



State Farm®
**Business Car
Policy
Booklet**

New York
Policy Form 9632C

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THIS POLICY

1. This policy consists of:
 - a. the most recently issued Declarations;
 - b. the policy booklet version shown on that Declarations; and
 - c. any applicable endorsements shown on that Declarations.
2. This policy contains all of the agreements between all named insureds who are shown on the Declarations 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. in reliance on the statement that the named insured shown on the Declarations is the sole owner of **your car**, unless **you** have notified **us** otherwise.
4. All named insureds shown on the Declarations and all applicants agree by acceptance of this policy that:
 - a. the statement in 3.b. above is made by such named insured or applicant and is true; and
 - b. **we** provide this insurance on the basis that this statement is true.

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.

The words "spouse", "marriage", "married", and "marital" refer to the legal union between two **persons** that is recognized by and valid under the law of the state into which such union was entered.

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

Car means a land motor vehicle that is:

1. designed for use primarily on public roads; or
2. subject to motor vehicle compulsory insurance laws, financial responsibility laws, or similar laws where it is licensed or principally garaged.

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.

Collision means:

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

Digital Network means any system or service offered or utilized by a **transportation network company** that enables **TNC prearranged trips** with **transportation network company drivers**.

Employee includes a worker leased to **you** by a labor leasing firm, employee leasing company, employment-type agency, or any similar staffing service organization.

Employee does not include a worker leased to **you** by a labor leasing firm, employee leasing company, employment-type agency, or any similar staffing service organization to:

1. substitute for a permanent **employee** on leave;
2. meet the seasonal demands of **your** business; or
3. fulfill **your** short-term workload conditions.

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.

Insured Contract means:

1. A lease of premises;
2. A sidetrack agreement;
3. An easement or license agreement in connection with vehicle or **pedestrian** private railroad crossings at grade;
4. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad, any railroad property, and affecting any railroad bridge, trestle, tracks, roadbeds, tunnel, underpass, or crossing;
5. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
6. That part of any other contract or agreement pertaining to **your** business (including an indemnification of a municipality in connection with work performed for a municipality) under which **you** assume the tort liability of another to pay for **bodily injury** or property damage to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
7. That part of any contract or agreement entered into, as part of **your** business, pertaining to the rental or lease, by **you** or any of **your employees**, of any **car**. However, such contract or agreement shall not be considered an **insured contract** to the extent that it obligates **you** or any of **your employees** to pay for property damage to any **car** rented or leased by **you** or any of **your employees**.

Insured contract does not include that part of any contract or agreement:

1. That pertains to the loan, lease or rental of a **car** to **you** or any of **your employees**, if the **car** is loaned, leased or rented with a driver; or
2. That holds a **person** or organization engaged in the business of transporting property by **car** for hire harmless for **your** use of a covered **car** over a route or territory that **person** or organization is authorized to serve by public authority; or
3. Under which an **insured** assumes liability for injury or damage caused by the dumping, discharge, or escape of:

a. Irritants, pollutants, or contaminants that are, or that are contained in, any property that is:

- (1) Being moved from the place where such property or pollutants are accepted by the **insured** for movement into or onto the covered vehicle;
- (2) Being transported or towed by the covered vehicle;
- (3) Being moved from a covered vehicle to the place where such property or pollutants are finally delivered, disposed, of or abandoned by an **insured**;
- (4) Otherwise in the course of transit; or
- (5) Being stored, disposed of, treated, or processed in or upon a covered vehicle other than fuels, lubricants, fluids, exhaust gases, or other similar pollutants that are needed for, or result from, the normal electrical, hydraulic, or mechanical functioning of the covered vehicle or its parts; or

b. Irritants, pollutants, or contaminants not described in 3.a. above unless:

- (1) The pollutants or any property in which the pollutants are contained is upset, overturned, or damaged as a result of the maintenance or use of the covered vehicle; and
- (2) The discharge, dispersal, release, or escape of the pollutants is caused directly by such upset, overturn or damage.

Newly Acquired Car means a **car** newly **owned by you**. If the "ENTITY" shown on the Declarations is "Individual", then **newly acquired car** also means a **car** newly **owned by your spouse** or a **resident relative**. A **car** ceases to be a **newly acquired car** on the earlier of:

1. the effective date and time when that **car** is added to the "VEHICLE SCHEDULE" of this policy;
2. 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
3. the end of the 14th calendar day immediately following the date the **car** is delivered to **you, your spouse** or a **resident relative**.

If this policy does not provide Comprehensive Coverage or Collision Coverage for any vehicle shown in the "VEHICLE SCHEDULE" on the Declarations and a **newly acquired car** is not otherwise afforded comprehensive coverage or collision coverage by any other policy, then:

1. this policy will provide Comprehensive Coverage or Collision Coverage for that **newly acquired car** and a **temporary substitute car** temporarily replacing that **newly acquired car**; and
2. the Definition **Covered Vehicle** found in Physical Damage Coverages is changed to read:

Covered Vehicle means:

1. a **newly acquired car**; and
2. a **temporary substitute car** that is temporarily replacing a **newly acquired car**.

A **covered vehicle** also includes the parts and equipment that are common to the use of the vehicle as a vehicle and its **special equipment**.

Occupying means in or upon or entering into or alighting from.

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

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.

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. while not used for:
 - (1) wholesale; or
 - (2) retail

pick up 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** or **your spouse**, who resides primarily with the first **person** shown as a named insured on the Declarations and who is:

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

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

Trailer means:

1. a non-commercial trailer designed primarily for travel on public roads while used for pleasure; or
2. a farm implement or farm wagon while being pulled on public roads by a **car**.

Transportation Network Company or **TNC** means a person, corporation, partnership, sole proprietorship, or other entity that is licensed pursuant to article 44-B of the Vehicle and Traffic Law and is operating in New York state exclusively using a **digital network** to connect **transportation**

network company passengers to **transportation network company drivers** who provide **TNC prearranged trips**.

Transportation Network Company Driver or **TNC Driver** means an individual who:

- (a) Receives connections to potential **passengers** and related services from a **transportation network company** in exchange for payment of a fee to the **transportation network company**; and
- (b) Uses a **TNC vehicle** to offer or provide a **TNC prearranged trip** to **transportation network company passengers** upon connection through a **digital network** controlled by a **transportation network company** in exchange for compensation or payment of a fee.

Transportation Network Company Passenger or **Passenger** means a person or persons who use a **transportation network company's digital network** to connect with a **transportation network company driver** who provides **TNC prearranged trips** to the **passenger** in the **TNC vehicle** between points chosen by the **passenger**.

Transportation Network Company Prearranged Trip, **TNC Prearranged Trip**, or **Trip** means the provision of transportation by a **transportation network company driver** to a **passenger** provided through the use of a **TNC's digital network**:

- (i) beginning when a **transportation network company driver** accepts a **passenger's** request for a **trip** through a **digital network** controlled by a **transportation network company**;
- (ii) continuing while the **transportation network company driver** transports the requesting **passenger** in a **TNC vehicle**; and
- (iii) ending when the last requesting **passenger** departs from the **TNC vehicle**.

The term **TNC Prearranged Trip** does not include transportation provided through any of the following:

- (i) shared expense carpool or vanpool arrangements, including those as defined in section one hundred fifty-eight-b of the New York Vehicle and Traffic Law; and

- (ii) use of a taxicab, livery, luxury limousine, or other for-hire vehicle, as defined in the New York Vehicle and Traffic Law, section 19-502 of the administrative code of the city of New York, or as otherwise defined in local law.

Transportation Network Company Vehicle or **TNC Vehicle** means a vehicle that is:

- (a) used by a **transportation network company driver** to provide a **TNC prearranged trip** originating within the state of New York; and
- (b) owned, leased or otherwise authorized for use by the **transportation network company driver**;
- (c) such term shall not include:
 - (i) a taxicab, as defined in section one hundred forty-eight-a of the New York Vehicle and Traffic Law, and section 19-502 of the administrative code of the city of New York, or as otherwise defined in local law;
 - (ii) a livery vehicle, as defined in section one hundred twenty-one-e of the New York Vehicle and Traffic Law or as otherwise defined in local law;
 - (iii) a black car, limousine, or luxury limousine, as defined in section 19-502 of the administrative code of the city of New York, or as otherwise defined in local law;
 - (iv) a for-hire vehicle, as defined in section 19-502 of the administrative code of the city of New York, or as otherwise defined in local law;
 - (v) a bus, as defined in section one hundred four of the New York Vehicle and Traffic Law;
 - (vi) any motor vehicle weighing more than six thousand five hundred pounds unloaded;
 - (vii) any motor vehicle having a seating capacity of more than seven **passengers**; and
 - (viii) any motor vehicle subject to section three hundred seventy of the New York Vehicle and Traffic Law.

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

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

You or **Your** means the named insured or named insureds shown on the Declarations.

Your Car means the **car** or **cars** shown in the "VEHICLE SCHEDULE" on the Declarations. **Your Car** does not include a **car** that **you** no longer own or lease.

Your Spouse means the spouse of the first **person** shown as a named insured on the Declarations if the spouse resides primarily with that named insured.

LIABILITY COVERAGE

This policy provides Liability Coverage if a premium is shown under "Coverage Symbol A" in the "POLICY PREMIUM" schedules on the Declarations.

Additional Definition

Insured means:

1. **you** for:
 - a. the ownership, maintenance, or use of:
 - (1) a **your car** for which a premium for that **your car** is shown under "Coverage Symbol A" in the "POLICY PREMIUM" schedules on the Declarations;
 - (2) a **newly acquired car**; or
 - (3) a **trailer**; and
 - b. the maintenance or use of a **temporary substitute car** that is temporarily replacing a **car** described in a.(1) or a.(2) above;
2. any **person** for their use of:
 - a. a **your car** for which a premium for that **your car** is shown under "Coverage Symbol A" in the "POLICY PREMIUM" schedules on the Declarations;
 - b. a **newly acquired car**;
 - c. a **temporary substitute car** that is temporarily replacing a **car** described in a. or b. above; 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;
3. the owner of a **trailer** while attached to:
 - a. a **your car** for which a premium for that **your car** is shown under "Coverage Symbol A" in the

"POLICY PREMIUM" schedules on the Declarations;

- b. a **newly acquired car**;
 - c. a **temporary substitute car** that is temporarily replacing a **car** described in a. or b. above; 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:
 - a. neither **owned by**, nor hired by, that other **person** or organization; and
 - b. not being used by an **insured** while logged on as a driver to a **transportation network company's digital network**.

Insured does not include the United States of America or any of the Federal Government's departments or agencies.

Insuring Agreement

1. **We** will pay damages an **insured** becomes legally liable to pay because of:
 - a. **bodily injury** to others; and
 - b. damage to propertycaused by an accident that involves a vehicle for which that **insured** is provided Liability Coverage by this policy.
2. **We** have:
 - a. the right to investigate, negotiate, and settle any claim or lawsuit;
 - b. the duty to defend an **insured** in any claim or lawsuit, with attorneys chosen by **us**; and

- c. the right to 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 described in the **Insuring Agreement** of this policy's Liability Coverage, those items listed below that result from such accident:

1. Attorney fees for attorneys chosen by **us** to defend an **insured** who is sued for such damages, regardless of whether the claim or lawsuit is groundless;
2. All costs taxed against an **insured** and resulting from that part of the lawsuit:
 - a. that seeks damages payable under this policy's Liability Coverage; and
 - b. against which **we** defend an **insured** with attorneys chosen by **us**;
3. Interest the **insured** is legally liable to pay on damages payable under the **Insuring Agreement** of this policy's Liability Coverage:
 - a. before a judgment, but only the interest on the lesser of:
 - (1) that part of the damages **we** pay; or
 - (2) this policy's applicable Liability Coverage limit; and
 - b. after a judgment.

We have no duty to pay interest that accrues after **we** deposit in court, pay, or offer to pay, the amount due under the **Insuring Agreement** of this policy's Liability Coverage. **We** also have no duty to pay interest that accrues on any damages paid or payable by a party other than the **insured** or **us**;
4. Premiums for bonds, provided by a company chosen by **us**, required to obtain the release of an **insured's** property attached under a court order or appeal a decision in a lawsuit against an **insured**. **We** have no duty to:
 - a. pay for any bond with a face amount that exceeds 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 the **Insuring Agreement** of this policy's Liability Coverage;

5. 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;
6. Expenses incurred by an **insured** for first aid to others at the time of the accident; and
7. All expenses incurred by the company.

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.

Limit

The Liability Coverage limit is shown in the "COVERAGES AND LIMITS" schedule on the Declarations.

1. If the coverage limit provided by this policy is on an each person/each accident basis, then:
 - a. the limit for **bodily injury** is shown under "Bodily Injury Limit – Each Person, Each Accident". The dollar amount shown under:
 - (1) "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**.
 - (2) "Each Accident" is the most **we** will pay, subject to 1.a.(1) above, for all damages resulting from **bodily injury** to two or more **persons** injured in any one accident.

However, if the **bodily injury** results in death, the most **we** will pay for all damages resulting from the death of any one **person** injured in any

- one accident, including all damages sustained by other **persons** as a result of that death, is the higher of the "Each Person" limit shown on the Declarations or \$50,000. Subject to the limit for the death of any one **person**, the most **we** will pay for all damages resulting from the death of two or more **persons** injured in the same accident is the higher of the "Each Accident" limit shown on the Declarations or \$100,000.
- b. the limit for damage to property is shown under "Property Damage Limit – Each Accident". The dollar amount shown is the most **we** will pay for all damages resulting from damage to property in any one accident.
2. If the coverage limit provided by this policy is on an each accident basis, then the dollar amount shown under "Each Accident" is the most **we** will pay for all damages resulting from any one accident.

If the coverage limit the **insured** must provide is on an each person/each accident basis as required by a motor vehicle compulsory insurance, financial responsibility, motor carrier or similar law, then the limit provided by this policy will be applied to meet the coverage limit required by such law. Regardless of such requirements, **we** will not pay more than the limit shown on the Declarations.
 3. The limit shown for Liability Coverage is the most **we** will pay as a result of any one accident regardless of the number of:
 - a. **insureds**;
 - b. claims made;
 - c. vehicles insured;
 - d. premiums shown on the Declarations; or
 - e. vehicles involved in the accident.

Nonduplication

We will not make any duplicate payments under Liability Coverage that have already been paid as expenses under Medical Payments Coverage of any policy issued by the **State Farm Companies to you**.

Exclusions

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

1. WHO INTENTIONALLY CAUSES, OR DIRECTS ANOTHER TO CAUSE, **BODILY INJURY** OR DAMAGE TO PROPERTY;
2. FOR **BODILY INJURY** TO THAT **INSURED'S** SPOUSE, OR FOR DAMAGE TO PROPERTY OF THAT **INSURED'S** SPOUSE. THIS EXCLUSION SHALL APPLY ONLY WHERE THE INJURED SPOUSE, TO BE ENTITLED TO RECOVER, MUST PROVE THE CULPABLE CONDUCT OF THE **INSURED**;
3. OR FOR THAT **INSURED'S** INSURER FOR ANY OBLIGATION UNDER ANY TYPE OF WORKERS' COMPENSATION, UNEMPLOYMENT COMPENSATION, DISABILITY, OR SIMILAR LAW;
4. 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;
5. FOR **BODILY INJURY** TO THAT **INSURED'S** FELLOW **EMPLOYEE** WHILE THE FELLOW **EMPLOYEE** IS IN THE COURSE AND SCOPE OF THAT FELLOW **EMPLOYEE'S** EMPLOYMENT. THIS EXCLUSION ONLY APPLIES IF THE FELLOW **EMPLOYEE** IS ENTITLED TO BENEFITS UNDER WORKERS' COMPENSATION, UNEMPLOYMENT COMPENSATION, OR DISABILITY BENEFITS OR ANY SIMILAR LAW;
6. FOR DAMAGE TO PROPERTY WHILE IT IS:
 - a. **OWNED BY**;
 - b. RENTED TO;
 - c. USED BY;
 - d. IN THE CARE OF; OR
 - e. TRANSPORTED BY **YOU** OR THE **PERSON** WHO IS LEGALLY LIABLE FOR THE DAMAGE;
7. FOR LIABILITY ASSUMED UNDER ANY CONTRACT OR AGREEMENT. This exclusion does not apply to liability assumed under an **insured contract**, provided that such contract or agreement was signed

prior to the accident which caused the **bodily injury** or damage to property;

8. 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;
9. WHO IS AN EMPLOYEE OF THE UNITED STATES OF AMERICA OR ANY OF THE FEDERAL GOVERNMENT'S DEPARTMENTS OR AGENCIES, IF THE PROVISIONS OF THE FEDERAL TORT CLAIMS ACT APPLY; OR
10. FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A MOTOR VEHICLE WHILE THE MOTOR VEHICLE IS BEING USED BY A **TRANSPORTATION NETWORK COMPANY DRIVER** WHO IS LOGGED ONTO A **TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK** BUT IS NOT ENGAGED IN A **TRANSPORTATION NETWORK COMPANY PREARRANGED TRIP** OR WHILE THE DRIVER PROVIDES A **TRANSPORTATION NETWORK COMPANY PREARRANGED TRIP** PURSUANT TO ARTICLE 44-B OF THE VEHICLE AND TRAFFIC LAW.

If Other Liability Coverage Applies

1. The Liability Coverage provided by this policy applies as primary coverage for a **your car** and a **trailer** while attached to such **car**.

If other valid and collectible vehicle liability coverage applies as primary coverage to the same accident, then **we** will pay the proportion of damages payable that **our** applicable limit bears to the sum of **our** applicable limit and the limits of all other valid and collectible liability coverage that applies to the accident as primary coverage.

2. Subject to 1. above, all other Liability Coverage provided by this policy applies as excess coverage.

If other valid and collectible vehicle liability coverage applies as excess coverage to the same accident, then **we** will pay the proportion of damages payable that **our** applicable limit bears to the sum of **our** applicable limit and the limits of all other valid and collectible liability coverage that applies to the accident as excess coverage.

If Primary and Non-Contributory Required by Insured Contract

The Liability Coverage provided by this policy applies as primary and non-contributory if required by **insured contract**.

If other valid and collectible primary and non-contributory liability coverage applies to the same accident, then **we** will pay the proportion of damages payable that **our** applicable limit bears to the sum of **our** applicable limit and the limits of all other valid and collectible primary and non-contributory liability coverage that applies to the accident as primary and non-contributory liability coverage.

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 a premium is shown under "Coverage Symbol D";
2. Collision Coverage if a premium is shown under "Coverage Symbol G";
3. Emergency Road Service Coverage if a premium is shown under "Coverage Symbol H";
4. Car Rental and Travel Expenses Coverage if a premium is shown under "Coverage Symbol R1"

in the "POLICY PREMIUM" schedules on the Declarations.

Deductible

1. The Comprehensive Coverage deductible, if any, that applies to a **covered vehicle** that is:
 - a. a **your car** is the deductible dollar amount shown in the "POLICY PREMIUM" schedules on the Declarations for that **your car**.
 - b. a **newly acquired car** is the lesser of:
 - (1) the lowest Comprehensive Coverage deductible dollar amount shown in the "POLICY PREMIUM" schedules on the Declarations for any vehicle for which a premium is shown under "Coverage Symbol D" in the "POLICY PREMIUM" schedules on the Declarations; or

- (2) \$500.
- c. a **temporary substitute car** is the deductible dollar amount shown for the **car** being temporarily replaced.
- d. a camper is the deductible dollar amount shown in the "POLICY PREMIUM" schedules on the Declarations for the **your car** on which the camper is designed to be mounted or installed. If both the **your car** and the camper are damaged by the same **loss**, then only one deductible will apply.
2. The Collision Coverage deductible that applies to a **covered vehicle** that is:
- a. a **your car** is the deductible dollar amount shown in the "POLICY PREMIUM" schedules on the Declarations for that **your car**.
- b. a **newly acquired car** is the lesser of:
- (1) the lowest Collision Coverage deductible dollar amount shown in the "POLICY PREMIUM" schedules on the Declarations for any vehicle for which a premium is shown under "Coverage Symbol G" in the "POLICY PREMIUM" schedules on the Declarations; or
- (2) \$500.
- c. a **temporary substitute car** is the deductible dollar amount shown for the **car** being temporarily replaced.
- d. a camper is the deductible dollar amount shown in the "POLICY PREMIUM" schedules on the Declarations for the **your car** on which the camper is designed to be mounted or installed. If both the **your car** and the camper are damaged by the same **loss caused by collision**, then only one deductible will apply.
3. a **temporary substitute car** that is temporarily replacing a **car** described in 1. or 2. above, but only for those coverages available to the **car** being replaced; and
4. a camper that is shown on the Declarations and designed to be mounted or installed on a **your car** described in 1. above, but only for those coverages for which a premium is shown for that **your car** under the corresponding "Coverage Symbol" in the "POLICY PREMIUM" schedules on the Declarations.
- A **covered vehicle** also includes the parts and equipment that are common to the use of the vehicle as a vehicle and its **special equipment**. However, parts and equipment of campers must be securely fixed as a permanent part of the camper.

Daily Rental Charge means the sum of:

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

Insured means **you, your spouse, resident relatives**, and any **person** using a **covered vehicle** with **your** consent.

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 actual cash value of any **covered vehicle** after it has been repaired, as compared to its actual cash 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 other 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**.

Special Equipment means:

Additional Definitions

Covered Vehicle means:

1. a **your car**, but only for those coverages for which a premium for that **your car** is shown under the corresponding "Coverage Symbol" in the "POLICY PREMIUM" schedules on the Declarations;
2. a **newly acquired car** if a premium is shown under the corresponding "Coverage Symbol" in the "POLICY PREMIUM" schedules on the Declarations;

1. parts and equipment not common to the use of the vehicle as a vehicle that are:
 - a. securely fixed as a permanent part of the **covered vehicle**; or
 - b. designed to be:
 - (1) pushed by a **covered vehicle**; or
 - (2) towed by a **covered vehicle**, but only if a description of the towed equipment is shown following "Special equipment" on the Declarations;
2. parts and accessories designed to be attached to the equipment described in 1.a. and 1.b. above; and
3. tools that are provided by the manufacturer and are specifically designed to operate and maintain the equipment described in 1.a. and 1.b. above.
 - (iii) seven days after the date **we** offer to pay for the **loss** if the vehicle has not yet been recovered; or
 - (iv) seven days after 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.

Total Loss means the cost to repair or replace a **covered vehicle** after a **loss**, or after a **loss caused by collision**, exceeds seventy-five percent of the **covered vehicle's** actual cash value immediately prior to the **loss**, or **loss caused by collision**.

Insuring Agreements

1. Comprehensive Coverage

We will pay:

- a. for **loss**, except **loss caused by collision**, to a **covered vehicle**; and
- b. transportation expenses incurred by an **insured** as a result of the total theft of a **covered vehicle owned by you**. 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 the vehicle has been replaced;

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 an **insured** rents a **car** from a **car business** while a **covered vehicle owned by you** 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) seven 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 an **insured** 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 a **covered vehicle owned by you** 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 the location where such **car** is primarily garaged. **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 their destination or the location where such **car** is primarily garaged 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 their destination or the location where such **car** is primarily garaged; and
- (2) any **person you** choose, to travel to retrieve such **car** and drive it to either the original destination or the location where such **car** is primarily garaged if the vehicle was left behind for repairs.

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

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**.

Limit 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 re-conditioned parts. Any of these parts may be either original equipment manufacturer parts or non-original equipment manufacturer parts. Any non-original equipment manufacturer parts included on the repair estimate will be warranted by that manufacturer at least to the extent and duration as comparable original equipment manufacturer parts. If the non-original equipment manufacturer fails to honor its warranty, **we** shall pay, at no cost to **you** or the owner of the **covered vehicle**, to restore the **covered vehicle** to its pre-loss condition consistent with the non-original equipment manufacturer's warranty.

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 actual cash value of the **covered vehicle** after it has been repaired, as compared to its actual cash 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. (1) Pay, minus any applicable deductible, the sum of:

- (a) the actual cash value of the **covered vehicle**;
 - (b) all applicable taxes;
 - (c) all applicable license fees; and
 - (d) all applicable title transfer fees.
- (2) The owner of the **covered vehicle** and **we** must agree upon the actual cash value of the **covered vehicle**. If there is disagreement as to the actual cash value of the **covered vehicle**, then the disagreement will be resolved by appraisal upon written request of the owner or **us**, using the following procedures:
- (a) The owner and **we** will each select a competent appraiser.
 - (b) The two appraisers will select a third competent appraiser. If they are unable to agree on a third appraiser within 30 days, then either the owner or **we** may petition a court that has jurisdiction to select the third appraiser.
 - (c) Each party will pay the cost of its own appraiser, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third appraiser.
 - (d) The appraisers shall only determine the actual cash value of the **covered vehicle**. Appraisers shall have no authority to decide any other questions of fact, decide any questions of law, or conduct appraisal on a class-wide or class-representative basis.
 - (e) A written appraisal that is both agreed upon by and signed by any two appraisers, and that also contains an explanation of how they arrived at their appraisal, will be binding on the owner of the **covered vehicle** and **us**.
 - (f) **We** do not waive any of **our** rights by submitting to an appraisal.
- (3) 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 salvage value of the **covered vehicle** after the **loss**;
- (4) **You** agree with **us** that if **special equipment** is either:
- (a) not damaged, or
 - (b) damaged and **we** offer to pay the cost to repair it, subject to 2. below,
- then **we** may pay the cost to remove the **special equipment** from the **covered vehicle** and install it in a replacement vehicle. If **we** choose to remove **special equipment**, then the amount of **our** payment for the **covered vehicle** will not include the dollar value of the **special equipment**; 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. Special Equipment – Replacement Cost
- If there is a dollar amount shown on the Declarations for **special equipment** that is described on the Declarations, then item 1. above applies to determine the amount that **we** will pay for the **covered vehicle**, except to determine the amount **we** will pay for the repair or replacement of that described **special equipment**. **We** have the right to choose to pay either the cost to repair or the cost to replace that described **special equipment** minus any applicable deductible. However, the most **we** will pay to repair or to replace that described **special equipment**, including removal and installation costs, is the dollar amount shown on the Declarations for that described **special equipment**. If both the **covered vehicle** and its **special equipment** are damaged in one **loss** or one **loss caused by collision**, then only one deductible applies.
- a. The cost to repair will be determined by:
 - (1) the cost agreed to by both **you** and **us**; or
 - (2) a bid or repair estimate approved by **us**.

The cost to repair such **special equipment** does not include any reduction in the value of the **special equipment** after it has been repaired, as compared to its value before it was damaged.

- b. The cost to replace will be determined by the replacement cost of the same or of similar **special equipment** agreed to by both **you** and **us**. If there is disagreement as to the replacement cost of the **special equipment**, then the disagreement will be resolved by appraisal upon written request of the owner or **us**, using the procedures described in 1.b.(2) above.

If **we** choose to replace **special equipment**, then **we** will pay the actual cash value of that **special equipment** until it is replaced. If the **special equipment** is replaced, then **we** will also pay the lesser of:

- (1) the cost incurred to replace that **special equipment** less the amount **we** already paid for that **special equipment**; or
- (2) the dollar amount shown on the Declarations for that **special equipment** less the amount **we** already paid for that **special equipment**.

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

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

Limit – Car Rental and Travel Expenses Coverage

1. Car Rental Expense

The limit for Car Rental Expense is shown in the “COVERAGES AND LIMITS” schedule on the Declarations.

- a. The most **we** will pay per day for the **daily rental charge** incurred as a result of any one **loss** is shown under “Each Day”. If:

- (1) a dollar amount is shown, then **we** will pay the **daily rental charge** up to that dollar amount; or
- (2) a percentage amount is shown, then **we** will pay that percentage of the **daily rental charge**.

- b. Subject to 1.a. above, the dollar amount 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.

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 from, or on behalf of, a party who is legally liable for the **loss** or expense.

Exclusions

THERE IS NO COVERAGE FOR:

1. ANY **COVERED VEHICLE** THAT IS:
 - a. INTENTIONALLY DAMAGED; OR
 - b. STOLENBY, OR AT THE DIRECTION OF, **YOU**;
2. ANY **COVERED VEHICLE** DUE TO:
 - a. THEFT;
 - b. CONVERSION;
 - c. EMBEZZLEMENT; OR
 - d. SECRETION

BY **YOU**, 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;

3. **LOSS** TO A **COVERED VEHICLE OWNED BY YOU** IF **YOU** VOLUNTARILY RELINQUISH POSSESSION OF THE **COVERED VEHICLE** TO A **PERSON** OR ORGANIZATION UNDER AN ACTUAL OR PRESUMED SALES AGREEMENT;

4. 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**;
5. **LOSS** TO ANY **COVERED VEHICLE** DUE TO **FUNGI**. **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**. This exclusion does not apply if the **fungi** are the direct result of a **loss** that is payable under:
 - a. Comprehensive Coverage if a premium is shown under "Coverage Symbol D" in the "POLICY PREMIUM" schedules on the Declarations; or
 - b. Collision Coverage if a premium is shown under "Coverage Symbol "G" in the "POLICY PREMIUM" schedules on the Declarations;
6. **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;
7. **LOSS** TO ANY **COVERED VEHICLE** THAT RESULTS FROM THE TAKING OF OR SEIZURE OF THAT **COVERED VEHICLE** BY ANY GOVERNMENTAL AUTHORITY;
8. **LOSS** TO ANY **COVERED VEHICLE** THAT RESULTS FROM WAR OF ANY KIND;
9. A **COVERED VEHICLE** THAT IS A **YOUR CAR** WHILE SUBJECT TO ANY:
 - a. LIEN AGREEMENT;
 - b. RENTAL AGREEMENT;
 - c. LEASE AGREEMENT; OR
 - d. SALES AGREEMENT
 NOT SHOWN ON THE DECLARATIONS;
10. ANY PART OR EQUIPMENT OF A **COVERED VEHICLE** IF THAT PART OR EQUIPMENT:
 - a. FAILS OR IS DEFECTIVE; OR
 - b. IS DAMAGED AS A DIRECT RESULT OF:
 - (1) WEAR AND TEAR;
 - (2) FREEZING; OR
 - (3) MECHANICAL, ELECTRICAL, OR ELECTRONIC BREAKDOWN OR MALFUNCTION
 OF THAT PART OR EQUIPMENT.

This exclusion does not apply if the **loss** is the result of theft of the **covered vehicle**;
11. ANY PART OR EQUIPMENT:
 - a. THAT IS NOT LEGAL FOR USE IN OR ON THE **COVERED VEHICLE** IN THE STATE OF NEW YORK; OR
 - b. THE USE OF WHICH IS NOT LEGAL IN THE STATE OF NEW YORK 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;
12. TIRES. This exclusion does not apply if:
 - a. **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
 - b. **loss caused by collision** to another part of the **covered vehicle** causes **loss** to tires;
13. 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;

14. ANY EQUIPMENT USED TO DETECT OR INTERFERE WITH SPEED MEASURING DEVICES;
15. A CAMPER, INCLUDING ITS PARTS AND ITS EQUIPMENT, THAT IS:
 - a. DESIGNED TO BE MOUNTED ON A PICKUP TRUCK;
 - b. **OWNED BY YOU**; AND
 - c. NOT SHOWN ON THE DECLARATIONS;
16. 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 (16.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; OR
17. ANY **COVERED VEHICLE** WHILE THE MOTOR VEHICLE IS BEING USED BY A **TRANSPORTATION NETWORK COMPANY DRIVER** WHO IS LOGGED ONTO A **TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK** BUT IS NOT ENGAGED IN A **TRANSPORTATION NETWORK COMPANY PREARRANGED TRIP** OR WHILE THE DRIVER PROVIDES A **TRANSPORTATION NETWORK COMPANY PREARRANGED TRIP** PURSUANT TO ARTICLE 44-B OF THE VEHICLE AND TRAFFIC LAW.

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 **you** 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 a **your car**.

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 in relation to any vehicle shown in the "VEHICLE SCHEDULE" on the Declarations, then any Comprehensive Coverage or Collision Coverage provided by this policy for that vehicle also applies to that creditor's interest in that vehicle. Coverage for the creditor's interest is only provided for a **loss** that is payable to **you**.

However, if this policy is cancelled or nonrenewed, 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** provide 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, with your consent, 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, to the extent of its interest.

- b. **We** may, with your consent, 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.

Vehicle Custody

We have the right to take a **covered vehicle** into custody for safekeeping if it was reported stolen or found to be abandoned, and **we** have been notified of its location.

NEW YORK MANDATORY INSPECTION PROVISION

Regardless of any other provisions of this section, it is agreed:

1. **we** have the right to inspect any **private passenger car** before providing physical damage coverage. This applies to the extent prescribed and limited by New York law and regulation; and
2. when **we** require an inspection, **you** must cooperate and make the **car** available for inspection.

NEW YORK MANDATORY AUTOMOBILE REPAIRS PROVISION

The payment of a claim under this section cannot be conditioned upon the repair of the **car**. However, **we** are entitled to the following:

1. if the **car** is repaired:
 - a. an itemized repair invoice prepared by the repairer; and
 - b. a completed "Certification of Automobile Repairs" as prescribed by the New York Department of Financial Services; and
2. an inspection of the **car**, whether or not it is repaired.

INSURED'S DUTIES

1. Notice to Us of an Accident or Loss

a. Who Gives Notice

Either the **insured** or a **person** acting on behalf of 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**:

- (1) **your** name;

- (2) the names and addresses of all **persons** involved in the accident or **loss**;
- (3) the hour, date, place, and facts of the accident or **loss**; and
- (4) the names and addresses of witnesses to the accident or **loss**.

Written notice of the accident or **loss** given to **us** or one of **our** agents by or on behalf of the injured **person** or any other claimant, with particulars sufficient to identify the **insured**, is deemed notice to **us**.

b. **Timeliness of Notice**

Notice must be given to **us** as soon as reasonably possible. Failure to give **us** notice as soon as reasonably possible shall invalidate any claim made by the **insured**, injured **person**, or any other claimant, if:

- (1) such failure to timely provide notice materially impairs **our** ability to investigate or defend the claim; or
- (2) prior to the notice:
 - (a) the **insured's** liability has been determined by a court of competent jurisdiction;
 - (b) the **insured's** liability has been determined by binding arbitration; or
 - (c) the **insured** has resolved the claim or suit by settlement or other compromise.

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

a. **Who Gives Notice**

- (1) If a claim is made against an **insured**, then that **insured** or a **person** acting on behalf of that **insured** must send **us** or one of **our** agents, as soon as reasonably possible, every demand, notice, and claim received.

Written notice of the claim given to **us** or one of **our** agents by or on behalf of the injured **person** or any other claimant, with particulars sufficient to identify the **insured**, is deemed notice to **us**.

- (2) If a lawsuit is filed against an **insured**, then that **insured** or a **person** acting on behalf of that **insured** must send **us** or one of **our** agents, as soon as reasonably possible, every summons and legal process received.

Written notice of the lawsuit given to **us** or one of **our** agents by or on behalf of the injured **person** or any other claimant, with particulars sufficient to identify the **insured**, is deemed notice to **us**.

b. **Timeliness of Notice**

Notice must be given to **us** as soon as reasonably possible. Failure to give **us** notice as soon as reasonably possible shall invalidate any claim made by the **insured**, injured **person**, or any other claimant, if:

- (1) such failure to timely provide notice materially impairs **our** ability to investigate or defend the claim; or
- (2) prior to the notice:
 - (a) the **insured's** liability has been determined by a court of competent jurisdiction;
 - (b) the **insured's** liability has been determined by binding arbitration; or
 - (c) the **insured** has resolved the claim or suit by settlement or other compromise.

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 their 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**; and
- b. Physical Damage Coverages and Rental Vehicle Coverage, each **insured**, each 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**, to a **covered vehicle** under the **Physical Damage Coverages**, **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** of a **covered vehicle** is the result of theft;
- c. allow **us** to:
 - (1) inspect any damaged property:

- (a) before its repair or disposal; and
- (b) during its repair;
- (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;
- (3) invoices; and
- (4) authorizations

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

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

6. Additional Notice Requirements for Claims Arising Out of Death or Bodily Injury of Any Person

If **we** disclaim liability or deny coverage based upon the failure to provide timely notice, then the injured **person** or other claimant may maintain an action directly against **us**, in which the sole question is **our** disclaimer or denial based on the failure to provide timely notice, unless within sixty days following such disclaimer or denial the **insured** or **we**:

- a. initiates an action to declare the rights of the parties under this policy; and
- b. names the injured **person** or other claimant as a party to the action.

GENERAL TERMS

1. When Coverage Applies

The coverages provided by this policy are shown on the Declarations and apply to accidents and **losses** that occur during the policy period. The policy period is shown on the Declarations 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.

2. Where Coverage Applies

The coverages provided by this policy are shown on the Declarations 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.

3. Required Out-of-State Coverage

If:

- a. this policy provides Liability Coverage and an *insured*, as defined under the Liability Coverage of this policy, 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
- b. this policy does not provide at least the minimum amounts and types of coverage required by such law for such nonresident,

then this policy will be interpreted to provide the minimum amounts and types of coverage required by law for such nonresident.

4. 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.

5. Limited Coverage in Mexico

- a. This policy does not provide Mexican auto insurance and does not comply with Mexican auto insurance requirements. If *you* or any other *insured* plan to drive in Mexico, then auto insurance providing coverage in Mexico should be purchased from a Mexican insurance company.
- b. Subject to paragraph a. above, the following coverages apply in Mexico, but only for accidents and *losses* that occur in Mexico within 50 miles of the United States of America border and only for *insureds* as defined under each of the following coverages, if provided by this policy as shown on the Declarations:

(1) Liability Coverage

For claims brought against an *insured* in Mexico, the **Supplementary Payments** provision of this policy's Liability Coverage is changed to read:

We may, in addition to the damages described in item 1. of the **Insuring Agreement** of this policy's Liability Coverage, pay or reimburse, at *our* option, reasonable attorney fees for an attorney licensed in Mexico to appear for and provide advice to *insureds* as defined under this policy's Liability Coverage. The amount of such attorney fees incurred by an *insured* must be reported to *us* before *we* will make payment.

(2) Medical Payments Coverage

This coverage applies if the Medical Payments Coverage Endorsement applies to the *insured* involved in the accident or loss.

(3) Personal Injury Protection Coverage

This coverage applies if the Mandatory Personal Injury Protection Coverage Endorsement applies to the *insured* involved in the accident or loss.

The unqualified terms "court" and "court of competent jurisdiction" are changed to "New York state court" and "United States of America District Court that has jurisdiction".

(4) Uninsured Motorists Coverage and Supplementary Uninsured/Underinsured Motorists Coverage

Uninsured Motorists Coverage applies if the Uninsured Motorists Coverage Endorsement applies to the *insured* involved in the accident or loss.

Supplementary Uninsured/Underinsured Motorists Coverage applies if the Supplementary Uninsured/Underinsured Motorists Coverage

Endorsement applies to the **insured** involved in the accident or loss.

The unqualified terms “United States” and “court having jurisdiction” are changed to “United States of America” and “New York state court or United States of America District Court that has jurisdiction”.

(5) **Physical Damage Coverages**

Any amount payable for the repair or replacement of the **covered vehicle** under the **Limit and Loss Settlement – Comprehensive Coverage and Collision Coverage** provision of this policy will be limited to the cost to repair or replace the **covered vehicle** in the United States of America.

WE HAVE NO DUTY TO PROVIDE A DEFENSE FOR YOU OR ANY OTHER INSURED IN ANY CRIMINAL, CIVIL, OR OTHER ACTION.

WE HAVE NO DUTY TO PAY ANY CLAIM OR COST THAT WOULD NOT BE PAYABLE UNDER THIS POLICY IF THE ACCIDENT OR LOSS HAD OCCURRED IN THE STATE OF NEW YORK IN THE UNITED STATES OF AMERICA.

All other policy provisions not in conflict with the provisions in this **Limited Coverage in Mexico** provision of this policy apply.

If Other Coverage Applies

Any coverage provided by this **Limited Coverage in Mexico** provision is excess over any other applicable insurance.

Legal Action Against Us

Any legal action against **us** arising out of an accident or **loss** occurring in Mexico must be brought in a New York state court or a United States of America District Court that has jurisdiction.

6. **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 a **car** currently shown on the Declarations 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 a **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 a **your car** beginning on the date and time **you** make the request. The added amount due will be calculated based on that date.

However, if the replacement **car** is a **private passenger car** newly **owned by you** or **your spouse**, then this policy will provide Liability Coverage regardless of whether **we** are asked to insure it;

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

However, if the replacement **car** is a **private passenger car** newly **owned by you** or **your spouse**, then this policy will provide Liability Coverage regardless of whether **we** are asked to insure it; or

- c. 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.

However, if the added **car** is a **private passenger car** newly **owned by you** or **your spouse**, then **we** will issue Liability Coverage regardless of whether the applicant is otherwise ineligible.

If **your spouse** or a **resident relative** wants to insure a **car** newly **owned by** either with the **State Farm**

Companies after that **car** ceases to be a **newly acquired car**, then **your spouse** or the **resident relative** must apply to the **State Farm Companies** for a separate policy to insure the **car** newly **owned by** either. Such policy will be issued only if both the applicant and the vehicle are eligible for coverage at the time of the application.

7. 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, 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 New York without issuing a revised policy booklet, a revised Declarations, or an endorsement.

b. Change of Interest

- (1) No change of interest in this policy is effective unless **we** consent in writing.
- (2) If a **person** shown as a named insured on the Declarations 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 a **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 a **your car**, a **newly acquired car**, or a **temporary substitute car**.

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.

8. 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.
- 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. Subject to **our** rate manual rules, the premium for this policy will be reduced upon the purchase of other qualifying 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 changes during the policy period, and **you** must answer questions **we** ask regarding the following:

- (1) **Your cars**, or their use, including annual mileage;
- (2) The **persons** who regularly drive a **your car**, including new drivers;
- (3) Marital status of all drivers; or
- (4) The location where **your cars** are primarily garaged.

If the above information or any other information used to determine the premium is incorrect or changes during the policy period, 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.

If information requested by **us** to confirm continued eligibility for the current mileage rating is not provided to **us** when **we** ask, then this policy may no longer be eligible for the current mileage rating.

9. **Renewal**

We agree to renew this policy for the next policy period upon payment of the renewal premium when due, unless **we** provide a nonrenewal notice or a cancellation notice as set forth in the **Nonrenewal** and **Cancellation** provisions.

10. **Nonrenewal**

If **we** decide not to renew this policy, then **we** will:

- a. if Section 3425 of the New York insurance laws is applicable, provide a nonrenewal notice to the named insured, in accordance with Section 3425 of the New York insurance laws, at least 45 days, but not more than 60 days, before the end of the current policy period; or
- b. if Section 3426 of the New York insurance laws is applicable, provide a nonrenewal notice to the named insured and to the insured's authorized agent, in accordance with Section 3426 of the New York insurance laws, at least 60 days, but not more than 120 days, before the end of the current policy period.

11. **Cancellation**

a. **How You May Cancel**

You may cancel this policy by providing to **us** advance notice of the date cancellation is effective. However, if **you** can prove **your car** has been sold, destroyed or stolen, cancellation can be made effective on the later of:

- (1) the date **your car** was sold, destroyed or stolen; or
- (2) 30 days prior to the date of **your** request for cancellation.

We may confirm the cancellation in writing.

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

We may cancel this policy by providing notice to the named insured who is shown on the Declarations, in accordance with applicable New York cancellation laws. The notice will provide the date cancellation is effective.

- (1) If **we** provide a cancellation notice because the premium is not paid when due, then the date cancellation is effective will be at least 15 days after the date **we** provide the cancellation notice.

Otherwise, the date cancellation is effective will be at least 20 days after the date **we** provide 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, your spouse, any resident relative, or any other person** who customarily drives a **your car** has had their driver's license under suspension or revocation during the policy period.

However, **we** will not cancel due to:

- (i) a suspension issued under subdivision 1 of Section 510-b of the vehicle and traffic law; or
- (ii) one or more administrative suspensions arising from the same incident which has or have been terminated prior to the effective date of cancellation; or
- (c) fraud or material misrepresentation in obtaining this policy or in the presentation of a claim under this policy has been discovered.

c. **Conditional Continuation**

If **we** have the right to cancel this policy **we** may instead condition continuation of the policy upon change of limits or elimination of any coverage not required by law, effective at least 20 days after **we** provide notice, in accordance with applicable New York insurance laws and regulations, to the named insured who is shown on the Declarations.

d. **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.

12. **Assignment**

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

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

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

14. **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.

However, **we** will provide Liability Coverage on behalf of such **insured**:

- a. for damages sustained by any **person** who has not made false statements with the intent to conceal or misrepresent any material fact or circumstance in connection with any claim; and
- b. if such damages are otherwise payable under this policy.

15. **Our Right to Recover Our Payments**

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, then the **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.

16. **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 **insured**, the claimant, and **us**.
- b. 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**.

17. **Choice of Law**

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

- a. New York 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, 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, if this policy was issued by any subsidiary or affiliate of the State Farm Mutual Automobile Insurance Company.

18. **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.