



State Farm®
**Business Car
Policy
Booklet**

Virginia
Policy Form 9646C

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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.
5. **Your** purchase of this policy may allow:
 - a. **you** to purchase or obtain certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other products from the **State Farm Companies**, subject to their applicable eligibility rules; or
 - b. the premium or price for other products or services purchased by **you**, including non-insurance products or services, to vary. Such other products or services must be provided by the **State Farm Companies** or by an organization that has entered into an agreement or contract with the **State Farm Companies**. The **State Farm Companies** do not warrant the merchantability, fitness, or quality of any product or service offered or provided by that organization.

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 terms "accident", "auto", and "property damage" are defined in this section and used in Virginia Medical Expense and Income Loss Benefits Endorsement.

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.

"Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

"Auto" means:

1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

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.

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. Any lease of premises;
2. Any railroad sidetrack agreement;

3. Any easement or license agreement, but does not include any easement or license agreement concerning construction or demolition operations on or within 50 feet of a railroad;

4. Any obligation to indemnify a municipality, where such obligation is required by ordinance and is not attributable to work for the municipality;

5. That part of any contract or agreement pertaining to **your** business under which **you** assume the tort liability of another to pay damages for:

- a. **bodily injury** to; or
- b. damage to property of

a third party. This includes the indemnification of a municipality in connection with work for the municipality. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or

6. That part of any contract or agreement concerning the rental or lease of a **car** to **you** or to a **person** acting on **your** behalf in the course of **your** business, but does not include that part of any contract or agreement requiring **you** or any **person** acting on **your** behalf to pay for damage to a **car** rented or leased by **you** or any **person** acting on **your** behalf.

Insured Contract does not include any provision found in any contract or agreement that agrees to indemnify a railroad for **bodily injury** or damage to property that:

1. is caused by construction or demolition operations on or within 50 feet of any railroad property; and
2. affects any railroad bridge or trestle, tracks, road beds, tunnel, underpass, or crossing.

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 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**.

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**.

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.

Person means a human being.

Pollutants means any:

1. irritant or contaminant in a solid, liquid, gaseous or thermal state;
2. toxic or hazardous substance; or
3. oil in any form;

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.

"Property damage" means damage to or loss of use of tangible property.

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. repair;
 - c. servicing;
 - d. damage; or
 - e. theft; and
2. neither **you** nor the **person** operating it own or have registered.

Trailer means:

1. a trailer designed primarily for travel on public roads with a gross vehicle weight:
 - a. of 3,000 pounds or less; or
 - b. greater than 3,000 pounds while used for pleasure; 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.

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

Work means any work or operations performed by or on behalf of an **insured** including:

1. any materials, parts, or equipment furnished in connection with such work or operations; and

2. any warranties or representations made at any time with respect to the fitness, quality, durability, or performance of such work or operations of the items described in 1. above.

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.

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 with **your** permission;

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 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 decisionfor 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. **We** have no duty to pay attorney fees incurred after **we** deposit in court or pay the amount due under the **Insuring Agreement** of this policy's Liability Coverage;
2. Court costs awarded by the court 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**.

We have no duty to pay court costs incurred after **we** deposit in court or pay the amount due under the **Insuring Agreement** of this policy's Liability Coverage;
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 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; and
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.

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.
 - 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.

Exclusions

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

1. WHO INTENTIONALLY CAUSES **BODILY INJURY** OR DAMAGE TO PROPERTY;
2. OR FOR THAT **INSURED'S** INSURER FOR ANY OBLIGATION UNDER ANY TYPE OF WORKERS' COMPENSATION, DISABILITY, OR SIMILAR LAW;
3. 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 employee** who is not eligible for workers' compensation insurance;
4. FOR DAMAGES ARISING OUT OF THE OPERATION, MAINTENANCE, OR USE OF ANY EQUIPMENT THAT IS TOWED BY, MOUNTED ON, OR CARRIED ON ANY VEHICLE. This exclusion does not apply to equipment:
 - a. mounted on the vehicle and designed solely for the loading or unloading of the vehicle; or
 - b. designed for:
 - (1) snow removal;
 - (2) street cleaning; or
 - (3) road maintenance, other than construction or resurfacing;
5. FOR DAMAGES ARISING OUT OF **WORK** AFTER IT IS CONSIDERED COMPLETED. **WORK** IS CONSIDERED COMPLETED:
 - a. IF IT HAS BEEN ABANDONED; OR
 - b. IF IT HAS NOT BEEN ABANDONED, THEN AT THE EARLIEST OF THE FOLLOWING TIMES:
 - (1) WHEN THAT PART OF THE **WORK** DONE AT A JOB SITE HAS BEEN PUT TO ITS INTENDED USE BY ANY **PERSON** OR ORGANIZATION OTHER THAN ANOTHER CONTRACTOR OR SUBCONTRACTOR WORKING ON THE SAME PROJECT;

- (2) WHEN ALL OF THE **WORK** TO BE DONE AT THE LOCATION WHERE THE DAMAGES AROSE HAS BEEN FINISHED; OR
- (3) WHEN ALL OF THE **WORK** CALLED FOR IN **YOUR** CONTRACT HAS BEEN FINISHED.

WORK IS CONSIDERED COMPLETED REGARDLESS OF WHETHER ADDITIONAL SERVICING, MAINTENANCE, CORRECTION, REPAIR, OR REPLACEMENT IS REQUIRED;

- 6. FOR **BODILY INJURY** TO ANY **PERSON** WHICH ARISES OUT OF ANY VEHICLE WHILE PARKED AND FUNCTIONING AS AN OFFICE OR BUSINESS PREMISES. This exclusion does not apply:
 - a. to the loading and unloading of equipment or supplies; or
 - b. if such vehicle is maintained primarily to transport **persons** or cargo;
- 7. FOR DAMAGE TO PROPERTY WHICH ARISES OUT OF ANY VEHICLE WHILE PARKED AND FUNCTIONING AS AN OFFICE OR BUSINESS PREMISES. This exclusion does not apply:
 - a. to the loading and unloading of equipment or supplies; or
 - b. if such vehicle is maintained primarily to transport **persons** or cargo;
- 8. FOR DAMAGES ARISING OUT OF:
 - a. THE HANDLING OF PROPERTY BEFORE IT IS MOVED FROM THE PLACE WHERE IT IS ACCEPTED BY THE **INSURED** FOR MOVEMENT INTO OR ONTO A VEHICLE FOR WHICH THE **INSURED** IS PROVIDED LIABILITY COVERAGE BY THIS POLICY;
 - b. THE HANDLING OF PROPERTY AFTER IT IS MOVED FROM THE VEHICLE DESCRIBED IN a. ABOVE TO THE PLACE WHERE IT IS FINALLY DELIVERED BY THE **INSURED**; OR
 - c. THE MOVEMENT OF PROPERTY BY MEANS OF A MECHANICAL DEVICE, OTHER THAN A HAND TRUCK, THAT IS NOT ATTACHED TO THE VEHICLE DESCRIBED IN a. ABOVE;

- 9. FOR DAMAGES ARISING OUT OF THE:
 - a. HANDLING OR USE OF, OR
 - b. EXISTENCE OF ANY CONDITION IN OR WARRANTY OF

ANY PRODUCT MANUFACTURED, SOLD, OR DISTRIBUTED BY AN **INSURED** IF THE **BODILY INJURY** OR DAMAGE TO PROPERTY OCCURS AFTER THE **INSURED** RELINQUISHES POSSESSION OF THE PRODUCT;

- 10. FOR **BODILY INJURY** OR DAMAGE TO PROPERTY CAUSED BY **POLLUTANTS** THAT:
 - a. ARE TRANSPORTED BY;
 - b. ARE CARRIED IN OR UPON;
 - c. ARE RELEASED, DISCHARGED, OR REMOVED FROM; OR
 - d. ESCAPE OR LEAK FROM

ANY VEHICLE. This exclusion does not apply if the **bodily injury** or damage to property is the direct, accidental, and instantaneous result of **pollutants** caused by a **collision** which arises out of the use of any vehicle as a vehicle for which that **insured** is provided Liability Coverage by this policy;

- 11. FOR ANY CLAIM MADE OR LAWSUIT FILED BY ANY **PERSON**, ORGANIZATION, OR GOVERNMENTAL BODY AGAINST THAT **INSURED** FOR DAMAGES, RESPONSE COSTS, OR SIMILAR COSTS, OR ANY RELATED REMEDIAL ACTION THAT ARE:
 - a. THE REAL OR ALLEGED RESULT OF THE EFFECTS OF **POLLUTANTS**; OR
 - b. IN ANY WAY ASSOCIATED WITH THE COST OF:
 - (1) CLEANUP;
 - (2) REMOVAL;
 - (3) CONTAINMENT; OR
 - (4) NEUTRALIZATION OF THE EFFECTS OF **POLLUTANTS**.

This exclusion does not apply if such damages, costs, or remedial action is the direct, accidental, and instantaneous result of **pollutants** caused by a **collision** which arises out of the use of any vehicle as a vehicle for which that **insured** is provided Liability Coverage by this policy;

12. 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;
13. 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;
14. FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION;
15. 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;
16. FOR THE OWNERSHIP, MAINTENANCE, OR USE OF ANY VEHICLE WHILE IT IS:
 - a. 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

- 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;

17. 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
18. FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE AN **INSURED** IS:
 - a. THE DRIVER OF THE VEHICLE; AND
 - b. LOGGED ON TO A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK.

If Other Liability Coverage Applies

1. The Liability Coverage provided by this policy applies as primary coverage for the ownership, maintenance, or use of a **your car** or a **trailer** attached to it.

If 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.

2. Except as provided in 1. above, the Liability Coverage provided by this policy applies as excess coverage.

If 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.

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.

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;

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.
- (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.

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** 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 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 **collision**.

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:

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:

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;
- (iii) within a reasonable time after the date **we** offer to pay for the **loss** if the vehicle has not yet been recovered; or
- (iv) within a reasonable time 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.

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 the **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) within a reasonable time 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.

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

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

The deductible amount must be reported to **us** before **we** will pay.

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.

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. (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 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 replacement cost agreed to by both **you** and **us** 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.
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 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. STOLEN
 BY, 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**. 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**;
- 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 JURISDICTION WHERE THE **COVERED VEHICLE** IS REGISTERED; OR
 - b. 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;
12. TIRES. This exclusion does not apply if:
- a. **loss** is caused by missiles, falling objects, wind-storm, 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 DRIVER OF THE **COVERED VEHICLE** IS LOGGED ON TO A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK.
- 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. 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.

3. Except as provided in 2. 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** 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, 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.

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.

This does not apply if the **insured's** failure to cooperate or to assist, or the **insured's** refusal to cooperate or to assist does not negatively impact **our** defense of an **insured** in any lawsuit for damages payable under this policy's Liability Coverage.

- 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, 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**, **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:
 - (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**.

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 State 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 coverage required by such law for such nonresident,

then this policy will be interpreted to provide the minimum amounts and types coverage required by such 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

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.

Subject to the above paragraph, 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:

a. 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.

- b. **Virginia Medical Expense And Income Loss Benefits Coverage**
- c. **Uninsured Motorists Coverage**
- d. **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 VIRGINIA 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 Virginia state court or a United States 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;

- 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; 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.

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 Virginia 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**.

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

c. **Joint and Individual Interests**

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

d. **Change of Policy Address**

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

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

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. In accordance with our manual rules, the premium for this policy will be reduced based upon:
 - (1) the purchase of other products or services from the **State Farm Companies**;

- (2) the purchase of products or services from an organization that has entered into an agreement or contract with the **State Farm Companies**. The **State Farm Companies** do not warrant the merchantability, fitness, or quality of any product or service offered or provided by that organization; or
- (3) an agreement, concerning the insurance provided by this policy, that the **State Farm Companies** has with an organization of which **you** are a member, employee, subscriber, licensee, or franchisee.

- 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 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 **you** notify **us** that the above information or any other information used to determine the premium 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.

9. **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 the **Nonrenewal** and **Cancellation** provisions.

10. Nonrenewal

- a. Subject to b. below, if **we** decide not to renew this policy, then, at least:

- (1) 15 days for nonpayment of premium; or
- (2) 45 days for any other reason

before the end of the current policy period, **we** will mail or deliver a nonrenewal notice, stating the reason for nonrenewal, to the most recent policy address that **we** have on record for the named insured in accordance with Virginia law.

- b. if:

- (1) the "ENTITY" shown on the Declarations is "Individual"; and
- (2) a **your car** is a **private passenger car** used only for:
 - (a) pleasure;
 - (b) commuting to and from **your** place of employment; or
 - (c) farming,

then if **we** decide not to renew this policy, then, at least 45 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 in accordance with Virginia law.

11. Cancellation

- a. Subject to b. below:

- (1) **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.

- (2) **How and When We May Cancel**

We may cancel this policy by mailing in accordance with Virginia Law, 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. The notice will provide the date cancellation

is effective. The date cancellation is effective will be at least:

- (a) 15 days after the date **we** mail or deliver the cancellation notice because the premium is not paid when due; or
- (b) 45 days after the date **we** mail or deliver the cancellation notice for any other reason.

- b. if the "ENTITY" shown on the Declarations is "Individual" and a **your car** is a **private passenger car** used only for pleasure, commuting to and from **your** place of employment; or farming, then:

- (1) **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.

- (2) **How and When We May Cancel**

We may cancel this policy by mailing in accordance with Virginia Law, 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. The notice will provide the date cancellation is effective.

- (a) If **we** mail or deliver 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** mail or deliver the cancellation notice.

Otherwise, the date cancellation is effective will be at least 45 days after the date **we** mail or deliver the cancellation notice.

- (b) 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:

- (i) the premium is not paid when due; or

- (ii) **you** or any other **person** who:
 - 1) resides primarily with **you**;
or
 - 2) usually drives a **your car** has had their driver's license under suspension or revocation during the 90 days immediately before the effective date of the policy or during the policy period.

c. Return of Unearned Premium

If this policy is cancelled by either **you** or **us**, 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

- 1. Bankruptcy or insolvency of the **insured** or their estate will not relieve **us** of **our** obligations under this policy.
- 2. If execution on a judgment against the **insured** or the **insured's** personal representative is returned unsatisfied in an action brought to recover damages for **bodily injury**, damage to property, or **loss** incurred during the policy period, then an action may be maintained against **us** under the terms of this policy for the amount of the judgment not exceeding the amount of the applicable limit of coverage under this policy.

14. Concealment or Fraud

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

18. **Electronic Delivery**

With **your** consent, **we** may, if allowed by law, electronically deliver any document or notice, including a notice to renew, nonrenew, or cancel, instead of mailing it or delivering it by other means. Proof of transmission will be sufficient proof of notice.

19. **Our Rights Regarding Claim Information**

- a. **We** will collect, receive, obtain, use, and retain all the items described in item b.(1) below and use and retain the information described in item b.(3)(b) below, in accordance with applicable federal and state laws and regulations and consistent with the performance of **our** business functions.
- b. Subject to a. above, **we** will not be restricted in or prohibited from:
 - (1) collecting, receiving, or obtaining records, receipts, invoices, medical bills, medical records, wage information, salary information, employment information, data, and any other information;

- (2) using any of the items described in item b.(1) above; or

- (3) retaining:

- (a) any of the items in item b.(1) above; or
- (b) any other information **we** have in **our** possession as a result of **our** processing, handling, or otherwise resolving claims submitted under this policy.

- c. **We** may disclose any of the items in item b.(1) above and any of the information described in item b.(3)(b) above:

- (1) to enable performance of **our** business functions;
- (2) to meet **our** reporting obligations to insurance regulators;
- (3) to meet **our** reporting obligations to insurance data consolidators;
- (4) to meet other obligations required by law; and
- (5) as otherwise permitted by law.

- d. **Our** rights under a., b., and c. above shall not be impaired by any:

- (1) authorization related to any claim submitted under this policy; or
- (2) act or omission of an **insured** or a legal representative acting on an **insured's** behalf.