for such information with respect to your insurance coverages. In accordance with applicable state and federal regulations we maintain physical, procedural and electronic safeguards to protect the privacy and confidentiality of your nonpublic personal information.



## MARYLAND – NOTICE TO POLICYHOLDERS

### ATTENTION POLICYHOLDERS

The ERIE will consider your claims history for purposes of determining whether to cancel or refuse to renew your policy.

**SERVICE FEES** - The following service fees will be applicable to all payment plans.

- **Returned Payment Fee** - A **\$25.00** charge will be applied to your account if your check or other payment is returned unpaid by your financial institution.
- **Late Fee** - A **\$10.00** charge will be applied to your account when a cancellation notice is issued on your policy because of non-payment of premium.

### WHY YOUR POLICY PREMIUM MAY INCREASE OR DECREASE

Your policy premium may increase for various reasons, including the following:

- a general statewide increase in private passenger auto insurance premiums;
- the imposition of a surcharge due to accidents, violations or out-of-state license;
- the reduction or elimination of a discount;
- a change in the rating symbol assigned to your vehicle because of adverse loss experience or performance;
- changes in the criteria used to classify risks to determine your rating class; or
- a change in your age or credit history.

Please notify your Agent within 60 days if there have been additional changes that may increase or decrease your premium, such as a:

- change to your address or marital status;
- change to the location where your vehicle is principally garaged;
- change in the use of your vehicle or the distance driven to work or school;
- replacement, addition, or deletion of an auto;
- deletion or addition of a driver;
- change to your coverages or limits;
- modification of the appearance or performance of your vehicle with customized equipment.

### COLLISION FOR RENTAL CARS NOTICE

**IF YOU HAVE PURCHASED COLLISION COVERAGE ON YOUR AUTOMOBILE INSURANCE POLICY, YOUR COLLISION COVERAGE AND DEDUCTIBLE APPLY TO PRIVATE PASSENGER AUTOS YOU OR A RESIDENT RELATIVE RENT FOR 45 DAYS OR LESS. YOU DO NOT NEED TO PURCHASE A COLLISION DAMAGE WAIVER OR ANY ADDITIONAL COLLISION COVERAGE WHEN RENTING A PRIVATE PASSENGER AUTO. THIS IS SUBJECT TO THE LIMITS, TERMS AND CONDITIONS IN YOUR POLICY.**



**DISCOUNTS** - Discounts which have been applied to your policy are indicated on your Declarations in the Discounts that apply section. For additional information on these discounts, contact your Agent. You must notify your Agent if you qualify for any of these discounts and they are not indicated on your Declarations.

**Advance Quote Discount (New Business only)** - New business qualifies for a discount if a quote is given to an applicant, as evidenced by the ordering of the underwriting reports necessary to determine tier, seven days or more (subject to a maximum of 90 days) in advance of their policy inception date. The amount of the discount is reduced gradually over a 5-year period. The discount applies to the following eligible vehicles: private passenger autos, motor homes, regular use antique autos, regular use classic autos, motorcycles and mopeds.

**Age 55 Or Over Discount** - Available if you are age 55 or over as of your renewal date AND the principal driver of a private passenger auto listed on your Declarations.

**Anti-Lock Brakes Discount** - Available for autos equipped with anti-lock brakes on all four wheels.

**Anti-Theft Device Discount** - Available for autos equipped with anti-theft devices such as security alarms, hood locking mechanisms unlocked by a key or electronic device, remote monitoring alarms and central base computer systems, and etched VIN or serial number on automobile parts.

**College Student Discount** - Available to reflect the limited use of an auto if a young, unmarried driver is a full-time college student, and does not live at home, and does not have a vehicle at school.

**Driver Training Discount** - Available for drivers under age 21 who have successfully completed a driver training course which meets the standards of the Maryland Department of Education or other educational agency.

**100% Farm Use Discount** - Available for autos used exclusively in connection with the operation of a farm owned or rented by you. You must reside on the farm. The autos cannot be used regularly in connection with any other business or occupation.

**Multi-Car Discount** - Available if two or more private passenger autos are insured by the ERIE INSURANCE GROUP and owned and used by the Named Insured or a relative residing in the same household.

The discount may also apply if the Named Insured has unlimited personal use of a company-furnished private passenger auto even if that private passenger auto is not insured by The ERIE or titled to the Named Insured.

**Multi-Policy Discount** - Available if you have an ERIE Auto Policy and an ERIE HomeProtector or Mobile HomeProtector Policy and/or ERIE Life Policy that meets specified criteria.

The discount applies on the Auto Policy and the HomeProtector or Mobile HomeProtector policies.

**Passive Restraints Discount** - Available for autos with factory-installed passive seat belts or air bags.

**Pay Plan Discount** - Available if your policy premium is paid under one of the following ERIE pay plans. The discount applied under Plan A is greater than the discount applied under Plan B.

- **Plan A** - entire premium paid by policy effective date.
- **Plan B** - one third of the premium paid by policy effective date. One third of the premium paid within 30 days after policy effective date. One third of the premium paid within 60 days after policy effective date.

To qualify for this discount, choose Plan A or Plan B prior to your policy effective date. If you choose one of these payment plans during the policy period, the discount will be applied at your next renewal. If you do not make payments in accordance with the terms of the pay plan you selected, you may lose the pay plan discount and your premium will be adjusted to reflect quarterly payments for the remainder of the policy period.

**Prior Bodily Injury Limits Discount** - Available if your Bodily Injury Liability limit was at least \$300,000 per accident:

- **Renewal business** - at the beginning of your previous ERIE policy period.
- **New business** - on the expiring policy with your previous insurer.

**Safe Driver Discount** - Available if your policy has a good claim/violation history. Variables that determine the discount percentage may include the violation history of all drivers on the policy, number of years the policy has been in force and the claims experience of all drivers on the policy.

**Reduced Usage Discount** - Available on an auto that will not be driven for at least 90 consecutive days during the policy period. This discount cannot be added retroactively.

**SupERIEor Customer Discount** - Available if you have been continuously insured for three or more years on an ERIE Family Auto Policy and all drivers on the policy have no surchargeable accidents or violations for the preceding three year period.

**Youthful Driver Discount** - Available to reflect the limited use of an auto due to the graduated licensing program. Unmarried drivers under age 21 may be eligible for the discount.

**Youthful Driver Longevity Discount** (*Erie Insurance Exchange Only*) - May be available on a private passenger auto with an unmarried young driver classification. The amount of the discount is determined by the number of years the policy has been continuously in force.

## PERSONAL INJURY PROTECTION CLAIMS OR PAYMENTS

An insurer may not increase the premium on a motor vehicle liability insurance policy due to a claim or payment made under the policy's Personal Injury Protection Coverage.

### ERIE's DEFENSIVE DRIVER PLAN (DDP) – Surcharges

In accordance with Maryland Insurance Code Section 19-507(c) please be advised that The ERIE will not impose a surcharge on a policy for any claim or payment made under Personal Injury Protection Coverage.

*Maryland auto insurers are required to send a summary of their surcharge plan to Insureds when their policies renew. ERIE's plan is designed so that drivers who have had accidents or violations pay higher rates than those who have not had accidents or violations. Following is an explanation of ERIE's surcharge plan, which is referred to as the Defensive Driver Plan (DDP).*

If a surcharge has been applied to your policy because of accidents and/or moving violations, your Declarations will include reference to the Defensive Driver Plan (DDP) in the Surcharges that apply section. Surcharges for each incident are applied for a maximum of three years. Incidents which may be subject to ERIE's Defensive Driver Plan include at-fault accidents, moving traffic violations, license suspensions and financial responsibility filings.

A surcharge is associated with the driver involved in the accident/violation. When two or more autos are insured, the surcharge will be applied to the auto, or its replacement, which is principally operated by that driver. For occasional, young drivers, the surcharge will be applied to the auto which is rated for the young driver.

Surcharges are assigned based on accidents/violations which have occurred within 36 months of the effective date of the application, or during the 36 months ending on the policy renewal date. If a surcharge is not applied at the first renewal following an accident/violation, ERIE reserves the right to apply a full surcharge at a subsequent renewal.

When more than one surcharge applies, increases are additive. Surcharges apply to Liability, Personal Injury Protection and Collision Coverages.

**VIOLATIONS** - Points are assigned for violations which resulted in a conviction. A surcharge for violations will not be applied until a minimum of two surcharge points is accumulated. The Class Factor is increased as follows:

**New Business Points**

2-3 (most recent 2-3 years ago)	.10
2-3 (most recent 1-2 years ago)	.20

**New and Renewal Business Points**

2-3 (most recent last year)	.30
5 (in last 3 years)	.60

Points are assigned as follows:

**One Point:**

- Speeding in excess of posted speed limit by 1-29 miles per hour
- Reckless & Improper Driving
- Improper Passing
- Any Other Moving Violation

**Two Points:**

- License Suspension (other than listed above) or Financial Responsibility Filing due to point accumulation or moving traffic violation

**ACCIDENTS** - A surcharge applies if an at-fault accident resulted in (excluding claims adjustment expenses):

**New Business** - payments in excess of \$1,000.

**Renewal Business** - combined total Liability and Collision payments costing The ERIE more than \$1,000.

If a deductible is waived for an accident involving two autos insured by The ERIE, or under the diminishing deductible feature, a surcharge will not be applied until damages are in excess of amount indicated above, plus the deductible amount being waived. The Class Factor is increased for the driver involved in the accident as follows:

**New and Renewal Business**

1st 0-2 years ago	.30
1st 2-3 years ago	.10
2nd 0-3 years ago	.70
3rd 0-3 years ago	1.50 (EIC only)



A surcharge will not apply for an accident subject to ERIE's Feature Fifteen or First Accident Forgiveness plans. Class Factor Increases will not apply if any of the following apply:

- The owner or operator has been reimbursed for the accident or has obtained a judgment against another driver.
- The auto was unoccupied and lawfully parked.
- The auto was struck from the rear by another vehicle and the Applicant or driver was not convicted of a moving violation.
- While being driven, the auto was struck by a hit-and-run driver and a report was made to the police within 24 hours.
- The driver of the other auto was convicted of a moving violation and the Applicant or driver was not.
- Payments made involved only payment under Personal Injury Protection.

- The auto was driven in response to an emergency call by paid or volunteer law enforcement, fire department or first aid personnel.
- The responsible driver is deceased, excluded from coverage or no longer drives the auto.

If a policy is cancelled and rewritten, any surcharge will be transferred to the rewritten policy.

If a driver is transferred from one policy to another, within the same company, surchargeable accidents or violations for that driver will be transferred. When autos are transferred from one policy to another, or added to a policy, surcharges apply if new drivers will be driving and these drivers are the surcharged drivers.

When one auto on a two car policy is cancelled, the surcharge amount and points transfer to the remaining auto. If more than two autos are on a policy, the surcharge amount and points transfer to the auto principally operated by the driver who incurred the surcharge. For occasional, young drivers, the surcharge amount and points transfer to the auto rated for the young driver.

**OUT-OF-STATE LICENSE SURCHARGE** - The ERIE will apply an Out-of-State License Surcharge to a listed driver on a Maryland policy who does not possess a valid Maryland driver's license. This surcharge will be removed for the current policy period once ERIE is notified that a valid Maryland driver's license has been obtained.

**CUSTOMER INCENTIVES** - Neither First Accident Forgiveness nor Feature Fifteen will affect our right to cancel or non-renew your policy should we decide such action is necessary.

**Feature Fifteen** (*Erie Insurance Company policies written before 12/1/08 and all Erie Insurance Exchange policies*) – If you have been insured on a voluntary Erie Auto Insurance Policy for fifteen consecutive years, we will not apply a Defensive Driver Plan surcharge for at-fault accidents presented on your policy. A policy lapse of 30 days or more is considered an interruption of coverage and starts a new 15 year period.

**First Accident Forgiveness** (*Erie Insurance Exchange Policyholders Only*) - The ERIE will forgive the surcharge on the first at-fault accident which is presented on your policy after the policy has been in force for three years. To qualify for this incentive, the policy must be surchargeable accident free for those first three years. Should a surchargeable accident occur in those first three years, a surcharge waiver will not be given on any future accidents.

For all policies eligible for First Accident Forgiveness, only one accident will be forgiven per policy. The policy will not be eligible for another surcharge waiver in the event of a future at-fault accident even if the driver responsible for the accident is removed from the policy. If you have more than one auto policy with us, only one accident will be forgiven. In the event of another surchargeable accident, the surcharge on the first accident will continue to be forgiven. However, the accident will be counted to determine the surcharge amount for a second or subsequent accident. Violations which are subject to The ERIE's Defensive Driver Plan will continue to result in a surcharge.

**NOTICE OF INSURANCE INFORMATION PRACTICES** - As part of our procedure for processing your insurance, personal information such as a credit report, prior insurance claims report, and/or motor vehicle record may be obtained concerning you and other individuals proposed for coverage. ERIE uses credit history as a rating factor. If you were adversely impacted by your credit history, and you did not receive the steepest credit-based discount available, we will review your credit history at least every two years, or at your request, and adjust your premium to reflect any improvement in your credit history. We will not review your credit history more frequently than once in a policy period. No information from our files will be given to anyone without your written consent, except as allowed by law in order to conduct our business. You have the right to know the kind of information we have in your file, to have access to that information, and to request correction of information you believe is inaccurate. We will provide a more detailed description of our information practices, if you so request.

**RETURN OF AUTOMOBILE REGISTRATION PLATES** - The Maryland Motor Vehicle Administration requires ERIE to provide you with notice concerning the return of automobile registration plates when auto insurance liability coverage is cancelled, or when a vehicle is removed from an existing policy. This notice informs you of your legal obligations under section 17-106 of Maryland's Transportation Article and advises you of the penalties that will be imposed if you fail to comply when liability coverage is cancelled, or a vehicle is removed from your policy:

1. The registration plates must be returned to the Motor Vehicle Administration on or before the date the insurance coverage is cancelled; and
2. Failure to return the registration plates may result in an uninsured motorist penalty fine which is assessed at a rate of \$150 for the first 30 days and is increased by \$7 each day thereafter until the insurance is replaced or the registration plates are returned. The uninsured motorist penalty fine is assessed per vehicle.

Always return your license plates and registration cards to the Motor Vehicle Administration before cancelling any motor vehicle liability insurance policy, or when removing a vehicle from your policy. Failure to do so may result in imposition of the penalties listed in 2. above, and suspension of your current and future registration privileges.

### **ABBREVIATIONS FOR DRIVER ATTRIBUTES USED ON YOUR DECLARATIONS**

**AA3** - First chargeable accident in a three-year period, first year the surcharge is on policy

**AA2** - First chargeable accident in a three-year period, second year the surcharge is on policy

**AA1** - First chargeable accident in a three-year period, third year the surcharge is on policy

**AB3** - Second chargeable accident in a three-year period, first year the surcharge is on policy

**AB2** - Second chargeable accident in a three-year period, second year the surcharge is on policy

**AB1** - Second chargeable accident in a three-year period, third year the surcharge is on policy

**AC3** - Third chargeable accident in a three-year period, first year the surcharge is on policy

**AC2** - Third chargeable accident in a three-year period, second year the surcharge is on policy

**AC1** - Third chargeable accident in a three-year period, third year the surcharge is on policy

**LSP** - License Suspension

**MVL** - Moving Violation

**MV1** - Hit and Run or Leaving the Scene of an Accident

**MV2** - Drag Racing on a Public Highway

**MV3** - Driving under Suspension

**MV4** - Attempting to Evade Arrest in a Car

**MV5** - Assault with a Car

**MV6** - Any Misdemeanor or Felony Involving a Car

**MV7** - Driving While Intoxicated



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