

PHYSICAL DAMAGE SPECIAL LOSS SETTLEMENT

Under the **PHYSICAL DAMAGE** section:

1. the following is provided for vehicles covered under Comprehensive or Collision:

RENTAL CAR - Additional Costs We Will Pay:

We will pay expenses for **loss** of use, diminished value and reasonable fees and charges which **you** become legally obligated to pay as a result of direct and accidental damage to a commercially rented automobile rented by **you** or a **relative** on a temporary basis.

2. the following are added to **MAXIMUM AMOUNT WE WILL PAY:**

REPLACEMENT COST FOR SPECIAL PARTS

We will not take a deduction for depreciation for **loss** to, steering and suspension components, brake parts, electrical wiring and components, batteries, and tires if repair or replacement results in a better part than was damaged. This does not apply to theft of tires or batteries, unless the entire vehicle was stolen.

If the **loss** is only to a part of the property, **our** responsibility extends to that part only.

REPLACEMENT COST FOR TOTAL LOSS

If the **covered automobile** is owned by **you** and sustains a **total loss** within:

- a. one year after purchase; or
- b. the vehicle's first 15,000 miles,

whichever occurs first, **we** will pay, at **our** option, the full cost of repair or replacement, less the applicable **deductible**.

This coverage applies only to a **covered automobile** that has not been previously titled and is not more than one model year old when purchased by **you**.

This does not apply to a **substitute automobile**, a **non-owned automobile** or a vehicle leased under a long-term contract of 6 months or more.

The following conditions apply:

1. **Our** liability for any **loss** will not be more than the cost to replace the damaged property with:
 - a. a previously untitled vehicle of the year, make, model and equipment of the damaged **automobile** or, if unavailable,
 - b. a vehicle that is most similar in class and body type to the year, make, model and equipment of the damaged **automobile**.
2. **We** will not pay for any **loss** before the actual repair or replacement is completed.
3. **We** have the right to pay the **loss** in money or to repair or replace the damaged **automobile**.

"TOTAL LOSS" means a **loss** in which the cost to replace or repair the vehicle to its pre-**loss** condition plus the salvage value, equals or exceeds the **actual cash value**.

All other provisions of the policy apply except as modified by this endorsement.