
LIABILITY COVERAGE SECTION
Coverage A – Bodily Injury
Coverage B – Property Damage

Insuring Agreement

- A. We will pay damages for “bodily injury” or “property damage” for which any “insured” becomes legally responsible because of an auto accident. Damages include prejudgment interest awarded against the “insured”.

We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for these coverages has been exhausted by payment of judgments or settlements.

We have no duty to defend any suit or settle any claim for “bodily injury” or “property damage” not covered under this policy.

- B. “Insured” as used in this Coverage Section means:
1. You or any “resident relative” for the ownership, maintenance or use of any auto or “trailer”.
 2. Any person using “your covered auto”.
 3. For “your covered auto”, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under this Coverage Section.
 4. For any auto or “trailer”, other than “your covered auto”, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any “resident relative” for whom coverage is afforded under this Coverage Section. This provision (4.) applies only if the person or organization does not own or hire the auto or “trailer”.

“Insured” does not include:

1. The United States of America or any of its agencies.
2. Any person with respect to “bodily injury” or “property damage” resulting from the operation of an auto by that person as an employee of the United States Government. This applies only if the provisions of Section 2679 of Title 28, United States Code as amended, require the Attorney General of the United States to defend that person in any civil action which may be brought for the “bodily injury” or “property damage”.

Supplementary Payments

In addition to our limit of liability, we will pay on behalf of an “insured”:

1. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in “bodily injury” or “property damage” covered under this policy.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Up to \$250 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
4. Other reasonable expenses incurred at our request.

Exclusions

- A. We do not provide Liability Coverage for any “insured”:
1. Who intentionally causes “bodily injury” or “property damage”.
 2. For “property damage” to property owned or being transported by that “insured”.
 3. For “property damage” to property:
 - a. Rented to;
 - b. Used by; or
 - c. In the care of; that “insured”.
 This Exclusion (A.3.) does not apply to “property damage” to a residence or private garage.
 4. For “bodily injury” to an employee of that “insured” during the course of employment. This Exclusion (A.4.) does not apply to “bodily injury” to a domestic employee unless workers’ compensation benefits are required or available for that domestic employee.
 5. For that “insured’s” liability arising out of the ownership or operation of a vehicle while it is being used, or during the period of time it is available for hire, as a public or livery conveyance. This Exclusion, (A.5.) applies whether or not there is:
 - a. A passenger “occupying” the vehicle; or
 - b. Property being transported for a fee in or upon the vehicle.
 This Exclusion (A.5.) does not apply to a vehicle used for a:
 - a. Share-the-expense car pool;
 - b. Charitable purpose; or
 - c. Volunteer purpose.

6. While employed or otherwise engaged in the "business" of:
- Selling;
 - Repairing;
 - Servicing;
 - Storing; or
 - Parking;
- vehicles designed for use mainly on public highways. This includes road testing and delivery. This Exclusion (A.6.) does not apply to the ownership, maintenance or use of "your covered auto" by:

- You;
- Any "resident relative"; or
- Any partner, agent or employee of you or any "resident relative".

7. Maintaining or using any vehicle while that "insured" is employed or otherwise engaged in any "business" (other than farming or ranching) not described in Exclusion A.6.

This Exclusion (A.7.) does not apply to the maintenance or use of a:

- Private passenger auto or sport utility vehicle;
- Pickup or van with a Gross Vehicle Weight Rating of 10,000 lbs. or less; or
- "Trailer" used with a vehicle described in a. or b. above.

8. Using a vehicle without a reasonable belief that such "insured" is entitled to do so. This Exclusion (A.8.) does not apply to a "resident relative" using "your covered auto" which is owned by you.

9. For "bodily injury" or "property damage" for which that "insured":

- Is an insured under a nuclear energy liability policy; or
- Would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

A nuclear energy liability policy is a policy issued by any of the following or their successors:

- Nuclear Energy Liability Insurance Association;
- Mutual Atomic Energy Liability Underwriters; or
- Nuclear Insurance Association of Canada.

- B. We do not provide Liability Coverage for the ownership, maintenance or use of:

- Any vehicle which:
 - Has fewer than four wheels; or
 - Is designed mainly for use off public roads.

This Exclusion (B.1.) does not apply:

- While such vehicle is being used by an "insured" in a medical emergency;
- To any "trailer"; or

- To any non-owned golf cart.

- Any vehicle, other than "your covered auto", which is:

- Owned by you; or
- Furnished or available for your regular use.

- Any vehicle, other than "your covered auto", which is:

- Owned by any "resident relative"; or
- Furnished or available for the regular use of any "resident relative".

However, this Exclusion (B.3.) does not apply to you while you are maintaining or "occupying" any vehicle which is:

- Owned by a "resident relative"; or
- Furnished or available for the regular use of a "resident relative".

- Any vehicle while participating or competing in, or practicing or preparing for, any prearranged or organized:

- Racing contest, meet or rally, whether against another vehicle or against time;
- Demolition contest;
- Stunting activity; or
- High performance driving or racing instruction course or school.

This Exclusion (B.4.) applies only while the vehicle is at a location, whether temporary or permanent, established for any of the activities listed above.

- "Your covered auto" during a period it is rented or leased to others. However, this Exclusion (B.5.) does not apply to the operation of "your covered auto" by you or a "resident relative".

Limit Of Liability

A. Split Limits

If the Declarations shows separate limits of liability for Coverage A and Coverage B:

The limit of liability shown in the Declarations for each person for Coverage A is our maximum limit of liability for all damages, including damages for care, loss of services or death, arising out of "bodily injury" sustained by any one person in any one auto accident.

Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Coverage A is our maximum limit of liability for all damages for "bodily injury" resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Coverage B is our maximum limit of liability for all "property damage" resulting from any one auto accident.

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

1. "Insureds";
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

B. Single Limit

1. If the Declarations shows a single limit of liability for Coverage A and Coverage B combined:

The limit of liability shown is our maximum limit of liability for all damages arising out of "bodily injury" and "property damage" resulting from any one auto accident.

This is the most we will pay regardless of the number of:

- a. "Insureds";
- b. Claims made;
- c. Vehicles or premiums shown in the Declarations; or
- d. Vehicles involved in the auto accident.

2. We will apply the limit of liability to provide any separate minimum limits required by law for bodily injury and property damage liability. However, this provision will not change our total limit of liability.

C. No one will be entitled to receive duplicate payments for the same elements of loss under this Coverage Section and:

1. Any other Coverage Section or part of this policy; or
2. Any other personal auto policy issued to you by us or any of our affiliates.

Out Of State Coverage

If an auto accident to which this policy applies occurs in any state or province other than the one in which "your covered auto" is principally garaged, we will interpret your policy for that accident as follows:

A. If the state or province has:

1. A financial responsibility or similar law specifying limits of liability for "bodily injury" or "property damage" higher than the limit shown in the Declarations, this policy will provide the higher specified limit.
2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, this policy will provide at least the required minimum amounts and types of coverage.

B. No one will be entitled to duplicate payments for the same elements of loss.

Financial Responsibility

When this policy is certified as future proof of financial responsibility, this policy will comply with the law to the extent required.

Other Insurance

If there is other applicable liability insurance available, any insurance we provide shall be excess over any other applicable liability insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible liability insurance.