



Please read the policy carefully. If there is an accident, contact your State Farm agent or one of our Claim Offices at once. (See "INSURED'S DUTIES" in this policy booklet.)

**State Farm<sup>®</sup>  
Car Policy  
Booklet**

**Kentucky**  
Policy Form 9817A

THIS POLICY IS THE LEGAL CONTRACT BETWEEN **YOU** AND **US**. READ YOUR POLICY CAREFULLY. This cover sheet provides only a brief outline of some of the important features of **your** policy. This cover sheet is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth, in detail, the rights and obligations of both **you** and **your** insurance company. IT IS THEREFORE IMPORTANT THAT **YOU** READ **YOUR** POLICY.

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**THIS POLICY**

1. This policy consists of:
  - a. the most recently issued Declarations Page;
  - b. the policy booklet version shown on that Declarations Page; and
  - c. any endorsements that apply, including those listed on that Declarations Page as well as those issued in connection with any subsequent renewal of this policy.

2. This policy contains all of the agreements between all named insureds who are shown on the Declarations Page and all applicants and:
  - a. *us*; and
  - b. any of *our* agents.
3. *We* agree to provide insurance according to the terms of this policy:
  - a. based on payment of premium for the coverages chosen; and
  - b. unless otherwise stated in "EXCEPTIONS, POLICY BOOKLET, & ENDORSEMENTS" on the Declarations Page, in reliance on the following statements:
    - (1) The named insured shown on the Declarations Page is the sole owner of *your car*.
    - (2) Neither *you* nor any member of *your* household has, within the past three years, had:
      - (a) vehicle insurance canceled or nonrenewed by an insurer; or
      - (b) either:
        - (i) a license to drive; or
        - (ii) a vehicle registration suspended, revoked, or refused.
    - (3) *Your car* is used for pleasure and business.
4. All named insureds shown on the Declarations Page and all applicants agree by acceptance of this policy that:
  - a. the statements in 3.b. above are made by such named insured or applicant and are true; and
  - b. *we* provide this insurance on the basis those statements are true.
5. *Your* purchase of this policy may allow *you* to purchase certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other policies from the *State Farm Companies*, subject to their applicable eligibility rules.

## DEFINITIONS

*We* define certain words and phrases below for use throughout the policy. Each coverage includes additional definitions only for use with that coverage. These definitions apply to the singular, plural, possessive, and any other form of these words and phrases. Defined words and phrases are printed in boldface italics.

***Bodily Injury*** means bodily injury to a *person* and sickness, disease, or death that results from it.

***Car*** means a land motor vehicle with four or more wheels, designed for use primarily on public roads. ***Car*** does not include:

1. Any vehicle while located for use as a dwelling or other premises; or
2. A truck-tractor designed to pull any type of trailer.

***Car Business*** means a business or job where the purpose is to sell, lease, rent, repair, service, modify, transport, store, or park land motor vehicles or any type of trailer.

***Fungi*** means any type or form of fungus or fungi and includes:

1. Mold;
2. Mildew; and
3. Any of the following that are produced or released by fungi:
  - a. Mycotoxins;
  - b. Spores;
  - c. Scents; or
  - d. Byproducts.

**Newly Acquired Car** means a *car* newly **owned by you**. A *car* ceases to be a **newly acquired car** on the earlier of:

1. the effective date and time of a policy, including any binder, issued by **us** or any other company that describes the *car* as an insured vehicle; or
2. the end of the 14th calendar day immediately following the date the *car* is delivered to **you**.

If a **newly acquired car** is not otherwise afforded comprehensive coverage or collision coverage by this or any other policy, then this policy will provide Comprehensive Coverage or Collision Coverage for that **newly acquired car**, subject to a deductible of \$500. Any coverage provided as a result of this paragraph will apply only until the end of the 5th calendar day immediately following the date the **newly acquired car** is delivered to **you**.

**Non-Owned Car** means a *car* that is in the lawful possession of **you** or any **resident relative** and that neither:

1. is **owned by**:
  - a. **you**;
  - b. any **resident relative**;
  - c. any other **person** who resides primarily in **your** household; or
  - d. an employer of any **person** described in a., b., or c. above; nor
2. has been operated by, rented by, or in the possession of:
  - a. **you**; or
  - b. any **resident relative**

during any part of each of the 31 or more consecutive days immediately prior to the date of the accident or **loss**.

**Occupying** means in, on, entering, or exiting.

**Our** means the Company issuing this policy as shown on the Declarations Page.

**Owned By** means:

1. owned by;
2. registered to; or
3. leased, if the lease is written for a period of 31 or more consecutive days, to.

**Pedestrian** means a **person** who is not **occupying**:

1. a motorized vehicle; or
2. a vehicle designed to be pulled by a motorized vehicle.

See **Additional Definitions** in No-Fault Coverage for definition used in that coverage.

**Person** means a human being.

**Private Passenger Car** means:

1. a *car* of the private passenger type, other than a pickup truck, van, minivan, or sport utility vehicle, designed primarily to carry **persons** and their luggage; or
2. a pickup truck, van, minivan, or sport utility vehicle:
  - a. that is not used for:
    - (1) wholesale; or
    - (2) retail pickup or delivery; and
  - b. that has a Gross Vehicle Weight Rating of 10,000 pounds or less.

**Resident Relative** means a **person**, other than **you**, who resides primarily with the first **person** shown as a named insured on the Declarations Page and who is:

1. related to that named insured or his or her spouse by blood, marriage, or adoption, including an unmarried and unemancipated child of either who is away at school and otherwise maintains his or her primary residence with that named insured; or
2. a ward or a foster child of that named insured, his or her spouse, or a **person** described in 1. above.

See **Additional Definitions** in No-Fault Coverage for definition used in that coverage.

**State Farm Companies** means one or more of the following:

1. State Farm Mutual Automobile Insurance Company;
2. State Farm Fire and Casualty Company; and
3. Subsidiaries or affiliates of either 1. or 2. above.

**Temporary Substitute Car** means a *car* that is in the lawful possession of the *person* operating it and that:

1. replaces *your car* for a short time while *your car* is out of use due to its:
  - a. breakdown;
  - b. repair;
  - c. servicing;
  - d. damage; or
  - e. theft; and
2. neither *you* nor the *person* operating it own or have registered.

If a *car* qualifies as both a *non-owned car* and a *temporary substitute car*, then it is considered a *temporary substitute car* only.

**Trailer** means:

1. a trailer:
  - a. designed to be pulled by a *private passenger car*;
  - b. not designed to carry *persons*; and

- c. while not used as premises for office, store, or display purposes; or
2. a farm implement or farm wagon while being pulled on public roads by a *car*.

**Us** means the Company issuing this policy as shown on the Declarations Page.

**We** means the Company issuing this policy as shown on the Declarations Page.

**You** or **Your** means the named insured or named insureds shown on the Declarations Page. If a named insured shown on the Declarations Page is a *person*, then “*you*” or “*your*” includes the spouse of the first *person* shown as a named insured if the spouse resides primarily with that named insured.

**Your Car** means the vehicle shown under “YOUR CAR” on the Declarations Page. **Your Car** does not include a vehicle that *you* no longer own or lease.

If a *car* is shown on the Declarations Page under “YOUR CAR”, and *you* ask *us* to replace it with a *car* newly *owned by you*, then the *car* being replaced will continue to be considered *your car* until the earliest of:

1. the end of the 30th calendar day immediately following the date the *car* newly *owned by you* is delivered to *you*;
2. the date this policy is no longer in force; or
3. the date *you* no longer own or lease the *car* being replaced.

## LIABILITY COVERAGE

This policy provides Liability Coverage if “A” is shown under “SYMBOLS” on the Declarations Page.

### Additional Definition

**Insured** means:

1. *you* and *resident relatives* for:
  - a. the ownership, maintenance, or use of:

- (1) *your car*;
- (2) a *newly acquired car*; or
- (3) a *trailer*; and
- b. the maintenance or use of:
  - (1) a *non-owned car*; or
  - (2) a *temporary substitute car*;

2. the first *person* shown as a named insured on the Declarations Page and that named insured's spouse who resides primarily with that named insured for the maintenance or use of a *car* that is *owned by*, or furnished by an employer to, a *person* who resides primarily in *your* household, but only if such *car* is neither *owned by*, nor furnished by an employer to, the first *person* shown as a named insured on the Declarations Page or that *person's* spouse;
3. any other *person* for his or her use of:
  - a. *your car*;
  - b. a *newly acquired car*;
  - c. a *temporary substitute car*; or
  - d. a *trailer* while attached to a *car* described in a., b., or c. above.

Such vehicle must be used within the scope of *your* consent. However, a *person* using such vehicle with *your* permission, but outside the scope of *your* consent, is an *insured* to the extent of the limits required by the Kentucky Motor Vehicle Reparations Act; and

4. any other *person* or organization vicariously liable for the use of a vehicle by an *insured* as defined in 1., 2., or 3. above, but only for such vicarious liability. This provision applies only if the vehicle is neither *owned by*, nor hired by, that other *person* or organization.

*Insured* does not include the United States of America or any of its agencies.

### Insuring Agreement

1. *We* will pay:
  - a. damages an *insured* becomes legally liable to pay because of:
    - (1) *bodily injury* to others; and
    - (2) damage to property caused by an accident that involves a vehicle for which that *insured* is provided Liability Coverage by this policy;

- b. attorney fees for attorneys chosen by *us* to defend an *insured* who is sued for such damages; and
- c. court costs charged to an *insured* and resulting from that part of a lawsuit:
  - (1) that seeks damages payable under this policy's Liability Coverage; and
  - (2) against which *we* defend an *insured* with attorneys chosen by *us*.

*We* have no duty to pay attorney fees and court costs incurred after *we* deposit in court or pay the amount due under this policy's Liability Coverage.
2. *We* have the right to:
  - a. investigate, negotiate, and settle any claim or lawsuit;
  - b. defend an *insured* in any claim or lawsuit, with attorneys chosen by *us*; and
  - c. appeal any award or legal decision for damages payable under this policy's Liability Coverage.

### Supplementary Payments

*We* will pay, in addition to the damages, fees, and costs described in the **Insuring Agreement** above, the interest, premiums, costs, and expenses listed below that result from such accident:

1. Interest on damages owed by the *insured* that accrues:
  - a. before a judgment, where owed by law, but only on that part of the judgment *we* pay; and
  - b. after a judgment. *We* will not pay interest on damages paid or payable by a party other than the *insured* or *us*.

*We* have no duty to pay interest that accrues after *we* deposit in court, pay, or offer to pay, the amount due under this policy's Liability Coverage;

2. Premiums for bonds, provided by a company chosen by *us*, required to appeal a decision in a lawsuit against an *insured*. *We* have no duty to:

- a. pay for bonds that exceed this policy's applicable Liability Coverage limit;
  - b. furnish or apply for any bonds; or
  - c. pay premiums for bonds purchased after *we* deposit in court, pay, or offer to pay, the amount due under this policy's Liability Coverage; and
3. The following costs and expenses if related to and incurred after a lawsuit has been filed against an *insured*:
- a. Loss of wages or salary, but not other income, up to \$200 for each day an *insured* attends, at *our* request:
    - (1) an arbitration;
    - (2) a mediation; or
    - (3) a trial of a lawsuit; and
  - b. Reasonable expenses incurred by an *insured* at *our* request other than loss of wages, salary, or other income.

The amount of any of the costs or expenses listed above that are incurred by an *insured* must be reported to *us* before *we* will pay such incurred costs or expenses.

#### Limits

The Liability Coverage limits for *bodily injury* are shown on the Declarations Page under "Liability Coverage – Bodily Injury Limits – Each Person, Each Accident."

The limit shown under "Each Person" is the most *we* will pay for all damages resulting from *bodily injury* to any one *person* injured in any one accident, including all damages sustained by other *persons* as a result of that *bodily injury*. The limit shown under "Each Accident" is the most *we* will pay, subject to the limit for "Each Person", for all damages resulting from *bodily injury* to two or more *persons* injured in the same accident.

The Liability Coverage limit for damage to property is shown on the Declarations Page under "Liability Coverage – Property Damage Limit – Each Accident". The limit shown is the most *we* will pay for all damages resulting from damage to property in any one accident.

These Liability Coverage limits are the most *we* will pay regardless of the number of:

1. *insureds*;
2. claims made;
3. vehicles insured; or
4. vehicles involved in the accident.

#### Nonduplication

*We* will not pay any damages or expenses under Liability Coverage:

1. that have already been paid under No-Fault Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, or Underinsured Motor Vehicle Coverage of any policy issued by the *State Farm Companies* to *you* or any *resident relative*.
2. that have already been paid under Collision Coverage of this policy.

#### Exclusions

1. THERE IS NO COVERAGE FOR AN *INSURED* TO THE EXTENT THE LIABILITY COVERAGE LIMITS OF THIS POLICY EXCEED THE LIABILITY COVERAGE LIMITS REQUIRED BY KENTUCKY LAW:
  - a. WHO INTENTIONALLY CAUSES *BODILY INJURY* OR DAMAGE TO PROPERTY;
  - b. FOR *BODILY INJURY* TO THAT *INSURED'S* FELLOW EMPLOYEE WHILE THE FELLOW EMPLOYEE IS IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT. This exclusion does not apply to *you* and *resident relatives* who are legally liable for *bodily injury* to fellow employees;
  - c. FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN *INSURED*;

- d. FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS BEING USED TO CARRY **PERSONS** FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;
  - e. WHILE MAINTAINING OR USING **YOUR CAR**, A **NEWLY ACQUIRED CAR**, A **TEMPORARY SUBSTITUTE CAR**, OR A **TRAILER OWNED BY YOU** IN CONNECTION WITH THAT **INSURED'S** EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A **CAR BUSINESS**. This exclusion does not apply to:
    - (1) *you*;
    - (2) any *resident relative*; or
    - (3) any agent, employee, or business partner of (1) or (2) above.
  - f. WHILE THAT **INSURED** IS VALET PARKING A VEHICLE;
  - g. FOR DAMAGE TO PROPERTY WHILE IT IS:
    - (1) RENTED TO;
    - (2) USED BY;
    - (3) IN THE CARE OF; OR
    - (4) TRANSPORTED BY **YOU**, A **RESIDENT RELATIVE**, OR THE **PERSON** WHO IS LEGALLY LIABLE FOR THE DAMAGE. This exclusion does not apply to damage to a:
      - (1) motor vehicle *owned by* the employer of *you* or any *resident relative* if such damage is caused by an *insured* while operating another motor vehicle;
      - (2) residence while rented to or leased to an *insured*;
      - (3) private garage while rented to or leased to an *insured*; or
      - (4) a *temporary substitute car* loaned or rented to *you* or any *resident relative* by any *person*, firm, or corporation engaged in the business of selling, repairing, or servicing motor vehicles;
  - h. FOR LIABILITY ASSUMED UNDER ANY CONTRACT OR AGREEMENT; OR
  - i. WHO IS AN EMPLOYEE OF THE UNITED STATES OF AMERICA OR ANY OF ITS AGENCIES, IF THE PROVISIONS OF THE FEDERAL TORT CLAIMS ACT APPLY.
2. THERE IS NO COVERAGE FOR AN **INSURED**:
- a. OR FOR THAT **INSURED'S** INSURER FOR ANY OBLIGATION UNDER ANY TYPE OF WORKERS' COMPENSATION, DISABILITY, OR SIMILAR LAW;
  - b. FOR **BODILY INJURY** TO THAT **INSURED'S** EMPLOYEE WHICH ARISES OUT OF THAT EMPLOYEE'S EMPLOYMENT. This exclusion does not apply to that *insured's* household employee who is neither covered, nor required to be covered, under workers' compensation insurance;
  - c. WHILE MAINTAINING OR USING ANY VEHICLE OTHER THAN **YOUR CAR**, A **NEWLY ACQUIRED CAR**, A **TEMPORARY SUBSTITUTE CAR**, OR A **TRAILER** IN CONNECTION WITH THAT **INSURED'S** EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A **CAR BUSINESS**;
  - d. WHILE MAINTAINING OR USING ANY VEHICLE OTHER THAN **YOUR CAR**, A **NEWLY ACQUIRED CAR**, A **TEMPORARY SUBSTITUTE**

- CAR**, OR A **TRAILER** IN ANY BUSINESS OR OCCUPATION OTHER THAN A **CAR BUSINESS** OR VALET PARKING. This exclusion does not apply to the maintenance or use of a *private passenger car*;
- e. FOR DAMAGE TO PROPERTY WHILE IT IS **OWNED BY YOU**, A **RESIDENT RELATIVE**, OR THE **PERSON** WHO IS LEGALLY LIABLE FOR THE DAMAGE;
  - f. FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION;
  - g. WHILE USING A **TRAILER** WITH A MOTOR VEHICLE IF THAT **INSURED** IS NOT PROVIDED LIABILITY COVERAGE BY THIS POLICY FOR THE USE OF THAT MOTOR VEHICLE; OR
  - h. FOR THE OWNERSHIP, MAINTENANCE, OR USE OF ANY VEHICLE WHILE IT IS:
    - (1) OFF PUBLIC ROADS AND BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
    - (2) ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (2.h.(2)) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.
- a. the Liability Coverage limits of such policies will not be added together to determine the most that may be paid; and
  - b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.
2. The Liability Coverage provided by this policy applies as primary coverage for the ownership, maintenance, or use of *your car* or a *trailer* attached to it.
- The Liability Coverage also applies as primary coverage for the use of a *temporary substitute car* loaned or rented to *you* by any *person*, firm, or corporation engaged in the business of selling, repairing, or servicing motor vehicles.
- a. If:
    - (1) this is the only Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Liability Coverage which applies to the accident as primary coverage; and
    - (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,
 then *we* will pay the proportion of damages payable as primary that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other liability coverage that apply as primary coverage.
  - b. If:
    - (1) more than one Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Liability Coverage which applies to the accident as primary coverage; and

**If Other Liability Coverage Applies**

1. If Liability Coverage provided by this policy and one or more other Car Policies issued to *you* or any *resident relative* by the *State Farm Companies* apply to the same accident, then:

(2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,

then the *State Farm Companies* will pay the proportion of damages payable as primary that the maximum amount that may be paid by the *State Farm Companies* as determined in 1. above bears to the sum of such amount and the limits of all other liability coverage that apply as primary coverage.

3. Except as provided in 2. above, the Liability Coverage provided by this policy applies as excess coverage.

a. If:

(1) this is the only Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Liability Coverage which applies to the accident as excess coverage; and

(2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then *we* will pay the proportion of damages payable as excess that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other liability coverage that apply as excess coverage.

b. If:

(1) more than one Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Liability Coverage which applies to the accident as excess coverage; and

(2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then the *State Farm Companies* will pay the proportion of damages payable as excess that the maximum amount that may be paid by the *State Farm Companies* as determined in 1. above bears to the sum of such amount and the limits of all other liability coverage that apply as excess coverage.

### Required Out-of-State Liability Coverage

If:

1. an *insured* is in another state of the United States of America, a territory or possession of the United States of America, the District of Columbia, or any province or territory of Canada, and as a nonresident becomes subject to its motor vehicle compulsory insurance law, financial responsibility law, or similar law; and

2. this policy does not provide at least the minimum liability coverage required by such law for such nonresident,

then this policy will be interpreted to provide the minimum liability coverage required by such law.

This provision does not apply to liability coverage required by law for motor carriers of passengers or motor carriers of property.

### Financial Responsibility Certification

When this policy is certified under any law as proof of future financial responsibility, and while required during the policy period, this policy will comply with such law to the extent required.

## NO-FAULT COVERAGE

This policy provides No-Fault Coverage if “P” with numbers beside it is shown under “SYMBOLS” on the Declarations Page. “P” with numbers beside it is **your** coverage symbol.

The coverage symbol indicates:

1. the coverage limits that apply to each specific part of No-Fault Coverage provided by **your** policy; and
2. the deductible amount, if any.

The coverage limits and deductible, if any, are shown in the **Schedule** located at the end of this coverage section.

### Additional Definitions

**Added Repairment Benefits** – means the benefits provided by No-Fault Coverage that are in excess of the benefits provided by **basic repairment benefits**. **Added repairment benefits** do not include the benefits provided by **basic repairment benefits**.

**Basic Repairment Benefits** – means the benefits required by the **No-Fault Act** which are limited to \$10,000 for medical expense, work loss, replacement services loss, survivor’s loss, and funeral expense combined.

Subject to the No-Fault Coverage limit, **basic repairment benefits** are limited to:

1. \$200 per week for work loss, replacement services loss, and survivor’s loss combined; and
2. \$1,000 for funeral expense.

**Insured** – means:

1. **you** and any **resident relative** while:
  - a. **occupying a motor vehicle**; or
  - b. struck as a **pedestrian** by a **motor vehicle**; and
2. any other **person** while:
  - a. **occupying a motor vehicle**; or

- b. struck as a **pedestrian** by a **motor vehicle**

if that **motor vehicle** is provided coverage under Liability Coverage and No-Fault Coverage of this policy.

**Insured** does not include:

1. **you** or any **resident relative** if “Tort limitation and P rejected; P applies only to eligible pedestrians and guests” is shown on the Declarations Page; or
2. any other **person** who has rejected the limitation on tort rights as provided by the **No-Fault Act** unless:
  - a. the rejection was for motorcycles only; and
  - b. no motorcycle was involved in the accident.

**Motor Vehicle** – means a vehicle of a kind that must be registered under Kentucky law.

**No-Fault Act** – means Chapter 304, Sub Title 39 of the Kentucky Revised Statutes and any amendments.

**Pedestrian** – means a **person** not **occupying a motor vehicle**.

**Resident Relative** – means:

1. a **person** related to **you** by blood, marriage, or adoption; and
2. a minor in the custody of **you** or a **person** described in 1. above,

while residing in **your** household, even if temporarily residing elsewhere.

**Survivor** – means a **person** entitled under Kentucky law to receive benefits because of the death of an **insured**.

### Insuring Agreement

**We** will pay for the following elements of loss in accordance with the **No-Fault Act**, for **bodily injury** to an **insured**, caused by an accident resulting from the operation, maintenance, or use of a **motor vehicle** as a vehicle.

## Elements of Loss

### 1. Medical Expense

Medical Expense includes reasonable charges incurred for:

- a. reasonably needed products including eyeglasses and hearing aids;
- b. services and accommodations provided by any healing arts professions of a type licensed by Kentucky for:
  - (1) medical care;
  - (2) physical or vocational rehabilitation; and
  - (3) other remedial treatment and care; and
- c. nonmedical remedial treatment by a recognized religious method of healing.

Only semi-private room charges will be paid unless intensive care is needed.

### 2. Work Loss

Work Loss includes:

- a. loss of income from work the *insured* would probably have done if he or she had not been injured; and
- b. expenses reasonably incurred for services the *insured* would have performed except for the injury.

### 3. Replacement Services Loss

Replacement Services Loss includes expenses reasonably incurred for ordinary and needed services the *insured* would have performed except for the injury. These services would have been:

- a. for the benefit of the *insured's* family or the *insured*; and
- b. performed without pay.

### 4. Survivor's Loss

Survivor's Loss includes:

- a. the loss, after the *insured's* death, of things of economic value the *survivors* would have received from the *insured*, and

- b. expenses reasonably incurred, after the *insured's* death, by the *survivors* for ordinary and needed services the *insured* would have performed for them if he or she had lived.

### 5. Funeral Expense

Funeral Expense includes reasonable funeral, burial, or cremation expense.

## When Payments are Reduced

### 1. Deductibles

Any amount payable for *bodily injury* to *you* or any *resident relative* under this coverage will be reduced by the deductible if one applies. The **Schedule** indicates the amount of the deductible if one applies to *your* coverage symbol. The deductible will be allocated equally among *you* and any *resident relative* injured in the same accident.

*We* will pay the difference between the amount *you* or any *resident relative* is paid under another no-fault coverage with a greater deductible amount and what *we* would have paid had this coverage applied.

### 2. Workers' Compensation

Any amount payable under this coverage will be reduced by any amount an *insured* received or is entitled to receive as workers' compensation benefits.

This coverage will not be reduced by any amount an *insured* received or is entitled to receive as workers' compensation benefits if *we* are told that the benefits have not been received before *our* payment is due. However, if these workers' compensation benefits would have reduced the amount of our payment, then the *insured* must repay *us* the

amount of such reduction when the workers' compensation benefits are received.

3. **Income Tax Savings**

Any amount payable under this coverage will be reduced by any income tax savings resulting from work loss payments under:

- a. this coverage; or
- b. workers' compensation, if non-taxable.

The most that the payment will be reduced is 15%. A lesser amount will be reduced if *we* are given reasonable proof of a lower value of the income tax advantage.

4. **Substitute Work**

Work loss payments will be reduced by the amount of any income earned from substitute work.

5. **Survivor's Loss Expense Avoidance**

Survivor's loss payments will be reduced by the amount of any expenses the *survivors* avoided because of the *insured's* death.

**Limits**

- 1. The No-Fault Coverage limits applicable to *your* coverage symbol are shown in the **Schedule**. These limits are the most *we* pay for each *insured* in any one *motor vehicle* accident. If there is a deductible applicable to *your* coverage symbol, then it will be applied as described in **When Payments are Reduced**.
- 2. The amount shown in the **Basic** column, under **Limit For All Elements Of Loss Combined** in the **Schedule** for *your* No-Fault Coverage symbol, is the maximum amount that *we* will pay under this policy for all basic elements of loss combined.
- 3. The amount shown in the **Added** column, under **Limit For All Elements Of Loss Combined** in the **Schedule** for *your* No-Fault Coverage symbol, is the maximum

amount that *we* will pay under this policy for all added elements of loss combined.

- 4. If *basic reparation benefits* were paid or are payable to an *insured* under any other no-fault coverage or self-insurance, only *added reparation benefits* apply under this policy subject to the limits listed under **Added** for *your* No-Fault Coverage symbol shown in the **Schedule**.
- 5. The weekly limit will be prorated for any period less than a week.
- 6. If the *insured's* earnings or work are seasonal or irregular, the weekly limit will be adjusted or apportioned in a fair manner on an annual basis.

**Nonduplication**

*We* will not pay under No-Fault Coverage for any element of loss:

- 1. that has already been paid to or for the *insured* by or on behalf of any *person* or organization who is or may be held legally liable for the *bodily injury* to the *insured*;
- 2. that has already been paid under any other no-fault coverage, or other similar insurance or self insurance; or
- 3. that has already been paid as expenses or damages under any other coverage provided by this policy, or similar coverages provided by any other policy of insurance or self-insurance.

**Exclusions**

THERE IS NO COVERAGE FOR:

- 1. **BODILY INJURY TO ANY INSURED** except *you* and any *resident relative*:
  - a. FOR **ADDED REPARATION BENEFITS**;
  - b. WHILE OPERATING, MAINTAINING OR USING A **MOTOR VEHICLE** WITHOUT A REASONABLE BELIEF OF A LEGAL RIGHT TO DO SO;

- c. WHO IS A **PEDESTRIAN** OUTSIDE KENTUCKY; OR
  - d. WHILE **OCCUPYING** A **MOTOR VEHICLE** INVOLVED IN AN ACCIDENT OUTSIDE KENTUCKY IF THE VEHICLE IS:
    - (1) REGULARLY USED TO TRANSPORT **PERSONS** OR PROPERTY AND IS ONE OF FIVE OR MORE **MOTOR VEHICLES OWNED BY** THE SAME **PERSON** OR ORGANIZATION; OR
    - (2) **OWNED BY** A GOVERNMENTAL BODY OR AGENCY.

This does not apply to a *motor vehicle owned by* Kentucky or its subdivisions, municipal corporations, or public agencies;
2. **BODILY INJURY** TO ANY **INSURED** ARISING OUT OF:
- a. CONDUCT WITHIN THE COURSE OF A BUSINESS OF REPAIRING, SERVICING, OR OTHERWISE MAINTAINING **MOTOR VEHICLES** unless the conduct occurs off the business premises;
  - b. CONDUCT IN THE COURSE OF LOADING OR UNLOADING A **MOTOR VEHICLE** except while *occupying* it; OR
  - c. USE OF A **MOTOR VEHICLE** LOCATED AS A DWELLING OR OTHER PREMISES;
3. **BODILY INJURY** TO ANY **INSURED**:
- a. DUE TO WAR OF ANY KIND;
  - b. RESULTING FROM THE PROPERTIES OF NUCLEAR MATERIAL;
  - c. WHO INTENTIONALLY INJURES HIMSELF, HERSELF, OR ANOTHER **PERSON**. *WE DO NOT PAY SURVIVOR'S LOSS TO THAT INSURED OR THAT INSURED'S SURVIVORS;* OR
- d. WHILE **OCCUPYING** OR THROUGH BEING STRUCK BY A **MOTOR VEHICLE OWNED BY** SUCH **INSURED** IF IT IS NOT INSURED FOR **BASIC REPAIRATION BENEFITS**;
4. **BASIC REPAIRATION BENEFITS**:
- a. FOR ANY **INSURED** WHO SUSTAINED **BODILY INJURY** WHILE OPERATING OR **OCCUPYING** A MOTORCYCLE;
  - b. FOR ANY **INSURED** WHO RECEIVED **BASIC REPAIRATION BENEFITS** FROM ANY INSURER OR SELF-INSURER FOR THE SAME ACCIDENT; OR
  - c. FOR ANY **RESIDENT RELATIVE** IF THAT **PERSON** IS A NAMED INSURED UNDER ANOTHER POLICY PROVIDING **BASIC REPAIRATION BENEFITS**. This exclusion (4.c.) does not apply if the *resident relative is occupying your car*.
- Order of Payments – Other Insurance – Basic Repairation Benefits and Added Repairation Benefits**
1. **Basic Repairation Benefits**
- Coverage applies in the following order of priority:
- a. The no-fault coverage or self-insurance applicable to the vehicle the injured **person** was:
    - (1) *occupying* at the time of the accident; or
    - (2) struck by as a *pedestrian*.
  - b. The no-fault coverage under which the injured **person** is a named insured.

- c. The no-fault coverage under which the injured **person** is an insured as a relative of the policy's named insured.

**Basic reparation benefits** provided by this policy do not apply if there are **basic reparation benefits** available from any other policy or self-insurance with a higher order of priority. However, **basic reparation benefits** provided by this policy apply if a no-fault insurer or self-insurer with a higher order of priority does not pay **basic reparation benefits** within 30 days after receiving reasonable proof of the facts and the amount of loss.

Subject to the above, if other no-fault coverage applies, the **insured** may recover **basic reparation benefits** under only one no-fault coverage provided by all insurers and self-insurers.

## 2. **Added Reparation Benefits**

**Added reparation benefits** apply only to **you** and **resident relatives**.

Coverage applies in the following order of priority:

- a. The no-fault coverage or self-insurance applicable to the vehicle the injured **person** was **occupying** at the time of the accident.
- b. The no-fault coverage under which the injured **person** is a named insured.
- c. The no-fault coverage under which the injured **person** is an insured as a relative of the policy's named insured.

**Added reparation benefits** provided by this policy do not apply if there are **added**

**reparation benefits** available from any other policy not issued by **us**, or self-insurance with a higher order of priority. However, **added reparation benefits** provided by this policy apply if a no-fault insurer or self-insurer with a higher order of priority does not pay **added reparation benefits** within 30 days after receiving reasonable proof of the facts and the amount of loss.

Subject to the above, if other **added reparation benefits** apply, we will pay only our share. Our share is the percent that the limit of liability of this policy bears to the total of all **added reparation benefits** coverage applicable to the accident.

## **Constitutionality**

If a court of jurisdiction effectively renders any of the provisions of the **No-Fault Act** invalid or unenforceable, we may refigure premium payable and revise the coverage.

## **Our Payment Options**

**We** may, at **our** option, make payment to one or more of the following:

- 1. The **insured**;
- 2. A **survivor**;
- 3. A parent or guardian of the **insured** or **survivor**, if the **insured** or **survivor** is a minor or an incompetent **person**;
- 4. A **person** authorized by law to receive such payment; or
- 5. Any **person** or organization that provides the services for which benefits are paid.

**SCHEDULE**

No-Fault Coverage Symbol	Limit For All Elements of Loss Combined		Weekly Maximum Limit For Work Loss, Replacement Services Loss, And Survivor's Loss Combined		Limit For Funeral Expenses		Deductible
	Basic	Added	Basic	Added	Basic	Added	
P10	\$10,000	0	\$200	0	\$1,000	0	0
P12	\$10,000	0	\$200	0	\$1,000	0	\$250
P15	\$10,000	0	\$200	0	\$1,000	0	\$500
P11	\$10,000	0	\$200	0	\$1,000	0	\$1,000
P20	\$10,000	\$10,000	\$200	\$25	\$1,000	\$1,500	0
P22	\$10,000	\$10,000	\$200	\$25	\$1,000	\$1,500	\$250
P25	\$10,000	\$10,000	\$200	\$25	\$1,000	\$1,500	\$500
P21	\$10,000	\$10,000	\$200	\$25	\$1,000	\$1,500	\$1,000
P30	\$10,000	\$20,000	\$200	\$50	\$1,000	\$1,750	0
P32	\$10,000	\$20,000	\$200	\$50	\$1,000	\$1,750	\$250
P35	\$10,000	\$20,000	\$200	\$50	\$1,000	\$1,750	\$500
P31	\$10,000	\$20,000	\$200	\$50	\$1,000	\$1,750	\$1,000
P40	\$10,000	\$30,000	\$200	\$75	\$1,000	\$2,000	0
P42	\$10,000	\$30,000	\$200	\$75	\$1,000	\$2,000	\$250
P45	\$10,000	\$30,000	\$200	\$75	\$1,000	\$2,000	\$500
P41	\$10,000	\$30,000	\$200	\$75	\$1,000	\$2,000	\$1,000
P50	\$10,000	\$40,000	\$200	\$100	\$1,000	\$2,250	0
P52	\$10,000	\$40,000	\$200	\$100	\$1,000	\$2,250	\$250
P55	\$10,000	\$40,000	\$200	\$100	\$1,000	\$2,250	\$500
P51	\$10,000	\$40,000	\$200	\$100	\$1,000	\$2,250	\$1,000

Note: *Added reparation benefits* apply only to *you* and any *resident relative*.

## MEDICAL PAYMENTS COVERAGE

This policy provides Medical Payments Coverage if “C” is shown under “SYMBOLS” on the Declarations Page.

### Additional Definitions

**Insured** means:

1. **you** and **resident relatives**:
  - a. while **occupying**:
    - (1) **your car**;
    - (2) a **newly acquired car**;
    - (3) a **temporary substitute car**;
    - (4) a **non-owned car**; or
    - (5) a **trailer** while attached to a **car** described in (1), (2), (3), or (4) above; or
  - b. if struck as a **pedestrian** by a motor vehicle or any type of trailer; and
2. any other **person** while **occupying**:
  - a. **your car**;
  - b. a **newly acquired car**;
  - c. a **temporary substitute car**; or
  - d. a **trailer** while attached to a **car** described in a., b., or c. above.

Such vehicle must be used within the scope of **your** consent.

**Medical Expenses** mean **reasonable expenses** for **medical services**.

**Medical Services** mean treatments, procedures, products, and other services that are:

1. necessary to achieve maximum medical improvement for the **bodily injury**;
2. rendered by a healthcare provider:
  - a. who is licensed as a healthcare provider if a license is required by law; and
  - b. within the legally authorized scope of that healthcare provider’s practice;

3. commonly and customarily recognized throughout the medical profession and within the United States of America as appropriate for the treatment of the **bodily injury**;
4. primarily designed to serve a medical purpose;
5. not experimental; and
6. not for research purposes.

**Reasonable Expenses** mean the lowest one of the following charges:

1. The usual and customary fees charged by a majority of healthcare providers who provide similar **medical services** in the geographical area in which the charges were incurred;
2. The fee specified in any fee schedule:
  - a. applicable to medical payments coverage, no-fault coverage, or personal injury protection coverage included in motor vehicle liability policies issued in the state where **medical services** are provided; and
  - b. as prescribed or authorized by the law of the state where **medical services** are provided;
3. The fees agreed to by both the **insured’s** healthcare provider and **us**; or
4. The fees agreed upon between the **insured’s** healthcare provider and a third party when **we** have a contract with such third party.

### Insuring Agreement

**We** will pay:

1. **medical expenses** incurred because of **bodily injury** that is sustained by an **insured** and caused by a motor vehicle accident if:
  - a. that **insured** is first provided **medical services** within one year immediately following the date of the accident; and

- b. such **medical expenses** are for **medical services** that are provided within three years immediately following the date of the accident; and
- 2. funeral expenses incurred for an **insured** who dies within three years immediately following the date of a motor vehicle accident if the death is a direct result of **bodily injury** sustained in such accident.

**Determining Medical Expenses**

**We** have the right to:

- 1. obtain and use:
  - a. utilization reviews;
  - b. peer reviews; and
  - c. medical bill reviews
 to determine if the incurred charges are **medical expenses**;
- 2. use a medical examination of the **insured** to determine if:
  - a. the **bodily injury** was caused by a motor vehicle accident; and
  - b. the expenses incurred are **medical expenses**; and
- 3. enter into a contract with a third party that has an agreement with the **insured's** healthcare provider to charge fees as determined by that agreement.

**Limit**

The Medical Payments Coverage limit is shown on the Declarations Page under "Medical Payments Coverage – Limit – Each Person". This limit is the most **we** will pay for the **medical expenses** and funeral expenses combined, incurred by or on behalf of any one **insured** as a result of any one accident, regardless of the number of:

- 1. **insureds**;
- 2. claims made;
- 3. vehicles insured; or
- 4. vehicles involved in the accident.

Subject to the limit shown on the Declarations Page, the most **we** will pay for funeral expenses incurred for any one **insured** is \$3,000.

**Nonduplication**

**We** will not pay any **medical expenses** or funeral expenses under Medical Payments Coverage that have already been paid:

- 1. as damages under Liability Coverage, Uninsured Motor Vehicle Coverage, or Underinsured Motor Vehicle Coverage of any policy issued by the **State Farm Companies** to **you** or any **resident relative**;
- 2. by or on behalf of a party who is legally liable for the **insured's bodily injury**; or
- 3. under the No-Fault Coverage of this policy or the no-fault coverage of any other policy of insurance or self-insurance.

**Exclusions**

THERE IS NO COVERAGE FOR AN **INSURED**:

- 1. WHO IS STRUCK AS A **PEDESTRIAN** BY A MOTOR VEHICLE, **OWNED BY THAT INSURED OR YOU**, IF IT IS NOT **YOUR CAR** OR A **NEWLY ACQUIRED CAR**;
- 2. IF ANY WORKERS' COMPENSATION LAW OR ANY SIMILAR LAW APPLIES TO THAT **INSURED'S BODILY INJURY**;
- 3. WHO IS **OCCUPYING** A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN **INSURED**;
- 4. WHO IS **OCCUPYING** A VEHICLE WHILE IT IS BEING USED TO CARRY **PERSONS** FOR A CHARGE. This exclusion does not apply to:
  - a. the use of a **private passenger car** on a share-the-expense basis; or
  - b. an **insured** while **occupying a non-owned car** as a passenger;
- 5. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH THAT **INSURED'S** EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A

**CAR BUSINESS.** This exclusion does not apply to:

- a. *you*;
- b. any *resident relative*; or
- c. any agent, employee, or business partner of a. or b. above

while maintaining or using *your car*, a *newly acquired car*, a *temporary substitute car*, or a *trailer owned by you*;

6. WHILE THAT **INSURED** IS VALET PARKING A VEHICLE;
7. WHILE MAINTAINING OR USING A **NON-OWNED CAR** IN ANY BUSINESS OR OCCUPATION OTHER THAN A **CAR BUSINESS** OR VALET PARKING. This exclusion does not apply to the maintenance or use of a *private passenger car*;
8. WHO IS EITHER **OCCUPYING** OR STRUCK AS A **PEDESTRIAN** BY A VEHICLE THAT IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES;
9. WHO IS STRUCK AS A **PEDESTRIAN** BY A VEHICLE THAT:
  - a. IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS; OR
  - b. RUNS ON RAILS OR CRAWLER-TREADS;
10. WHOSE **BODILY INJURY** RESULTS FROM WAR OF ANY KIND;
11. WHOSE **BODILY INJURY** RESULTS FROM:
  - a. NUCLEAR REACTION;
  - b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
  - c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
12. WHOSE **BODILY INJURY** RESULTS FROM THE DISCHARGE OF A FIREARM;
13. WHOSE **BODILY INJURY** RESULTS FROM EXPOSURE TO **FUNGI**;
14. FOR **MEDICAL EXPENSES** OR FUNERAL EXPENSES THAT ARE NOT PAYABLE UNDER ANY NO-FAULT COVERAGE BECAUSE OF A DEDUCTIBLE; OR
15. WHO IS **OCCUPYING** A VEHICLE WHILE IT IS:
  - a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
  - b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (15.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

#### **If Other Medical Payments Coverage or Similar Vehicle Insurance Applies**

1. An *insured* shall not recover for the same **medical expenses** or funeral expenses under both this coverage and other medical payments coverage or similar vehicle insurance.
2. The Medical Payments Coverage provided by this policy applies as excess coverage to any no-fault coverage provided by this policy or any other policy of insurance or self-insurance that is applicable to **bodily injury** sustained by an *insured*.
3. If Medical Payments Coverage provided by this policy and one or more other vehicle policies issued to *you* or any *resident relative* by the **State Farm Companies** apply to the same **bodily injury**, then:

- a. the Medical Payments Coverage limits of such policies shall not be added together to determine the most that may be paid; and
  - b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.
4. The Medical Payments Coverage provided by this policy applies as primary coverage for an *insured* who sustains *bodily injury* while *occupying your car* or a *trailer* attached to it.
- a. If:
    - (1) this is the only vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as primary coverage; and
    - (2) medical payments coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,

then *we* will pay the proportion of *medical expenses* and funeral expenses payable as primary that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other medical payments coverage or similar vehicle insurance that apply as primary coverage.
  - b. If:
    - (1) more than one vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as primary coverage; and
    - (2) medical payments coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,

then the *State Farm Companies* will pay the proportion of *medical expenses* and funeral expenses payable as primary that the maximum amount that may be paid by the *State Farm Companies* as determined in 3. above bears to the sum of such amount and the limits of all other medical payments coverage or similar vehicle insurance that apply as primary coverage.
5. Except as provided in 4. above, the Medical Payments Coverage provided by this policy applies as excess coverage.
- a. If:
    - (1) this is the only vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and
    - (2) medical payments coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then *we* will pay the proportion of *medical expenses* and funeral expenses payable as excess that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other medical payments coverage or similar vehicle insurance that apply as excess coverage.
  - b. If:
    - (1) more than one vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* provides

Medical Payments Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and

- (2) medical payments coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then the *State Farm Companies* will pay the proportion of *medical expenses* and funeral expenses payable as excess that the maximum amount that may be paid by the *State Farm Companies* as determined in 3. above bears to the sum of such amount and the limits of all

other medical payments coverage or similar vehicle insurance that apply as excess coverage.

#### **Our Payment Options**

*We* may, at *our* option, make payment to one or more of the following:

1. The *insured*;
2. The *insured's* surviving spouse;
3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent *person*;
4. A *person* authorized by law to receive such payment; or
5. Any *person* or organization that provides the *medical services* or funeral services.

### **UNINSURED MOTOR VEHICLE COVERAGE**

This policy provides Uninsured Motor Vehicle Coverage if "U" is shown under "SYMBOLS" on the Declarations Page.

#### **Additional Definitions**

*Insured* means:

1. *you*;
2. *resident relatives*;
3. any other *person* while *occupying* a car that is:
  - a. *owned by you* or any *resident relative*; and
  - b. provided Liability Coverage through a policy issued by *us*.Such vehicle must be used within the scope of the consent of *you* or the owner of the vehicle. Such other *person occupying* a vehicle used to carry *persons* for a charge is not an *insured*; and
4. any *person* entitled to recover compensatory damages as a result of *bodily injury* to an *insured* as defined in 1., 2., or 3. above.

*Uninsured Motor Vehicle* means a land motor vehicle:

1. the ownership, maintenance, and use of which is:
  - a. not insured or bonded for bodily injury liability at the time of the accident; or
  - b. insured or bonded for bodily injury liability at the time of the accident; but
    - (1) the limits are less than required by the Motor Vehicle Reparations Act of Kentucky; or
    - (2) the insuring company:
      - (a) denies that its policy provides liability coverage for compensatory damages that result from the accident; or
      - (b) is or becomes insolvent; or
2. the owner and driver of which remain unknown and which causes *bodily injury* to the *insured*. If there is no physical contact between that land motor vehicle and the *insured* or the vehicle the *insured* is

*occupying*, then the facts of the accident must be corroborated by a disinterested *person* who witnessed the accident. *You, resident relatives*, and *persons occupying* the same vehicle as the *insured* are not disinterested *persons*.

**Uninsured Motor Vehicle** does not include a land motor vehicle:

1. whose ownership, maintenance, or use is provided Liability Coverage by this policy;
2. *owned by*, rented to, or furnished or available for the regular use of *you* or any *resident relative*;
3. *owned by*, rented to, or operated by a self-insurer under any motor vehicle financial responsibility law, any motor carrier law, or any similar law;
4. *owned by* or rented to any government or any of its political subdivisions or agencies;
5. designed for use primarily off public roads except while on public roads; or
6. while located for use as a dwelling or other premises.

#### **Insuring Agreement**

*We* will pay compensatory damages for *bodily injury* an *insured* is legally entitled to recover from the owner or driver of an *uninsured motor vehicle*. The *bodily injury* must be:

1. sustained by an *insured*; and
2. caused by an accident that involves the operation, maintenance, or use of an *uninsured motor vehicle* as a motor vehicle.

#### **Consent to Settlement**

1. The *insured* must give *us* written notice of a tentative agreement, if any, to settle an *insured's bodily injury* claim proposed by or on behalf of the owner or driver of the *uninsured motor vehicle*. The *insured* must request *our* written consent to accept such settlement offer. The written notice must:

- a. be sent to *us* by certified or registered mail; and
- b. include:
  - (1) copies of all medical bills;
  - (2) written authorization to obtain copies of wage, tax, business, or financial records, medical records, and any other records necessary to determine the amount of damages; and
  - (3) any other available written documentation of pecuniary losses incurred.

#### **2. If *we*:**

- a. consent in writing, or do not respond to the *insured's* request within 30 days, then the *insured* may accept the settlement offer.
- b. inform the *insured* in writing within 30 days that *we* do not consent, then the *insured* may not accept such settlement offer and:
  - (1) *we* will make payment to the *insured* in an amount equal to such settlement offer. This payment is considered a payment made by or on behalf of the owner or driver of the *uninsured motor vehicle*; and
  - (2) any recovery from or on behalf of the owner or driver of the *uninsured motor vehicle* shall first be used to repay *us*.

#### **Deciding Fault and Amount**

1. a. The *insured* and *we* must agree to the answers to the following two questions:
  - (1) Is the *insured* legally entitled to recover compensatory damages from the owner or driver of the *uninsured motor vehicle*?
  - (2) If the *insured* and *we* agree that the answer to 1.a.(1) above is yes, then what is the amount of the compensatory damages that the *insured* is legally entitled to recover

from the owner or driver of the **uninsured motor vehicle**?

b. If there is no agreement on the answer to either question in 1.a. above, then the **insured** shall:

- (1) file a lawsuit, in a state or federal court that has jurisdiction, against **us**. If the **insured** does not include the owner and driver of the **uninsured motor vehicle** as defendants in the lawsuit filed against **us**, then **we** have the right to join such owner and driver in the lawsuit;
- (2) consent to a jury trial if requested by **us**;
- (3) agree that **we** may contest the issues of liability and the amount of damages; and
- (4) secure a judgment in that action. The judgment must be the final result of an actual trial and any appeals, if any appeals are taken.

2. **We** are not bound by any:

- a. judgment obtained without **our** written consent; and
- b. default judgment against any **person** or organization other than **us**.

3. Regardless of the amount of any award, including any judgment or default judgment, **we** are not obligated to pay any amount in excess of the available limits under this coverage of this policy.

### Limits

The Uninsured Motor Vehicle Coverage limits are shown on the Declarations Page under “Uninsured Motor Vehicle Coverage – Bodily Injury Limits – Each Person, Each Accident”.

The limit shown under “Each Person” is the most **we** will pay for all damages resulting from **bodily injury** to any one **insured** injured in any one accident, including all damages sustained by other **insureds** as a result of that **bodily injury**. The limit shown under “Each

Accident” is the most **we** will pay, subject to the limit for “Each Person”, for all damages resulting from **bodily injury** to two or more **insureds** injured in the same accident.

These Uninsured Motor Vehicle Coverage limits are the most **we** will pay regardless of the number of:

1. **insureds**;
2. claims made;
3. vehicles insured; or
4. vehicles involved in the accident.

### Nonduplication

**We** will not pay under Uninsured Motor Vehicle Coverage any damages:

1. that have already been paid to or for the **insured**:
  - a. by or on behalf of any **person** or organization who is or may be held legally liable for the **bodily injury** to the **insured**; or
  - b. for **bodily injury** under Liability Coverage of any policy issued by the **State Farm Companies** to **you** or any **resident relative**;
2. that:
  - a. have already been paid;
  - b. could have been paid; or
  - c. could be paid

to or for the **insured** under any workers’ compensation law, disability benefits law, or similar law;

3. that have already been paid as expenses under Medical Payments Coverage of this policy, the medical payments coverage of any other policy, or other similar vehicle insurance; or
4. that have already been paid under No-Fault Coverage of this policy or the no-fault coverage of any other policy of insurance or self-insurance.

## Exclusions

THERE IS NO COVERAGE:

1. FOR AN **INSURED** WHO, WITHOUT **OUR** WRITTEN CONSENT, SETTLES WITH ANY **PERSON** OR ORGANIZATION WHO MAY BE LIABLE FOR THE **BODILY INJURY**. This exclusion does not apply if **we** have been given 30 days advance written notice of a tentative agreement to settle with the owner or operator of an **uninsured motor vehicle**;
2. FOR AN **INSURED** WHOSE **BODILY INJURY** RESULTS FROM THE DISCHARGE OF A FIREARM;
3. TO THE EXTENT IT BENEFITS:
  - a. ANY WORKERS' COMPENSATION OR DISABILITY BENEFITS INSURANCE COMPANY;
  - b. A SELF-INSURER UNDER ANY WORKERS' COMPENSATION LAW, DISABILITY BENEFITS LAW, OR SIMILAR LAW; OR
  - c. ANY GOVERNMENT OR ANY OF ITS POLITICAL SUBDIVISIONS OR AGENCIES;
4. FOR PUNITIVE OR EXEMPLARY DAMAGES; OR
5. FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION.

### If Other Uninsured Motor Vehicle Coverage Applies

1. If Uninsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to **you** or any **resident relative** by the **State Farm Companies** apply to the same **bodily injury** sustained by an **insured** other than **you** or any **resident relative**, then:
  - a. the Uninsured Motor Vehicle Coverage limits of such policies will not be added together to determine the most that may be paid; and
  - b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. **We** may choose one or more policies from which to make payment.
2. The Uninsured Motor Vehicle Coverage provided by this policy applies as primary coverage for an **insured** who sustains **bodily injury** while **occupying your car**.

If uninsured motor vehicle coverage is provided on a primary basis by one or more other sources, then **we** will pay the proportion of damages that the applicable limit of this policy bears to the total of all uninsured motor vehicle coverage that applies as primary coverage.
3. Except as provided in 2. above, the Uninsured Motor Vehicle Coverage provided by this policy applies as excess coverage.

If uninsured motor vehicle coverage is provided on an excess basis by one or more other sources, then **we** will pay the proportion of damages that the applicable limit of this policy bears to the total of all uninsured motor vehicle coverage that applies as excess coverage.

### Our Payment Options

**We** may, at **our** option, make payment to one or more of the following:

1. The **insured**;
2. The **insured's** surviving spouse;
3. A parent or guardian of the **insured**, if the **insured** is a minor or an incompetent **person**; or
4. A **person** authorized by law to receive such payment.

## UNDERINSURED MOTOR VEHICLE COVERAGE

This policy provides Underinsured Motor Vehicle Coverage if “W” is shown under “SYMBOLS” on the Declarations Page.

### Additional Definitions

**Insured** means:

1. *you*;
2. *resident relatives*;
3. any other *person* while *occupying a car* that is:
  - a. *owned by you* or any *resident relative*; and
  - b. provided Liability Coverage through a policy issued by *us*.
4. any *person* entitled to recover compensatory damages as a result of *bodily injury* to an *insured* as defined in 1., 2., or 3. above.

**Underinsured Motor Vehicle** means a land motor vehicle:

1. the ownership, maintenance, and use of which is either:
  - a. insured or bonded for bodily injury liability at the time of the accident; or
  - b. self-insured under any motor vehicle financial responsibility law, any motor carrier law, or any similar law; and
2. for which the total limits of insurance, bonds, and self-insurance for bodily injury liability from all sources are less than the *insured's* damages.

**Underinsured Motor Vehicle** does not include a land motor vehicle:

1. whose ownership, maintenance, or use is provided Liability Coverage by this policy;

2. *owned by*, rented to, or furnished or available for the regular use of *you* or any *resident relative*;
3. designed for use primarily off public roads except while on public roads;
4. while located for use as a dwelling or other premises; or
5. defined as an *uninsured motor vehicle* under Uninsured Motor Vehicle Coverage of this policy.

### Insuring Agreement

*We* will pay compensatory damages for *bodily injury* an *insured* is legally entitled to recover from the owner or driver of an *underinsured motor vehicle*. The *bodily injury* must be:

1. sustained by an *insured*; and
2. caused by an accident that involves the operation, maintenance, or use of an *underinsured motor vehicle* as a motor vehicle.

### Consent to Settlement

1. The *insured* must give *us* written notice of a tentative agreement to settle an *insured's* *bodily injury* claim proposed by or on behalf of the owner or driver of the *underinsured motor vehicle*. The *insured* must request *our* written consent to accept such settlement offer. The written notice must:
  - a. be sent to *us* by certified or registered mail; and
  - b. include:
    - (1) copies of all medical bills;
    - (2) written authorization to obtain copies of wage, tax, business, or financial records, medical records, and any other records necessary to determine the amount of damages; and
    - (3) any other available written documentation of pecuniary losses incurred.

2. If **we**:
  - a. consent in writing, or do not respond to the insured's request within 30 days, then the **insured** may accept the settlement offer.
  - b. inform the **insured** in writing within 30 days that **we** do not consent, then the **insured** may not accept such settlement offer and:
    - (1) **we** will make payment to the **insured** in an amount equal to such settlement offer. This payment is considered a payment made by or on behalf of the owner or driver of the **underinsured motor vehicle**; and
    - (2) any recovery from or on behalf of the owner or driver of the **underinsured motor vehicle** shall first be used to repay **us**.
- (2) consent to a jury trial if requested by **us**;
- (3) agree that **we** may contest the issues of liability and the amount of damages; and
- (4) secure a judgment in that action. The judgment must be the final result of an actual trial and any appeals, if any appeals are taken.

#### Deciding Fault and Amount

1. a. The **insured** and **we** must agree to the answers to the following two questions:
  - (1) Is the **insured** legally entitled to recover compensatory damages from the owner or driver of the **underinsured motor vehicle**?
  - (2) If the **insured** and **we** agree that the answer to 1.a.(1) above is yes, then what is the amount of the compensatory damages that the **insured** is legally entitled to recover from the owner or driver of the **underinsured motor vehicle**?
- b. If there is no agreement on the answer to either question in 1.a. above, then the **insured** shall:
  - (1) file a lawsuit, in a state or federal court that has jurisdiction, against **us**. If the **insured** does not include the owner and driver of the **underinsured motor vehicle** as defendants in the lawsuit filed against **us**, then **we** have the right to join such owner and driver in the lawsuit;

#### Limits

2. **We** are not bound by any:
    - a. judgment obtained without **our** written consent; and
    - b. default judgment against any **person** or organization other than **us**.
  3. Regardless of the amount of any award, including any judgment or default judgment, **we** are not obligated to pay any amount in excess of the available limits under this coverage of this policy.
1. The Underinsured Motor Vehicle Coverage limits are shown on the Declarations Page under "Underinsured Motor Vehicle Coverage – Bodily Injury Limits – Each Person, Each Accident".
    - a. The most **we** will pay for all damages resulting from **bodily injury** to any one **insured** injured in any one accident, including all damages sustained by other **insureds** as a result of that **bodily injury**, is the lesser of:
      - (1) the amount of all compensatory damages resulting from the **insured's bodily injury** reduced by the sum of all liability insurance, bonds, and self-insurance of any **person** or organization who is or may be held liable for the **bodily injury** of the **insured**; and
      - (2) the limits shown under "each person".
    - b. Subject to a. above, the most **we** will pay for all damages resulting from **bodily injury** to two or more **insureds**

injured in the same accident is the limit shown under "Each Accident".

2. These Underinsured Motor Vehicle Coverage limits are the most *we* will pay regardless of the number of:
  - a. *insureds*;
  - b. claims made;
  - c. vehicles insured; or
  - d. vehicles involved in the accident.

#### **Nonduplication**

*We* will not pay under Underinsured Motor Vehicle Coverage any damages:

1. that have already been paid to or for the *insured*:
  - a. by or on behalf of any *person* or organization who is or may be held legally liable for the *bodily injury* to the *insured*; or
  - b. for *bodily injury* under Liability Coverage of any policy issued by the *State Farm Companies* to *you* or any *resident relative*;
2. that:
  - a. have already been paid;
  - b. could have been paid; or
  - c. could be paidto or for the *insured* under any workers' compensation law, disability benefits law, or similar law;
3. that have already been paid as expenses under Medical Payments Coverage of this policy, the medical payments coverage of any other policy, or other similar vehicle insurance; or
4. that have already been paid under No-Fault Coverage of this policy or the no-fault coverage of any other policy of insurance or self-insurance.

#### **Exclusions**

THERE IS NO COVERAGE:

1. FOR AN *INSURED* WHO, WITHOUT *OUR* WRITTEN CONSENT, SETTLES WITH ANY *PERSON* OR ORGANIZATION WHO MAY BE LIABLE FOR THE *BODILY INJURY*. This exclusion does not apply if *we* have been given 30 days advance written notice of a tentative agreement to settle with the owner or operator of an *underinsured motor vehicle*;
2. FOR AN *INSURED* WHOSE *BODILY INJURY* RESULTS FROM THE DISCHARGE OF A FIREARM;
3. TO THE EXTENT IT BENEFITS:
  - a. ANY WORKERS' COMPENSATION OR DISABILITY BENEFITS INSURANCE COMPANY;
  - b. A SELF-INSURER UNDER ANY WORKERS' COMPENSATION LAW, DISABILITY BENEFITS LAW, OR SIMILAR LAW; OR
  - c. ANY GOVERNMENT OR ANY OF ITS POLITICAL SUBDIVISIONS OR AGENCIES;
4. FOR PUNITIVE OR EXEMPLARY DAMAGES; OR
5. FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION.

#### **If Other Underinsured Motor Vehicle Coverage Applies**

1. If Underinsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to *you* or any *resident relative* by the *State Farm Companies* apply to the same *bodily injury* sustained by an *insured* other than *you* or any *resident relative*, then:
  - a. the Underinsured Motor Vehicle Coverage limits of such policies will not be added together to determine the most that may be paid; and

- b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.
2. The Underinsured Motor Vehicle Coverage provided by this policy applies as primary coverage for an *insured* who sustains *bodily injury* while *occupying your car*.  
If underinsured motor vehicle coverage is provided on a primary basis by one or more other sources, then *we* will pay the proportion of damages that the applicable limit of this policy bears to the total of all underinsured motor vehicle coverage that applies as primary coverage.
3. Except as provided in 2. above, the Underinsured Motor Vehicle Coverage provided by this policy applies as excess coverage.

If underinsured motor vehicle coverage is provided on an excess basis by one or more other sources, then *we* will pay the proportion of damages that the applicable limit of this policy bears to the total of all underinsured motor vehicle coverage that applies as excess coverage.

#### Our Payment Options

*We* may, at *our* option, make payment to one or more of the following:

1. The *insured*;
2. The *insured's* surviving spouse;
3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent *person*; or
4. A *person* authorized by law to receive such payment.

### PHYSICAL DAMAGE COVERAGES

The physical damage coverages are Comprehensive Coverage, Collision Coverage, Emergency Road Service Coverage, and Car Rental and Travel Expenses Coverage.

This policy provides:

1. Comprehensive Coverage if "D";
2. Collision Coverage if "G";
3. Emergency Road Service Coverage if "H";
4. Car Rental and Travel Expenses Coverage if "R1"

is shown under "SYMBOLS" on the Declarations Page.

If a deductible applies to Comprehensive Coverage, then it is shown on the Declarations Page. The deductible that applies to Collision Coverage is shown on the Declarations Page.

#### Additional Definitions

*Covered Vehicle* means:

1. *your car*;
2. a *newly acquired car*;

3. a *temporary substitute car*;
4. a camper that is designed to be mounted on a pickup truck and shown on the Declarations Page;
5. a *non-owned car* while it is:
  - a. being driven by an *insured*; or
  - b. in the custody of an *insured* if at the time of the *loss* it is:
    - (1) not being driven; or
    - (2) being driven by a *person* other than an *insured* and being *occupied* by an *insured*;
6. a *non-owned trailer* while it is being used by an *insured*; and
7. a *non-owned camper* while it is being used by an *insured*;

including its parts and its equipment that are common to the use of the vehicle as a vehicle. However, parts and equipment of *trailers* and campers must be securely fixed as a permanent part of the *trailer* or camper.

**Daily Rental Charge** means the sum of:

1. the daily rental rate;
2. mileage charges; and
3. related taxes.

**Insured** means *you* and *resident relatives*.

**Loss** means:

1. direct, sudden, and accidental damage to; or
2. total or partial theft of

a **covered vehicle**. **Loss** does not include any reduction in the value of any **covered vehicle** after it has been repaired, as compared to its value before it was damaged.

**Loss Caused By Collision** means a **loss** caused by:

1. a **covered vehicle** hitting or being hit by another vehicle or another object; or
2. the overturning of a **covered vehicle**.

Any **loss** caused by missiles, falling objects, windstorm, hail, fire, explosion, earthquake, water, flood, total or partial theft, malicious mischief, vandalism, riot, civil commotion, or hitting or being hit by a bird or an animal is not a **Loss Caused By Collision**.

**Non-Owned Camper** means a camper designed to be mounted on a pickup truck that is in the lawful possession of an **insured** and that neither:

1. is **owned by**:
  - a. an **insured**;
  - b. any other **person** who resides primarily in **your** household; or
  - c. an employer of any **person** described in a. or b. above; nor
2. has been used by, rented by, or in the possession of an **insured** during any part of each of the 31 or more consecutive days immediately prior to the date of the **loss**.

**Non-Owned Trailer** means a **trailer** that is in the lawful possession of an **insured** and that neither:

1. is **owned by**:
  - a. an **insured**;
  - b. any other **person** who resides primarily in **your** household; or
  - c. an employer of any **person** described in a. or b. above; nor
2. has been used by, rented by, or in the possession of an **insured** during any part of each of the 31 or more consecutive days immediately prior to the date of the **loss**.

## Insuring Agreements

### 1. Comprehensive Coverage

**We** will pay:

- a. for **loss**, except **loss caused by collision**, to a **covered vehicle**;
- b. for **loss** to safety glass on **your covered vehicle**, even if it is a **loss caused by collision**, without application of a deductible; and
- c. transportation expenses incurred by an **insured** as a result of the total theft of **your car** or a **newly acquired car**. These transportation expenses are payable:

(1) during the period that:

- (a) starts on the date **you** report the theft to **us**; and
- (b) ends on the earliest of:
  - (i) the date the vehicle is returned to **your** possession in a drivable condition;
  - (ii) the date **we** offer to pay for the **loss** if the vehicle has not yet been recovered; or
  - (iii) the date **we** offer to pay for the **loss** if the vehicle is recovered, but is a total loss as determined by **us**; and

- (2) during the period that:
  - (a) starts on the date the vehicle is left at a repair facility if the stolen vehicle is recovered, returned to *your* possession in a drivable condition, and has unrepaired damage that resulted from the total theft; and
  - (b) ends on the date the vehicle is repaired.

These transportation expenses must be reported to *us* before *we* will pay such incurred expenses.

2. **Collision Coverage**

*We* will pay for *loss caused by collision* to a *covered vehicle*.

3. **Emergency Road Service Coverage**

*We* will pay the fair cost incurred by an *insured* for:

- a. up to one hour of labor to repair a *covered vehicle* at the place of its breakdown;
- b. towing to the nearest repair facility where necessary repairs can be made if a *covered vehicle* is not drivable;
- c. towing a *covered vehicle* out of a location where it is stuck if the vehicle is on or immediately next to a public road;
- d. delivery of gas, oil, battery, or tire necessary to return a *covered vehicle* to driving condition. *We* do not pay the cost of the gas, oil, battery, or tire; and
- e. up to one hour of labor for locksmith services to unlock a *covered vehicle* if its key is lost, stolen, or locked inside the vehicle.

4. **Car Rental and Travel Expenses Coverage**

a. **Car Rental Expense**

*We* will pay the *daily rental charge* incurred when *you* rent a *car* from a *car business* while *your car* or a *newly acquired car* is:

- (1) not drivable; or
  - (2) being repaired
- as a result of a *loss* which would be payable under Comprehensive Coverage or Collision Coverage.

*We* will pay this *daily rental charge* incurred during a period that:

- (1) starts on the date:
  - (a) the vehicle is not drivable as a result of the *loss*; or
  - (b) the vehicle is left at a repair facility if the vehicle is drivable; and
- (2) ends on the earliest of:
  - (a) the date the vehicle has been repaired or replaced;
  - (b) the date *we* offer to pay for the *loss* if the vehicle is repairable but *you* choose to delay repairs; or
  - (c) five days after *we* offer to pay for the *loss* if the vehicle is:
    - (i) a total loss as determined by *us*; or
    - (ii) stolen and not recovered.

The amount of any such *daily rental charge* incurred by *you* must be reported to *us* before *we* will pay such amount.

b. **Travel Expenses**

*We* will pay expenses for commercial transportation, lodging, and meals if *your car* or a *newly acquired car* is not drivable as a result of a *loss* which would be payable under Comprehensive Coverage or Collision Coverage. The *loss* must occur more than 50 miles from *your* home. *We* will only pay these expenses if they are incurred by:

- (1) an *insured* during the period that:
  - (a) starts after the *loss* occurs; and

- (b) ends on the earlier of:
  - (i) the *insured's* arrival at his or her destination or home if the vehicle is left behind for repairs; or
  - (ii) the repair of the vehicle if the *insured* waits for repairs before continuing on to his or her destination or returning home; and
- (2) *you*, or any *person you* choose, to travel to retrieve the vehicle and drive it to either the original destination or *your* home if the vehicle was left behind for repairs.

These expenses must be reported to *us* before *we* will pay such incurred expenses.

**c. Rental Car – Repayment of Deductible Expense**

*We* will pay the comprehensive deductible or collision deductible an *insured* is required to pay the owner of a *car* rented from a *car business*.

**Supplementary Payments – Comprehensive Coverage and Collision Coverage**

If the *covered vehicle* sustains *loss* for which *we* make a payment under Comprehensive Coverage or Collision Coverage, then *we* will pay reasonable expenses incurred to:

- 1. tow the *covered vehicle* immediately after the *loss*:
  - a. for a reasonable distance from the location of the *loss* to any one repair facility chosen by an *insured* or the owner of the *covered vehicle*, if the *covered vehicle* is not drivable; or
  - b. to any one repair facility or commercial storage facility, neither of which was chosen by an *insured* or the owner of the *covered vehicle*. *We* will also pay reasonable expenses incurred to tow the *covered vehicle* for a reasonable distance from this facility to any

- one repair facility chosen by an *insured* or the owner of the *covered vehicle*, if the *covered vehicle* is not drivable;
- 2. store the *covered vehicle*, if it is not drivable immediately after the *loss*, at:
  - a. any one repair facility or commercial storage facility, neither of which was chosen by an *insured* or the owner of the *covered vehicle*; and
  - b. any one repair facility chosen by the owner of the *covered vehicle*, and *we* determine such vehicle is a total loss.

If the owner of the *covered vehicle* consents, then *we* may move the *covered vehicle* at *our* expense to reduce storage costs. If the owner of the *covered vehicle* does not consent, then *we* will pay only the storage costs that would have resulted if *we* had moved the damaged *covered vehicle*; and

- 3. clean up debris from the *covered vehicle* at the location of the *loss*. The most *we* will pay to clean up the debris is \$250 for any one *loss*.

**Limits and Loss Settlement – Comprehensive Coverage and Collision Coverage**

- 1. *We* have the right to choose to settle with *you* or the owner of the *covered vehicle* in one of the following ways:
  - a. Pay the cost to repair the *covered vehicle* minus any applicable deductible.
    - (1) *We* have the right to choose one of the following to determine the cost to repair the *covered vehicle*:
      - (a) The cost agreed to by both the owner of the *covered vehicle* and *us*;
      - (b) A bid or repair estimate approved by *us*; or
      - (c) A repair estimate that is written based upon or adjusted to:
        - (i) the prevailing competitive price;

(ii) the lower of paintless dent repair pricing established by an agreement *we* have with a third party or the paintless dent repair price that is competitive in the market; or

(iii) a combination of (i) and (ii) above.

The prevailing competitive price means prices charged by a majority of the repair market in the area where the *covered vehicle* is to be repaired as determined by a survey made by *us*. If asked, *we* will identify some facilities that will perform the repairs at the prevailing competitive price. The estimate will include parts sufficient to restore the *covered vehicle* to its pre-loss condition.

*You* agree with *us* that the repair estimate may include new, used, recycled, and reconditioned parts. Any of these parts may be either original equipment manufacturer parts or non-original equipment manufacturer parts.

*You* also agree that replacement glass need not have any insignia, logo, trademark, etching, or other marking that was on the replaced glass.

(2) The cost to repair the *covered vehicle* does not include any reduction in the value of the *covered vehicle* after it has been repaired, as compared to its value before it was damaged.

(3) If the repair or replacement of a part results in betterment of that part, then *you* or the owner of the *covered vehicle* must pay for the amount of the betterment.

(4) If *you* and *we* agree, then windshield glass will be repaired instead of replaced;

b. Pay the actual cash value of the *covered vehicle* minus any applicable deductible.

The damaged *covered vehicle* must be given to *us* in exchange for *our* payment, unless *we* agree that the owner may keep it. If the owner keeps the *covered vehicle*, then *our* payment will be reduced by the value of the *covered vehicle* after the loss; or

c. Return the stolen *covered vehicle* to its owner and pay, as described in 1.a. above, for any direct, sudden, and accidental damage that resulted from the theft.

2. The most *we* will pay for transportation expenses under Comprehensive Coverage is \$25 per day subject to an aggregate limit of \$750 per loss.

3. The most *we* will pay for loss to a *non-owned trailer* or a *non-owned camper* is \$2,500.

#### Limits – Car Rental and Travel Expenses Coverage

##### 1. Car Rental Expense

The limit for Car Rental Expense is shown on the Declarations Page under “Limit – Car Rental Expense – Each Day, Each Loss”.

a. The limit shown under “Each Day” is the most *we* will pay for the *daily rental charge*. If:

(1) a dollar amount is shown, then *we* will pay the *daily rental charge* up to that dollar amount;

(2) a percentage amount is shown, then *we* will pay that percentage of the *daily rental charge*.

b. Subject to the “Each Day” limit, the limit shown under “Each Loss” is the most *we* will pay for Car Rental Expense incurred as a result of any one loss.

2. **Travel Expenses**

The most *we* will pay for Travel Expenses incurred by all *insureds* as a result of any one *loss* is \$500.

3. **Rental Car – Repayment of Deductible Expense**

The most *we* will pay for Rental Car – Repayment of Deductible Expense incurred as a result of any one *loss* is \$500.

**Nonduplication**

*We* will not pay for any *loss* or expense under the Physical Damage Coverages for which the *insured* or owner of the *covered vehicle* has already received payment:

1. from, or on behalf of, a party who is legally liable for the *loss* or expense; or
2. from Liability Coverage provided by this policy.

**Exclusions**

THERE IS NO COVERAGE FOR:

1. ANY **COVERED VEHICLE** THAT IS:
  - a. INTENTIONALLY DAMAGED; OR
  - b. STOLENBY OR AT THE DIRECTION OF AN **INSURED**;
2. ANY **COVERED VEHICLE** WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN **INSURED**;
3. ANY **COVERED VEHICLE** WHILE IT IS USED TO CARRY **PERSONS** FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;
4. ANY **COVERED VEHICLE** DUE TO:
  - a. THEFT;
  - b. CONVERSION;
  - c. EMBEZZLEMENT; OR
  - d. SECRETION

BY AN **INSURED**, A CONSIGNEE, AN AGENT OF A CONSIGNEE, OR A **PERSON** WHO OBTAINS POSSESSION OF THE **COVERED VEHICLE** WITH THE PERMISSION OF A CONSIGNEE OR AGENT OF A CONSIGNEE;

5. **LOSS TO YOUR CAR OR A NEWLY ACQUIRED CAR** IF AN **INSURED** VOLUNTARILY RELINQUISHES POSSESSION OF THAT **CAR** TO A **PERSON** OR ORGANIZATION UNDER AN ACTUAL OR PRESUMED SALES AGREEMENT;
6. ANY **COVERED VEHICLE** TO THE EXTENT **OUR** PAYMENT WOULD BENEFIT ANY CARRIER OR OTHER BAILEE FOR HIRE THAT IS LIABLE FOR **LOSS** TO SUCH **COVERED VEHICLE**;
7. **LOSS TO ANY COVERED VEHICLE DUE TO FUNGI**. THIS APPLIES REGARDLESS OF WHETHER OR NOT THE **FUNGI** RESULT FROM A **LOSS** THAT IS PAYABLE UNDER ANY OF THE PHYSICAL DAMAGE COVERAGES. **WE** WILL ALSO NOT PAY FOR ANY TESTING OR REMEDIATION OF **FUNGI**, OR ANY ADDITIONAL COSTS REQUIRED TO REPAIR ANY **COVERED VEHICLE** THAT ARE DUE TO THE EXISTENCE OF **FUNGI**;
8. **LOSS TO ANY COVERED VEHICLE THAT RESULTS FROM:**
  - a. NUCLEAR REACTION;
  - b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
  - c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
9. **LOSS TO ANY COVERED VEHICLE THAT RESULTS FROM THE TAKING OF OR SEIZURE OF THAT COVERED VEHICLE BY ANY GOVERNMENTAL AUTHORITY;**

10. **LOSS TO ANY COVERED VEHICLE THAT RESULTS FROM WAR OF ANY KIND;**
11. **YOUR CAR** WHILE SUBJECT TO ANY:
- LIEN AGREEMENT;
  - RENTAL AGREEMENT;
  - LEASE AGREEMENT; OR
  - SALES AGREEMENT
- NOT SHOWN ON THE DECLARATIONS PAGE;
12. ANY **NON-OWNED CAR** WHILE IT IS:
- BEING MAINTAINED OR USED BY ANY **PERSON** WHILE THAT **PERSON** IS EMPLOYED IN OR ENGAGED IN ANY WAY IN A **CAR BUSINESS**; OR
  - USED IN ANY BUSINESS OR OCCUPATION OTHER THAN A **CAR BUSINESS**. This exclusion (12.b.) does not apply to a *private passenger car*;
13. ANY PART OR EQUIPMENT OF A **COVERED VEHICLE** IF THAT PART OR EQUIPMENT:
- FAILS OR IS DEFECTIVE; OR
  - IS DAMAGED AS A DIRECT RESULT OF:
    - WEAR AND TEAR;
    - FREEZING; OR
    - MECHANICAL, ELECTRICAL, OR ELECTRONIC BREAK-DOWN OR MALFUNCTION OF THAT PART OR EQUIPMENT.

This exclusion does not apply if the *loss* is the result of theft of the *covered vehicle*;
14. ANY PART OR EQUIPMENT:
- THAT IS NOT LEGAL FOR USE IN OR ON THE **COVERED VEHICLE** IN THE JURISDICTION WHERE THE **COVERED VEHICLE** IS REGISTERED; OR
  - THE USE OF WHICH IS NOT LEGAL IN THE JURISDICTION WHERE THE **COVERED VEHICLE** IS REGISTERED BECAUSE OF HOW OR WHERE THAT PART OR EQUIPMENT IS INSTALLED IN OR ON THE **COVERED VEHICLE**.
- However, if there is a legal version of the part or equipment that is necessary for the safe operation of the *covered vehicle*, then *we* will pay the cost that *we* would otherwise have paid to repair the vehicle with the legal version of the part or equipment. *We* will not pay any cost necessary to modify the vehicle for installation of the legal version of the part or equipment;
15. **TIRES**. This exclusion does not apply if:
- loss* is caused by missiles, falling objects, windstorm, hail, fire, explosion, earthquake, water, flood, total or partial theft, malicious mischief, vandalism, riot, civil commotion, or hitting or being hit by a bird or an animal; or
  - loss caused by collision* to another part of the *covered vehicle* causes *loss* to tires;
16. REMOVABLE PRODUCTS USED FOR STORAGE OF AUDIO, VIDEO, OR OTHER DATA, INCLUDING BUT NOT LIMITED TO TAPES, DISCS, AND MEMORY CARDS, NOR IS THERE COVERAGE FOR THE RECONSTRUCTION OF DATA CONTAINED THEREIN;
17. ANY EQUIPMENT USED TO DETECT OR INTERFERE WITH SPEED MEASURING DEVICES;
18. A CAMPER, INCLUDING ITS PARTS AND ITS EQUIPMENT, THAT IS:
- DESIGNED TO BE MOUNTED ON A PICKUP TRUCK;
  - OWNED BY AN INSURED**; AND
  - NOT SHOWN ON THE DECLARATIONS PAGE; OR

19. ANY **COVERED VEHICLE** WHILE IT IS:

- a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (19.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

**If Other Physical Damage Coverage or Similar Coverage Applies**

1. If the same **loss** or expense is payable under more than one of the physical damage coverages provided by this policy, then only the one coverage that pays the most for that **loss** or expense applies.
2. If any of the physical damage coverages provided by this policy and one or more other policies issued to an **insured** by the **State Farm Companies** apply to the same **loss** or expense, then only one policy applies. **We** will select a policy that pays the most for the **loss** or expense.
3. The physical damage coverages provided by this policy apply as primary coverage for a **loss** to **your car**.

The Collision Coverage provided by this policy also applies as primary coverage for **loss** to a **temporary substitute car** loaned or rented to **you** by any **person**, firm, or corporation engaged in the business of selling, repairing, or servicing motor vehicles.

If similar coverage provided by one or more sources other than the **State Farm Companies** also applies as primary coverage for the same **loss** or expense, then the **State Farm Companies** will pay the proportion of the **loss** or expense payable as

primary that the maximum amount that may be paid by the **State Farm Companies** bears to the sum of such amount and the limits of all other similar coverage that applies as primary coverage.

4. Except as provided in 3. above, the physical damage coverages provided by this policy apply as excess coverage.

If similar coverage provided by one or more sources other than the **State Farm Companies** also applies as excess coverage for the same **loss** or expense, then the **State Farm Companies** will pay the proportion of the **loss** or expense payable as excess that the maximum amount that may be paid by the **State Farm Companies** bears to the sum of such amount and the limits of all other similar coverage that applies as excess coverage.

**Financed Vehicle**

1. If a creditor is shown on the Declarations Page, then any Comprehensive Coverage or Collision Coverage provided by this policy applies to that creditor's interest in **your car**. Coverage for the creditor's interest is only provided for a **loss** that is payable to **you**.

However, if this policy is cancelled or non-renewed, then **we** will provide coverage for the creditor's interest until **we** notify the creditor of the termination of such coverage. This coverage for the creditor's interest is only provided for a **loss** that would have been payable to **you** if this policy had not been cancelled or nonrenewed. The date such termination is effective will be at least 10 days after the date **we** mail or electronically transmit a notice of the termination to the creditor.

2. If **we** pay such creditor, then **we** are entitled to the creditor's right of recovery against **you** to the extent of **our** payment. **Our** right of recovery does not impair the creditor's right to recover the full amount of its claim.

## Our Payment Options

### 1. Comprehensive Coverage and Collision Coverage

a. *We* may, at *our* option, make payment to one or more of the following for *loss* to a *covered vehicle owned by you*:

- (1) *You*;
- (2) The repairer; or
- (3) A creditor shown on the Declarations Page, to the extent of its interest.

b. *We* may, at *our* option, make payment to one or more of the following for *loss* to a *covered vehicle not owned by you*:

- (1) *You*;
- (2) The owner of such vehicle;
- (3) The repairer; or
- (4) A creditor, to the extent of its interest.

### 2. Emergency Road Service Coverage and Car Rental and Travel Expenses Coverage

*We* may, at *our* option, make payment to one or more of the following:

- a. *You*;
- b. The *insured* who incurred the expense; or
- c. Any party that provided the service for which payment is owed.

## DEATH, DISMEMBERMENT AND LOSS OF SIGHT COVERAGE

This policy provides Death, Dismemberment and Loss of Sight Coverage if “S” is shown under “SYMBOLS” on the Declarations Page.

### Additional Definition

*Insured* means a *person* whose name is shown under “Death, Dismemberment and Loss of Sight Coverage – Persons Insured” on the Declarations Page.

### Insuring Agreement

*We* will pay the highest applicable benefit shown in the following Death, Dismemberment and Loss of Sight Benefits Schedules if an *insured*:

1. dies; or
2. suffers dismemberment or permanent loss of sight, as described in the schedule

as the direct result of an accident that involves the use of a land motor vehicle or any type of trailer as a vehicle and not due to any other cause.

The *insured* must be *occupying* or be struck as a *pedestrian* by a land motor vehicle or any type of trailer at the time of the accident. The death, dismemberment, or permanent loss of

sight must occur within 90 days immediately following the date of the accident.

### Benefit

The applicable benefit shown in the schedule is the most *we* will pay for any one *insured* in any one accident. Any benefit paid or payable for dismemberment or permanent loss of sight reduces the death benefit.

### Death, Dismemberment and Loss of Sight Benefits Schedules

If the amount shown on the Declarations Page for the *insured* is \$5,000, then *we* will pay the applicable benefit shown below for death or for the described dismemberment or permanent loss of sight:

Death	\$5,000
Loss of both hands; both feet; all sight of both eyes; one hand and one foot; or one hand or one foot and all sight of one eye	\$5,000
Loss of one hand or one foot; or all sight of one eye	\$2,500

Loss of the thumb and a finger on one hand; or any three fingers	\$1,500
Loss of any two fingers	\$1,000
The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.	

If the amount shown on the Declarations Page for the <i>insured</i> is \$10,000, then <i>we</i> will pay the applicable benefit shown below for death or for the described dismemberment or permanent loss of sight:	
Death	\$10,000
Loss of both hands; both feet; all sight of both eyes; one hand and one foot; or one hand or one foot and all sight of one eye	\$10,000
Loss of one hand or one foot; or all sight of one eye	\$5,000
Loss of the thumb and a finger on one hand; or any three fingers	\$3,000
Loss of any two fingers	\$2,000
The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.	

The benefits shown in the schedules are doubled for an *insured* who at the time of the accident was *occupying a private passenger car* and using a seat belt in the manner recommended by the vehicle's manufacturer.

#### Exclusions

DEATH, DISMEMBERMENT AND LOSS OF SIGHT COVERAGE DOES NOT APPLY TO AN *INSURED*:

1. WHILE IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT IN A *CAR BUSINESS*;

2. WHILE *OCCUPYING*, LOADING, OR UNLOADING:

- a. AN EMERGENCY VEHICLE IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT;

- b. A VEHICLE, OTHER THAN AN EMERGENCY VEHICLE, WHILE USED IN THE:

- (1) *INSURED'S* BUSINESS; OR

- (2) COURSE AND SCOPE OF HIS OR HER EMPLOYMENT IN OTHER THAN A *CAR BUSINESS*.

This exclusion (2.b.) does not apply if the vehicle is a *private passenger car*;

- c. A MILITARY VEHICLE; OR

- d. A VEHICLE WHILE IT IS:

- (1) BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR

- (2) ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (2.d.(2)) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving;

3. WHILE *OCCUPYING*, LOADING, UNLOADING, OR WHO IS STRUCK AS A *PEDESTRIAN* BY:

- a. A MOTOR VEHICLE THAT RUNS ON RAILS OR CRAWLER-TREADS;

- b. A MOTOR VEHICLE THAT IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS; OR

- c. A MOTOR VEHICLE OR ANY TYPE OF TRAILER, EITHER OF WHICH IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES; OR
- 4. FOR DEATH, DISMEMBERMENT AND LOSS OF SIGHT THAT RESULTS FROM:
  - a. WAR OF ANY KIND;
  - b. NUCLEAR REACTION, RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE, OR THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
  - c. THE DISCHARGE OF A FIREARM;
  - d. EXPOSURE TO *FUNGI*;
  - e. SUICIDE OR ATTEMPTED SUICIDE REGARDLESS OF WHETHER THE *INSURED* WAS SANE OR INSANE; OR
  - f. DISEASE except pus-forming infection due to *bodily injury* sustained in the accident.

#### **Our Payment Options**

*We* may, at *our* option, make payment to one or more of the following:

- 1. The *insured*;
- 2. The *insured's* surviving spouse;
- 3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent *person*; or
- 4. A *person* or organization authorized by law to receive such payment.

#### **INSURED'S DUTIES**

##### **1. Notice to Us of an Accident or Loss**

The *insured* must give *us* or one of *our* agents notice of the accident or *loss* as soon as reasonably possible. The notice must give *us*:

- a. *your* name;
- b. the names and addresses of all *persons* involved in the accident or *loss*;
- c. the hour, date, place, and facts of the accident or *loss*; and
- d. the names and addresses of witnesses to the accident or *loss*.

##### **2. Notice to Us of a Claim or Lawsuit**

- a. If a claim is made against an *insured*, then that *insured* must immediately send *us* every demand, notice, and claim received.
- b. If a lawsuit is filed against an *insured*, then that *insured* must immediately send *us* every summons and legal process received.

##### **3. Insured's Duty to Cooperate With Us**

- a. The *insured* must cooperate with *us* and, when asked, assist *us* in:
  - (1) making settlements;
  - (2) securing and giving evidence; and
  - (3) attending, and getting witnesses to attend, depositions, hearings, and trials.
- b. The *insured* must not, except at his or her own cost, voluntarily:
  - (1) make any payment to others; or
  - (2) assume any obligation to others unless authorized by the terms of this policy.
- c. Any *person* or organization making claim under this policy must, when *we* require, give *us* proof of loss on forms *we* furnish.

#### 4. Questioning Under Oath

Under:

- a. Liability Coverage, each *insured*;
- b. No-Fault Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage, each *insured*, or any other *person* or organization making claim or seeking payment; and
- c. Physical Damage Coverages, each *insured* or owner of a *covered vehicle*, or any other *person* or organization making claim or seeking payment;

must, at *our* option, submit to an examination under oath, provide a statement under oath, or do both, as reasonably often as *we* require. Such *person* or organization must answer questions under oath, asked by anyone *we* name, and sign copies of the answers. *We* may require each *person* or organization answering questions under oath to answer the questions with only that *person's* or organization's legal representative, *our* representatives, any *person* or *persons* designated by *us* to record the questions and answers, and no other *person* present.

#### 5. Other Duties Under the Physical Damage Coverages

When there is a *loss*, *you* or the owner of the *covered vehicle* must:

- a. protect the *covered vehicle* from additional damage. *We* will pay any reasonable expense incurred to do so that is reported to *us*;
- b. make a prompt report to the police when the *loss* is the result of theft;
- c. allow *us* to:
  - (1) inspect any damaged property before its repair or disposal;

- (2) test any part or equipment before that part or equipment is removed or repaired; and

- (3) move the *covered vehicle* at *our* expense in order to conduct such inspection or testing;

d. provide *us* all:

- (1) records;

- (2) receipts; and

- (3) invoices

that *we* request and allow *us* to make copies; and

e. not abandon the *covered vehicle* to *us*.

#### 6. Other Duties Under No-Fault Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, and Death, Dismemberment and Loss of Sight Coverage

A *person* making claim under:

- a. No-Fault Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage must:

- (1) notify *us* of the claim and give *us* all the details about the death, injury, treatment, and other information that *we* may need as soon as reasonably possible after the injured *insured* is first examined or treated for the injury. If the *insured* is unable to give *us* notice, then any other *person* may give *us* the required notice;

- (2) be examined as reasonably often as *we* may require by physicians chosen and paid by *us*. A copy of the report will be sent to the *person* upon written request. However, under No-Fault Coverage,

the *person* making claim is not required to submit to a physical examination unless the circuit court orders the examination for good cause shown;

- (3) provide written authorization for *us* to obtain:
- (a) medical bills;
  - (b) medical records;
  - (c) wage, salary, and employment information; and
  - (d) any other information *we* deem necessary to substantiate the claim.

If an injured *insured* is a minor, unable to act, or dead, then his or her legal representative must provide *us* with the written authorization.

If the holder of the information refuses to provide it to *us* despite the authorization, then at *our* request the *person* making claim or his or

her legal representative must obtain the information and promptly provide it to *us*; and

- (4) allow *us* to inspect the vehicle that the *insured occupied* in the accident;
- b. No-Fault Coverage, if claiming benefits for work loss, must authorize *us* to obtain details of all earnings since the time of the *bodily injury* and during the year prior to the date of the accident;
  - c. Uninsured Motor Vehicle Coverage must report an accident, involving a motor vehicle whose owner and driver remain unknown, to the police as soon as practicable and to *us* within 30 days; and
  - d. Uninsured Motor Vehicle Coverage and Underinsured Motor Vehicle Coverage must send *us* immediately a copy of all lawsuit papers if the *insured* files a lawsuit against the party liable for the accident.

## GENERAL TERMS

### 1. When Coverage Applies

The coverages provided by this policy are shown on the Declarations Page and apply to accidents and *losses* that occur during the policy period. The policy period is shown on the Declarations Page and is for successive periods of six months each for which the renewal premium is paid. The policy period begins and ends at 12:01 AM Standard Time at the address shown on the Declarations Page.

### 2. Where Coverage Applies

The coverages provided by this policy are shown on the Declarations Page and apply to accidents and *losses* that occur:

- a. in the United States of America and its territories and possessions;
- b. in Canada; and
- c. while a vehicle for which coverage is provided by this policy is being shipped between the ports of the United States of America, its territories, its possessions, and Canada.

The Liability Coverage, No-Fault Coverage, Medical Payments Coverage, and physical damage coverages also apply in Mexico within 50 miles of the United States border. A physical damage coverage *loss* in Mexico is determined on the basis of cost at the nearest United States point.

Death, Dismemberment and Loss of Sight Coverage applies anywhere in the world.

### 3. Newly Owned or Newly Leased Car

If *you* want to insure a *car* newly *owned by you* with the *State Farm Companies* after that *car* ceases to be a *newly acquired car*, then *you* must either:

a. request *we* replace the *car* currently shown on the Declarations Page of this policy with the *car* newly *owned by you* and pay *us* any added amount due. If *you* make such request while this policy is in force and:

(1) before the *car* newly *owned by you* ceases to be a *newly acquired car*, then that *car* newly *owned by you* will be insured by this policy as *your car* beginning on the date the *car* newly *owned by you* is delivered to *you*. The added amount due will be calculated based on that date; or

(2) after the *car* newly *owned by you* ceases to be a *newly acquired car*, then that *car* newly *owned by you* will be insured by this policy as *your car* beginning on the date and time *you* make the request. The added amount due will be calculated based on that date; or

b. apply to the *State Farm Companies* for a separate policy to insure the *car* newly *owned by you*. Such policy will be issued only if both the applicant and the vehicle are eligible for coverage at the time of the application.

### 4. Changes to This Policy

#### a. Changes in Policy Provisions

*We* may only change the provisions of this policy by:

(1) issuing a revised policy booklet, a revised Declarations Page, or an endorsement; or

(2) revising this policy to give broader coverage without an additional premium charge. If any coverage provided by this policy is changed to give broader coverage, then *we* will give *you* the broader coverage as of the date *we* make the change effective in the state of Kentucky without issuing a revised policy booklet, a revised Declarations Page, or an endorsement.

#### b. Change of Interest

(1) No change of interest in this policy is effective unless *we* consent in writing.

(2) Except under Death, Dismemberment and Loss of Sight Coverage, if a named insured shown on the Declarations Page dies, then the definition of *insured* under each of the coverages provided by this policy is changed to include:

(a) any *person* with lawful custody of *your car*, a *newly acquired car*, or a *temporary substitute car* until a legal representative is qualified; and then

(b) the legal representative of the deceased named insured.

This only applies while such *person* is maintaining or using *your car*, a *newly acquired car*, or a *temporary substitute car*.

Policy notice requirements are met by mailing the notice to the most recent policy address that *we* have on record for the deceased named insured.

#### c. Joint and Individual Interests

If *you* consists of more than one *person* or entity, then each acts for all to change or cancel the policy.

d. **Change of Policy Address**

*We* may change the named insured's policy address as shown on the Declarations Page and in *our* records to the most recent address provided to *us* by:

- (1) *you*; or
- (2) the United States Postal Service.

5. **Premium**

- a. Unless as otherwise provided by an alternative payment plan in effect with the *State Farm Companies* with respect to the premium for this policy, the premium is due and payable in full on or before the first day of the policy period shown on the most recently issued Declarations Page or Renewal Notice.
- b. The renewal premium for this policy will be based upon the rates in effect, the coverages carried, the applicable limits, deductibles, and other elements that affect the premium that apply at the time of renewal.
- c. The premium for this policy may vary based upon the purchase of other insurance from the *State Farm Companies*.
- d. The premium for this policy is based upon information *we* have received from *you* or other sources. *You* must inform *us* if any information regarding the following is incorrect or incomplete, or changes during the policy period, and *you* must answer questions *we* ask regarding the following:
  - (1) *Your car*, or its use, including annual mileage;
  - (2) The *persons* who regularly drive *your car*, including newly licensed family members;
  - (3) *Your* marital status; or
  - (4) The location where *your car* is primarily garaged.

If the above information or any other information used to determine the premium is incorrect, incomplete, changes during the policy period, or is not provided to *us* when *we* ask, then *we* may decrease or increase the premium during the policy period. If *we* decrease the premium during the policy period, then *we* will provide a refund or a credit in the amount of the decrease. If *we* increase the premium during the policy period, then *you* must pay the amount of the increase.

6. **Renewal**

*We* agree to renew this policy for the next policy period upon payment of the renewal premium when due, unless *we* mail or deliver a nonrenewal notice or a cancellation notice as set forth in 7. and 8. below.

7. **Nonrenewal**

If *we* decide not to renew this policy, then, at least 75 days before the end of the current policy period, *we* will mail or deliver a nonrenewal notice to the most recent policy address that *we* have on record for the named insured who is shown on the Declarations Page.

8. **Cancellation**

a. **How You May Cancel**

*You* may cancel this policy by providing to *us* advance notice of the date cancellation is effective. *We* may confirm the cancellation in writing.

b. **How and When We May Cancel**

*We* may cancel this policy by mailing or delivering a written notice to the most recent policy address that *we* have on record for the named insured who is shown on the Declarations Page. The notice will provide the date cancellation is effective.

- (1) If *we* mail or deliver a cancellation notice:

- (a) during the first 59 days following this policy's effective date; or
  - (b) because the premium is not paid when due,
- then the date cancellation is effective will be at least 14 days after the date *we* mail or deliver the cancellation notice.
- Otherwise, the date cancellation is effective will be at least 20 days after the date *we* mail or deliver the cancellation notice.
- (2) After this policy has been in force for more than 59 days, *we* will not cancel this policy before the end of the current policy period unless:
    - (a) the premium is not paid when due;
    - (b) *you*, any *resident relative*, or any other *person* who usually drives *your car* has had his or her driver's license or motor vehicle registration under suspension or revocation:
      - (1) during the policy period; or
      - (2) during the 180 days immediately before the effective date of the policy if the policy is a renewal;
    - (c) *we* discover fraud or material misrepresentation made by or with the knowledge of a named insured shown on the Declarations Page in obtaining the policy, continuing the policy, or in presenting a claim under the policy; or
    - (d) *we* discover willful acts or omissions on the part of a named insured shown on the Declarations Page that increase any hazard insured against.

c. **Return of Unearned Premium**

If *you* cancel this policy, then premium may be earned on a short rate basis. If *we* cancel this policy, then premium will be earned on a pro rata basis.

Any unearned premium may be returned within a reasonable time after cancellation. Delay in the return of any unearned premium does not affect the cancellation date.

9. **Assignment**

No assignment of benefits or other transfer of rights is binding upon *us* unless approved by *us*.

10. **Bankruptcy or Insolvency of the Insured**

Bankruptcy or insolvency of the *insured* or his or her estate will not relieve *us* of *our* obligations under this policy.

11. **Concealment or Fraud**

There is no coverage under this policy if *you* or any other *person* insured under this policy has made false statements with the intent to conceal or misrepresent any material fact or circumstance in connection with any claim under this policy.

12. **Our Right to Recover Our Payments**

Death, Dismemberment and Loss of Sight Coverage payments are not recoverable by *us*. Under No-Fault Coverage, we may subrogate our payments to the extent allowed under the Kentucky No-Fault Act. Under all other coverages the following apply:

a. **Subrogation**

If *we* are obligated under this policy to make payment to or for a *person* or organization who has a legal right to collect from another *person* or organization, then *we* will be subrogated to that right to the extent of *our* payment.

The *person* or organization to or for whom *we* make payment must help *us* recover *our* payments by:

- (1) doing nothing to impair that legal right;
- (2) executing any documents *we* may need to assert that legal right; and
- (3) taking legal action through *our* representatives when *we* ask.

**b. Reimbursement**

If *we* make payment under this policy and the *person* or organization to or for whom *we* make payment recovers or has recovered from another *person* or organization to or for whom *we* make payment must:

- (1) hold in trust for *us* the proceeds of any recovery; and
- (2) reimburse *us* to the extent of *our* payment.

**13. Legal Action Against Us**

Legal action may not be brought against *us* until there has been full compliance with all the provisions of this policy. In addition, legal action may only be brought against *us* regarding:

- a. Liability Coverage after the amount of damages an *insured* is legally liable to pay has been finally determined by:
  - (1) judgment after an actual trial, and any appeals of that judgment if any appeals are taken; or
  - (2) agreement between the claimant and *us*.
- b. No-Fault Coverage if such action is commenced within the period of time required under the Kentucky No-Fault Act.
- c. Medical Payments Coverage if the legal action relating to this coverage is brought against *us* within four years immediately following the date of the accident.
- d. Uninsured Motor Vehicle Coverage and Underinsured Motor Vehicle Coverage if such action is commenced within the period of time required by Kentucky law for filing a lawsuit to

recover *bodily injury* damages incurred as a result of a motor vehicle accident.

- e. Physical Damage Coverages if the legal action relating to these coverages is brought against *us* within one year immediately following the date of the accident or *loss*.

**14. Choice of Law**

Without regard to choice of law rules, the law of the state of:

- a. Kentucky will control, except as provided in b. below, in the event of any disagreement as to the interpretation and application of any provision in this policy; and
- b. Illinois will control in the event of any disagreement as to the interpretation and application of this policy's:
  - (1) Mutual Conditions provision found on the most recently issued Declarations Page, if this policy was issued by the State Farm Mutual Automobile Insurance Company; or
  - (2) Participating Policy provision found on the most recently issued Declarations Page, if this policy was issued by any subsidiary or affiliate of the State Farm Mutual Automobile Insurance Company.

**15. Severability**

If any provision of this policy is held invalid or unenforceable by a court that has jurisdiction, then:

- a. such provision will remain in full force to the extent not held invalid or unenforceable; and
- b. all other provisions of this policy will remain valid and enforceable.

**16. Conformity to Law**

The coverage provided by this policy is done so in accordance with Kentucky insurance law. If any provisions of this policy are in conflict with Kentucky statutes, the policy is amended to conform to the minimum requirements of the statutes.

## NOTICE TO POLICYHOLDERS

Acceptance of the no-fault coverage described in Kentucky Revised Statutes Chapter 304, Sub Title 39, places some limitations on *your* right to bring suit for *bodily injury*. KRS 304.39-060 reads in part:

“(1) Any person who registers, operates, maintains or uses a motor vehicle on the public roadways of this Commonwealth shall, as a condition of such registration, operation, maintenance or use of such motor vehicle and use of the public roadways, be deemed to have accepted the provisions of this Act, and in particular those provisions which are contained in this section.

(2) (a) Tort liability with respect to accidents occurring in this Commonwealth and arising from the ownership, maintenance, or use of a motor vehicle is ‘abolished’ for damages because of bodily injury, sickness or disease to the extent the basic reparation benefits provided in this subtitle are payable therefor, or that would be payable but for any deductible authorized by this subtitle, under any insurance policy or other method of security complying with the requirements of this subtitle, except to the extent non-economic detriment qualifies under paragraph (b) of this subsection.

(b) In any action of tort brought against the owner, registrant, operator or occupant of a motor vehicle with respect to which security has been provided as required in this subtitle, or against any person or organization legally responsible for his acts or omissions, a plaintiff may recover damages in tort for pain, suffering, mental anguish and inconvenience because of bodily injury, sickness or disease arising out of the ownership, maintenance, operation or use of such motor vehicle only in the event that the benefits which are payable for such injury as ‘medical expense’ or which would be payable but for any exclusion or deductible authorized by this subtitle exceed one thousand dollars (\$1,000.00), or the injury or disease consists in whole or in part of permanent disfigurement, a fracture to a bone, a compound, comminuted, displaced or compressed fracture, loss of a body member, permanent injury within reasonable medical probability, permanent loss of bodily function or death. Any person who is entitled to receive free medical and surgical benefits shall be deemed in compliance with the requirements of this subsection upon a showing that the medical treatment received has an equivalent value of at least one thousand dollars (\$1,000.00).

(c) Tort liability is not so limited for injury to a person who is not an owner, operator, maintainer or user of a motor vehicle within subsection (1) of this section, nor for injury to the passenger of a motorcycle arising out of the maintenance or use of such motorcycle.

(4) Any person may refuse to consent to the limitations of his tort rights and liabilities as contained in this section. Such rejection must be in writing in a form to be prescribed by the Department of Insurance and must have been executed and filed with the Department at a time prior to any motor vehicle accident for which such rejection is to apply . . . .”

These are some of the exceptions to the limitations on *your* right to sue and are not intended to comprise a complete enumeration of all circumstances under which a lawsuit may be brought for *bodily injury*.