



FIRST ACCEPTANCE INSURANCE COMPANY, INC.
SOUTH CAROLINA PERSONAL AUTO POLICY

IMPORTANT

Please read your South Carolina Personal Auto Policy carefully as it contains language which may restrict or exclude coverage.

WARNING

South Carolina Law provides that any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

Material misrepresentations may prevent recovery of benefits under this policy. Misrepresentations could include failure to disclose on the application operators of any vehicle, or accurate driving records of the drivers.

3813 Green Hills Village Drive
Nashville, TN 37215

In the event of an accident please call Claims: 1-800-779-2103
PLEASE REPORT ALL ACCIDENTS IMMEDIATELY REGARDLESS OF FAULT
All other inquiries call Customer Service: 1-800-321-0899

**YOUR PERSONAL AUTO POLICY
QUICK REFERENCE**

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IMPORTANT NOTICE

IN ADDITION TO THE INSURANCE COVERAGE REQUIRED BY LAW TO PROTECT YOU AGAINST A LOSS CAUSED BY AN UNINSURED MOTORIST, IF YOU HAVE PURCHASED LIABILITY INSURANCE COVERAGE THAT IS HIGHER THAN THAT REQUIRED BY LAW TO PROTECT YOU AGAINST LIABILITY ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF THE MOTOR VEHICLES COVERED BY THIS POLICY, AND YOU HAVE NOT ALREADY PURCHASED UNINSURED MOTORIST INSURANCE COVERAGE EQUAL TO YOUR LIABILITY INSURANCE COVERAGE:

(1) YOUR UNINSURED AND UNDERINSURED MOTORIST INSURANCE COVERAGE HAS INCREASED TO THE LIMITS OF YOUR LIABILITY COVERAGE AND THIS INCREASE WILL COST YOU AN EXTRA PREMIUM CHARGE; AND

(2) YOUR TOTAL PREMIUM CHARGE FOR YOUR MOTOR VEHICLE INSURANCE COVERAGE WILL INCREASE IF YOU DO NOT NOTIFY YOUR AGENT OR INSURER OF YOUR DESIRE TO REDUCE COVERAGE WITHIN TWENTY DAYS OF THE MAILING OF THE POLICY OR THE PREMIUM NOTICE, AS THE CASE MAY BE;

(3) IF THIS IS A NEW POLICY AND YOU HAVE ALREADY SIGNED A WRITTEN REJECTION OF SUCH HIGHER LIMITS IN CONNECTION WITH IT, PARAGRAPHS (1) AND (2) OF THIS NOTICE DO NOT APPLY.”

PERSONAL AUTOMOBILE POLICY

AGREEMENT

This policy is issued and renewed in reliance upon the truth and accuracy of the representations made in the **application** for this insurance. The terms of this policy impose obligations on all persons defined as an **insured**. The responsibilities, acts and/or omissions, in connection with this insurance, of any person defined as **you**, shall be binding upon all other persons.

This contract includes the **Declarations Page**, Endorsements, the **Application**, the Personal Auto Policy, and all attachments. In return for premium payment and subject to all the terms of this policy, **we** agree with **you** as follows:

DEFINITIONS USED THROUGHOUT THIS POLICY

Unless defined differently elsewhere in this policy, the words and phrases listed below have the following meanings throughout the policy and will appear in bold print:

1. **Accident** or **accidental** means a sudden, unexpected, and unintended event causing **bodily injury** or **property damage**, arising out of the operation, ownership, maintenance, or use of an **auto**. All **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **accident**.
2. **Actual cash value** means market value at the time of the **loss** based upon **vehicle** mileage, age, condition, original optional equipment, and comparable **vehicles** available for sale within a reasonable geographic radius as documented in an electronic database of publications and dealerships, less **depreciation** and/or **betterment**.
3. **Additional auto** means an **auto** that **you** become the **owner** of and acquire while the policy is in force that is in addition to all **autos** currently listed on the **Declarations Page**, as long as **we** insure all other **autos owned** by **you**.
 - a. **Additional auto** does not include any **auto** that **you** acquire, purchase or lease with anyone other than a **resident** or **relative**. Coverage does not apply to an additional **auto** registered to a corporation or other business entity.
 - b. The **auto** must be an acceptable risk to **us** under **our** underwriting guidelines to qualify as an **additional auto**.
4. **Application** means the form entitled First Acceptance Insurance Company Automobile Application that contains statements, coverage options, and agreements that form a part of this policy.
5. **Auto** or **automobile** means: a motor vehicle having four load-bearing wheels and which is of a kind required to be registered under the laws of this state relating to motor vehicles designed primarily for operation upon the public streets, roads and highways and driven by power other than muscular power. **Auto** includes a pick up, van or sport utility vehicle with a gross vehicle weight of less than ten-thousand (10,000) pounds exclusive of load that is not used in business. **Auto** does not include motorcycles, midget cars, golf carts, tractors, farm machinery, any vehicle operating on crawlers or treads, or any vehicle used as a residence or premises.
6. **Auto business** means the **business** of selling, leasing, repairing, servicing, delivering, testing, road testing, towing, storing, or parking of **vehicles** or **trailers**.

7. **Betterment** means making an item better or adding value.
8. **Bodily injury** means bodily harm, sickness or disease, including death that results therefrom. **Bodily injury** does not include harm, sickness, disease or death arising out of a medically defined communicable disease contracted by any person or the exposure of such a disease by any person to any other person.
9. **Business** means trade, profession, occupation, course of employment, job, or commercial use of any kind, but does not include the use of the **insured auto** to carry tools and supplies between home and a job site.
10. **Declarations Page** means the document **you** receive from **us** listing the types of coverages **you** have selected, the limit for each coverage, the cost for each coverage, deductibles, the specified **autos** covered by this policy, the types of coverages for each such **auto**, the drivers on the policy, and other information applicable to this policy.
11. **Deductible** is that sum which you have elected that is shown on the **Declarations Page** or stated in the policy that will be deducted from the **loss** payment.
12. **Depreciation** means decline of value due to wear and tear or obsolescence.
13. **Diminution in value** means the actual or perceived reduction, if any, in the fair market value of tangible property by reason of the fact that it has been damaged and repaired.
14. **Insured auto** means:
 - a. any **auto** described on the **Declarations Page**.
 - b. any **trailer you own** while it is attached to the **insured auto**. For coverage to be provided under Part D- Coverage for Damage to the Insured Auto of this policy, the **trailer** must be listed on the **Declarations Page** and a premium must be paid.
 - c. a **replacement auto**. For a **replacement auto** to be considered an **insured auto**, **you** must notify **us** within 7 days of the date **you** become the **owner** or take physical possession of the **replacement auto**, whichever comes first. The **replacement auto** will have the same coverage **we** now provide for the **auto** being replaced except for Part D- Coverage for Damage to the Insured Auto. We will only provide Part D coverage effective after **you**:
 - i. ask **us** to do so; and
 - ii. give **us** the opportunity to inspect the **vehicle** or provide documentation that the **vehicle** was purchased new, having never been titled to a prior **owner**.
 - iii. To qualify as a **replacement auto** under this policy, the **auto** must qualify as an acceptable risk to **us** under **our** underwriting guidelines.
 - d. an **additional auto**. For an **additional auto** to be considered an **insured auto**, **you** must notify **us** within 7 days of the date **you** become the **owner** or take physical possession of the **additional auto**, whichever comes first. The **additional auto** will have the broadest coverage **we** now provide on **your** policy, except for Part D- Coverage for Damage to the Insured Auto. We will only provide Part D coverage effective after **you**:
 - i. ask **us** to do so; and
 - ii. give **us** the opportunity to inspect the **vehicle** or provide documentation that the **vehicle** was purchased new, having never been titled to a prior **owner**.
 - iii. To qualify as an **additional auto** under this policy, the **auto** must be an acceptable risk to **us** under **our** underwriting guidelines.

- e. a **temporary substitute auto**. A **temporary substitute auto** is provided the same coverage as the **auto** which it temporarily replaces. Temporary is defined as less than 30 days.

An **insured auto** is not an **auto you own** that you rent or lease to others.

15. **Loss** means sudden, direct, and accidental destruction or damage. **Loss** does not include **diminution in value**.
16. **Named insured** means the person(s) who signed the policy application and is identified on the **Declarations Page** by name as the policyholder.
17. **Non-owned auto** means any **auto**, including a **rental vehicle**, that is used by **you** within the scope of the express permission of the **owner** and not **owned** by, furnished to, or available for the regular use of **you**, a **relative**, or a **resident**.
18. **Occupy** or **Occupying** means in, upon, getting into, out of, on or off.
19. **Own, Owned or Owner** means the person:
 - a. holds legal title to the **vehicle**;
 - b. has legal possession of the **vehicle** that is subject to a written security agreement with an
 - i. original term of six (6) months or more; or
 - ii. has legal possession of the **vehicle** that is leased to that person under a written agreement for a continuous period of six (6) months or more
20. **Premium payment** means the actual receipt of cash funds by **us** regardless of the form of payment.
21. **Property damage** means physical injury to or destruction of tangible property, including loss of use of that property
22. **Racing** means participating in, preparation for, or any use of a **vehicle** or **trailer** in any competition, race, speed, demolition, stunt, demonstration, off-road driving, driver training, high performance driving, driver competition, or timed contest or activity, whether professionally organized or not.
23. **Regular operator** is any person not listed on the **Declarations Page** who operates the **insured auto** on 7 or more occasions during the 90 calendar days preceding either your application for this insurance policy or any accident or loss for which coverage is sought under this policy.
24. **Regular use or frequent use** means operation or use of an **auto** by any person on 7 or more occasions during the 90 calendar days preceding either **your** application for this insurance policy or any accident or **loss** for which coverage is sought under this policy.
25. **Relative** means any person related to **you** by blood, marriage, or adoption, including a ward or foster child, who lives with **you** in **your** place of domicile or permanent residence whether or not temporarily living elsewhere. **Relative** includes a minor under **your** guardianship who lives in **your** place of domicile or permanent residence. **Relative** does not include any person over the age of 14 who resides at **your** place of domicile or permanent residence but who is not listed on the application or endorsed on the policy prior to a **loss** or **accident**.
26. **Rental vehicle** means an **auto you** rent or hire for a term of 30 days or less. An **auto you** rent or hire for more than 30 days is an **auto** furnished or available for **your** regular use. **Rental vehicles** may be rented or hired only from an entity licensed to conduct such business under applicable state law.
27. **Replacement auto** means an **auto** that **you** become the **owner** of and acquire while the policy is in force that takes the place of an **auto** described on the **Declarations Page** because of:
 - a. termination of **your** ownership interest in an **auto** described on the **Declarations Page**.

- b. mechanical breakdown, theft, deterioration, or total loss of an **auto** described on the **Declarations Page**, rendering it permanently inoperable.

Replacement auto does not include any **auto** that **you** acquire, purchase or lease with anyone other than a **resident** or **relative**. Coverage does not apply to a **replacement auto** registered to a corporation or other business entity.

The **auto** must qualify as an acceptable risk to **us** under **our** underwriting guidelines to qualify as a **replacement auto**.

- 28. **Resident** means a person living in **your** household other than **you** or a **relative**, and any other person who regularly receives their mail at **your** household address or Post Office Box. **Resident** does not include any person over the age of 14 who resides at **your** place of domicile or permanent residence but who is not listed on the application or endorsed on the policy prior to a **loss** or **accident**.
- 29. **Temporary substitute auto** means any **auto** operated by **you** or any **relative** or **resident**, which is not furnished or available for regular use by **you**, a **relative** or a **resident** and is used on a temporary basis as a substitute for an **auto** listed on the **Declarations Page**, which is out of normal use because of its:
 - a. breakdown.
 - b. repair.
 - c. servicing.
 - d. **loss**.
 - e. destruction.
 - f. manufacturer's defects.
 - g. latent defects.
- 30. **Trailer** means a non-powered vehicle with no independent means of locomotion, including a farm wagon or farm implement, designed to be pulled by a:
 - a. private passenger **auto** or station wagon; or
 - b. pickup truck or private passenger van.
- 31. **Vehicle** means a surface transportation device used for conveying goods, passengers, or equipment.
- 32. **We, us, and our** mean the company shown on the **Declarations Page**.
- 33. **You and your** means the **named insured** shown on the **Declarations Page** and includes **your** spouse, if living in the same place of domicile or permanent residence as **you**, and disclosed on the application or endorsed to the policy prior to a **loss**. Spouse means a lawfully wedded partner and includes persons joined in a civil union as recognized by the state of South Carolina.

DUTIES

FAILURE TO COMPLY WITH ANY OF THESE DUTIES MAY RESULT IN DENIAL OF COVERAGE OR RELIEVE **US** OF ALL DUTIES TO INVESTIGATE, SETTLE, DEFEND, PAY ANY JUDGMENT OR OTHERWISE HONOR ANY CLAIMS MADE BY OR AGAINST ANY **INSURED**. **OUR** RIGHTS WILL BE DEEMED TO HAVE BEEN PREJUDICED IF **YOU** OR ANY **INSURED** UNDER THIS POLICY FAIL TO COMPLY WITH ANY OF THESE DUTIES AND IT ADVERSELY AFFECTS **OUR** INVESTIGATION OF THE CLAIM INCLUDING OUR ABILITY TO DETERMINE COVERAGE, LIABILITY OR DAMAGES.

YOUR DUTIES IN CASE OF AN ACCIDENT OR LOSS

In the event of an **accident** or **loss**, **you** or any person claiming coverage under this policy must:

- 1. notify **us** immediately of how, when and where the **accident** or **loss** happened in writing, or by email at newclaims@acceptanceinsurance.com, or by calling **us** at 1-800-779-2103 and giving us

a recorded statement about the accident and the use of the vehicle. Notice should include, at a minimum, the names and addresses of any persons involved in the **accident** or **loss**, any witnesses and the identity of any law enforcement agency involved in the investigation of the **accident** or **loss**. Failure to give notice as required may jeopardize **your** coverage under this policy.

2. cooperate with **us** in any matter concerning a claim or suit.
3. submit to physical examination at **our** expense, by doctors **we** select, as often as **we** may require.
4. authorize **us** to obtain medical and other records.
5. provide any written proof of loss under oath that **we** may require.
6. not admit fault, assume any obligation, nor agree to incur any expense in connection with any claim or **accident** without **our** consent.
7. attend hearings, depositions, and trials as often as **we** or a court may require.
8. immediately send **us** any legal papers received regarding any claim or suit.
9. allow **us** to take signed and/or recorded statements when and as often as **we** may require.
10. authorize us to access, inspect, and extract data from **your** vehicle event data recorder (EDR) when we require.
11. submit to examinations under oath (EUO) and sign copies of the transcript as often as **we** may require.

We may examine **you** or any person claiming coverage under oath, while not in the presence of any person, other than **your** attorney, about any matter relating to this insurance or the claim, including an insured's books, and records, and/or other documents. **You** or any person claiming coverage under this policy must prepare and sign any documents or paperwork prepared or submitted by **us**. The EUO may be conducted by a representative of **our** choice.

12. Full compliance with all terms of this policy is a condition precedent to any coverage available from this policy. **We** may not be sued unless there is full compliance with all terms of this policy.

ADDITIONAL DUTIES FOR PART C- UNINSURED/UNDERINSURED MOTORISTS COVERAGE

In addition to the duties stated in the Your Duties In Case Of Accident Or Loss section above, a person seeking coverage under Part C– Uninsured/Underinsured Motorist Coverage under this policy must also:

1. File a report of the **accident** with the appropriate law enforcement agency within twenty-four (24) hours or as soon thereafter as practicable following the **accident**; and
2. If a hit and run or unknown driver is involved, make a written report of the accident to **us** within thirty (30) days of the **accident**.
3. Send **us** copies of any legal papers.
4. Give **us** full details regarding the facts of loss and all injuries sustained and treatment received by **you** or any person claiming coverage under this policy.
5. Take reasonable steps after **loss** to protect the **insured auto** and its equipment from further **loss** if you purchased **uninsured motorist** property damage coverage.
6. Permit **us** to inspect and appraise the damaged property before its repair or disposal.

ADDITIONAL DUTIES FOR PART D- DAMAGE TO THE INSURED AUTO

In addition to the duties stated in the Your Duties In Case Of Accident Or Loss section above, a person seeking coverage under Part D- Coverage for Damage to the Insured Auto must also:

1. File a report with the appropriate law enforcement agency within 24 hours after discovery of the **loss** if the **insured auto** or any of its equipment is stolen or vandalized or a hit-and-run driver is involved.
2. Report the accident to **us** as soon as possible.
3. Take reasonable steps after a **loss** to protect the **insured auto** and its equipment from further **loss**. **We** will pay reasonable expenses incurred in providing this protection. **We** will not be responsible for any **loss** or portion of any **loss** which is caused by **your** delay in protecting the **insured auto**.
4. Allow **us** to inspect and appraise the damaged property before its repair or disposal.

We will pay only for damages which **we** are able to inspect prior to repairs being commenced, unless emergency repairs are necessary to minimize further damages and/or expenses.

In the event that emergency repairs are necessary, **we** require photographs of the damaged area(s) along with a complete itemized estimate of repair and payment receipt.

PART A: LIABILITY COVERAGE

INSURING AGREEMENT

In consideration of the premium paid for this coverage, **we** will pay damages up to the policy limits stated on the **Declarations Page**, 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** subject to **our** limit of liability for this coverage. **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 the limit of liability has been exhausted by the payment of a judgment or settlement. **We** have no duty to defend any suit, settle any claim or pay any judgment for **bodily injury** or **property damage** not covered under this policy.

DEFINITIONS– (Part A Only)

Insured as used in this Part means:

1. **You** or any **resident** or **relative** for the ownership, maintenance or use of the **insured auto**.
2. **You** while operating any **non-owned auto** with the express or implied permission of the **owner** and within the scope of that permission.
3. Any other person while driving the **insured auto** with **your** express permission provided that the **vehicle** must be used within the scope of **your** permission.

Insured does not mean any person without a valid driver's license or holding only a learner's permit operating or driving an **insured auto** unless that person is listed on the application or added to the policy prior to the **accident**. **Insured** does not mean any driver who is not listed on the policy who also resides in the same household as **you** or who is a **regular operator** of any vehicle insured under this policy and is involved in an **accident** which occurs while the **auto** is being driven, operated, manipulated, maintained, serviced or used in any other manner by that person, regardless of whether or not the **named insured** is **occupying** the vehicle at the time the said driver is using it in any manner, whatsoever. These limitations shall only apply to coverage in excess of what is required by the South Carolina Motor Vehicle Financial Responsibility Act.

SUPPLEMENTARY PAYMENTS

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

1. Premiums on appeal bonds and bonds to release attachments in any suit **we** defend and **we** choose to appeal. **We** will not pay the premium for attachment bonds that exceed **our** limit of liability. **We** have no duty to apply for or furnish these bonds.
2. For damages covered under this policy, interest accruing after a judgment is entered in any suit **we** defend. **Our** duty to pay interest ends when **we** offer to pay that part of the judgment which does not exceed **our** limit of liability for this coverage.
3. Other reasonable expenses incurred at **our** request.
4. Reasonable loss of wages, up to fifty dollars (\$50) per day, but not other income, because of attendance at hearings, proceedings, or trials at **our** request.

To receive a supplementary payment under this section, **you** must submit a claim and provide proof of entitlement.

EXCLUSIONS

READ THE FOLLOWING EXCLUSIONS CAREFULLY. COVERAGE WILL NOT BE AFFORDED UNDER THIS PART FOR ANY OF THE EXCLUSIONS LISTED BELOW.

Coverage under this Part A, including **our** duty to defend, does not apply to:

1. **Bodily Injury** or **Property Damage** due to or resulting from intentional acts, or reasonably expected to result from the intentional or felonious acts or omissions, committed by **you** or any **insured**. This exclusion applies even if:
 - a. **you** or any **insured** lacks the mental capacity to control or govern his or her own conduct, including but not limited to being under the influence of or being mentally incapacitated by any drug, medication, alcohol or other substance;
 - b. **you** or any **insured** is temporarily insane or temporarily lacks the mental capacity to control or govern his or her conduct or is temporarily unable to form any intent to cause **bodily injury** or **property damage**;
 - c. such **bodily injury** or **property damage** is of a different kind or greater degree than intended or reasonably expected by the **insured**; or
 - d. such **property damage** or **bodily injury** is sustained by a different person than intended or reasonably expected by the **insured**.
2. **Property damage** to **property owned** by or in the care or custody or control of any **insured**.
3. **Property damage** to property any **insured** rents, uses or has charge of or responsibility for. This exclusion **does** not apply to a rented residence or a rented private garage.
4. **Bodily injury** to an employee or fellow employee of any **insured** person arising out of employment or during the course of employment. This exclusion does not apply to **bodily injury** to a domestic employee unless Workers' Compensation benefits, disability benefits, or similar benefits are required or available for that domestic employee.
5. **Bodily injury** or **property damage** arising out of the ownership, maintenance, or use of any **vehicle** in the course and scope of any **business** including, but not limited to:
 - a. wholesale or retail deliveries or any activity associated with the delivery of items such as magazines, newspapers, food, pizza, or any other product.
 - b. operating any **vehicle** displaying advertising.
 - c. operating any **vehicle** containing permanently installed mechanical equipment.
 - d. using any vehicle to carry persons or property for compensation or a fee, including but not limited to, use in connection with a personal vehicle sharing program, transportation network company, or any other similar vehicle or ride sharing business or enterprise.

This exclusion does not apply to a share-the-expense car pool.
6. Any person while employed or otherwise engaged in an **auto business**. However, this exclusion does not apply to claims against **you** when the **bodily injury** or **property damage** arises out of **auto business** operations conducted by someone other than **you**, a **relative** or **resident**.
7. Maintaining or using any vehicle while that person is employed or otherwise engaged in any **business** (other than farming or ranching) not described in Exclusions 5 and 6. If a **business** use surcharge is noted on the **Declarations Page**, this exclusion does not apply to the **ownership**, maintenance or use of that **auto** by:
 - a. **you**; or
 - b. any **relative**.

8. Any person using **the insured auto** without or beyond the scope of **your** express or implied permission.
9. **Bodily injury** or **property damage** for which that person:
 - a. is an **insured** under a nuclear energy liability policy; or
 - b. would be an **insured** under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
 - c. For the purpose of this exclusion a nuclear energy liability policy means a policy issued by any of the following or their successors:
 - i. Nuclear Energy Liability Insurance Association;
 - ii. American Nuclear Insurers;
 - iii. Mutual Atomic Energy Liability Underwriters; or
 - iv. Nuclear Insurance Association of Canada.
10. **Bodily injury** or **property damage** arising out of the ownership, maintenance, or use of:
 - a. a motorcycle or any other motorized **vehicle** that does not meet the definition of an **auto**.
 - b. an all-terrain **vehicle** regardless of its number of wheels.
 - c. any **vehicle** not required to be licensed for use on public roads.
 - d. any vehicle weighing in excess of ten thousand (10,000) pounds, exclusive of load.
11. **Bodily injury** or **property damage** arising out of any person's liability for the **ownership**, maintenance, repair or operation of **the insured auto** when it:
 - a. is being rented or leased to others; or
 - b. has been sold to another; or
 - c. is under a conditional sales agreement by **you** to another.
12. **Bodily injury** or **property damage** arising out of the operation of farm or ranch machinery.
13. **Bodily injury** or **property damage** arising out of the **ownership**, maintenance or use of an **auto** in a racing event
14. **Bodily injury** or **property damage** arising out of any liability assumed by an **insured** under any contract or agreement, whether written or verbal.
15. **Bodily injury** or **property damage** for which the United States Government is held responsible under the Federal Tort Claims Act.
16. **Bodily injury** or **property damage** arising out of the **ownership**, maintenance, repair or use of an **auto** while it is being used as a residence or premises.
17. **Bodily injury** arising out of or resulting from the discharge or use of any firearm or weapon.
18. **Bodily injury** to **you**, a **relative** or a **resident** arising out of the ownership, maintenance or use of the **insured auto**.
19. **Bodily injury** or **property damage** to any person while **occupying** any **auto**:
 - a. being used in any unlawful activity (other than a traffic violation), illicit trade or transportation; or
 - b. used or operated in an attempt to flee a law enforcement agent
 This exclusion applies regardless of whether any person is actually convicted of a crime.
20. **Bodily injury** or **property damage** arising out of the loading or unloading of any **auto**.
21. **Bodily injury** or **property damage** arising out of the **ownership**, maintenance or use of the **insured auto** when it is driven, operated or used with **your** permission by an individual not listed on the policy who:
 - a. is under the minimum age to obtain a driver's license; or
 - b. does not have a valid driver's license; or
 - c. has a suspended driver's license; or
 - d. has a revoked driver's license; or
 - e. has only a learner's permit.
 This exclusion shall only apply to coverage amounts in excess of those amounts required under South Carolina's Motor Vehicle Financial Responsibility Act.
23. **Bodily injury** or **property damage** caused by war (declared or undeclared), civil war, insurrection, rebellion, revolution, nuclear reaction or radioactive contamination, or any consequence of any of these.
24. **Bodily injury** or **property damage** to the **owner** of any **auto** while that person is a passenger in the **owned auto** and driven by an **insured**.

25. The payment of civil fines, administrative fees, attorney fees, and any other charges levied or claimed by a municipality or other division of government with respect to **property damage** or **bodily injury**.
26. The payment of charges or assessments made by a municipal, state or federal emergency services provider for or in any way arising out of a motor vehicle collision response or accident clean up.
27. **Bodily injury** or **property damage** resulting from the use of the **insured auto** by a person or persons specifically excluded by endorsement.
28. **Bodily injury** or **property damage** resulting from the use of an **auto** for snow removal.
29. **Bodily injury** or **property damage** incurred while the **auto** is used for towing a **trailer** designed to be towed by something other than an **auto**.
30. **Bodily injury** or **property damage** resulting from the radioactive, toxic, explosive or other hazardous properties or source of, nuclear or by product material, each as defined in the Atomic Energy Act of 1954, as amended.
31. **Bodily injury** or **property damage** arising out of actual, alleged or threatened discharge, dispersal, release, or escape of any **pollutant** unless such discharge, dispersal, release, or escape is sudden and accidental and arises directly from collision or upset of the **insured auto**.
32. **Bodily injury** occurring during the course of employment if benefits are payable under a workers' compensation law or similar law.

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

1. Any **auto**, other than the **insured auto**, which is:
 - a. **owned by you**; or
 - b. furnished or available for **your regular use**.
2. Any **auto**, other than the **insured auto**, which is:
 - a. **owned by any relative or resident**; or
 - b. furnished or available for the regular use of any **relative or resident**.
3. Any motorized vehicle having fewer than four wheels.

LIMIT OF LIABILITY

The limit of liability shown on the **Declarations Page** for each person for **Bodily Injury** Liability Coverage is **our** maximum limit of liability for all damages for **bodily injury**, sustained by any one person in any one **auto accident**. This includes all derivative claims arising out of said **bodily injury** which includes, but is not limited to, emotional injury or mental anguish of others resulting from the **bodily injury** to another, damages for care, loss of service or death, loss of consortium, loss of society or companionship, estate claims, and wrongful death.

Subject to this limit for each person, the limit of liability shown on the **Declarations Page** for each **accident** for **Bodily Injury** Liability Coverage is **our** maximum limit of liability for all damages for **bodily injury** resulting from any one **auto accident**.

The limit of liability shown on the **Declarations Page** for each **accident** for **property damage** liability coverage is **our** maximum limit of liability for all damage to all property resulting from any one **auto accident**. This is the most **we** will pay under **Bodily Injury** Liability Coverage or **Property Damage** Liability Coverage, whichever is applicable, as a result of any one **auto accident** regardless of the number of:

1. **insureds**;
2. claims made;
3. **autos** or premiums shown on the **Declarations Page**;
4. **autos** involved in the **auto accident**;
5. premiums paid; or
6. lawsuits brought.

Regardless of the Limits of Liability shown on the **Declarations Page**, the limit of liability applicable to the operation of the **insured auto** by any person not listed by name on the policy shall not exceed the greater

of the minimum financial responsibility limits required by the South Carolina Financial Responsibility Act, or the minimum financial responsibility limits applicable to the operation of that **insured auto** in the state or province in which the **auto accident** occurred.

An **auto** and attached **trailer** are considered one **auto**. Therefore, the limit of liability will not be increased for an **accident** involving an **auto** with an attached **trailer**.

Any amount payable under this coverage to or for an injured person will be reduced by any payment made to that person under PART B – MEDICAL PAYMENTS COVERAGE and PART C – UNINSURED/UNDERINSURED MOTORIST COVERAGE of this policy or any applicable no-fault or personal injury protection coverage.

No one will be entitled to receive duplicate payments for the same elements of damage.

OUT OF STATE COVERAGE

If an **auto accident** to which this policy applies occurs in any state or province other than South Carolina, **we** will interpret **your** policy for that **auto accident** as follows:

1. This policy is not intended as proof under any state financial responsibility laws, other than South Carolina.
2. If a state or province requires a non-resident to maintain minimum limits of liability for **bodily injury** or **property damage** higher than the limits shown in the **Declarations Page** or it is required by law that this policy conform to those higher limits, then **your** policy will provide the higher specified limits of liability for **bodily injury** and **property damage** or the limits stated in the **Declarations page**, whichever is greater.
3. This policy does not provide coverage for any mandatory no-fault law or other similar law of any other state.
4. All terms, conditions, exclusions, notification changes, rejections, and endorsements in this policy shall apply as written. This policy shall be interpreted under South Carolina law. **Our** application of the terms and conditions of this contract shall be in accordance with South Carolina law.

NOTICE: You must notify **us** if **you** move to another state or province. If **you** relocate or the **insured auto** is principally garaged outside of South Carolina more than 30 days in the preceding three hundred and sixty-five (365) days prior to the **accident**, then the coverage under this policy shall not be modified in any way.

CONFORMITY WITH STATE FINANCIAL RESPONSIBILITY LAWS

When **we** certify this policy as proof of financial responsibility pursuant to South Carolina law, it will comply with that law to the extent of the coverage and limit of liability required by that law. If **we** make a payment due to an **accident** occurring in South Carolina that **we** would not be required to make except for the fact that this policy is certified as proof of financial responsibility, **you** agree to reimburse **us** for any such payment.

This policy is not intended as proof under any state financial responsibility law, other than in South Carolina. The terms, conditions, and exclusions as written will apply in any other state where the **loss** or **accident** may occur. **We** will not provide coverage under any no-fault law or other similar law of any other state.

OTHER INSURANCE

If there is other applicable liability insurance or bond, **we** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** limit bears to the total of all applicable limits.

Coverage for **bodily injury** and **property damage** arising from the maintenance, repair or use of an **additional auto** or a **replacement auto**, does not apply where there is other valid and collectible insurance.

If an **insured** is using a **non-owned auto**, this liability insurance will be excess over any other insurance or self insurance regardless of any provisions of any other policy available to the user. However, if the insurance on the **non-owned auto** has limits equal to or greater than the applicable minimum financial responsibility law, there is no excess liability insurance available under this policy.

We have no duty to defend the lessor or **owner** of a **non-owned auto** under this Part.

PART B: MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

Subject to the limit of Liability shown on the **Declarations Page**, if **you** pay a premium for Medical Payments Coverage, **we** will reimburse for any reasonable **medical expenses** that have been paid for necessary medical and funeral services because of **bodily injury**:

1. caused by an **auto accident**; and
2. sustained by an **insured**.

We will reimburse only those **medical expenses** incurred within one (1) year from the date of the **accident**. Coverage under this Part shall not apply if the **accident** or its resulting damages were either intended by the **insured**, or could have reasonably been expected from the viewpoint of the **insured**.

DEFINITIONS—(Part B Only)

Insured as used in this Part means:

1. **you** while **occupying** any **auto**, other than an **auto owned** by **you** which is not the **insured auto**;
2. a **relative** while **occupying** the **insured auto**;
3. any person other than **you**, or any **relative**, or **resident** while **occupying** the **insured auto** as a guest passenger or while operating or using the **insured auto** within the scope of **your** express or implied permission.

Insured does not mean a driver that is not listed on this policy, who resides in the same household as the **named insured**, or who is a **regular operator** of any **vehicle** insured under this policy, and is involved in an **accident** which occurs while the automobile is being driven, operated, manipulated, maintained, repaired, serviced or used in any other manner by this person. This limitation shall apply whether or not the **named insured** is **occupying** the **vehicle** at the time the unlisted driver is using it in any manner whatsoever.

Medical Expenses means usual and customary charges incurred for reasonable and necessary services rendered to or on behalf of an **insured** for medical, surgical, x-ray, or dental services when performed by a licensed medical professional, pharmaceuticals, prosthetic devices, eye glasses, necessary ambulance, hospital and professional nursing services when prescribed by a license medical professional, and funeral services. **Medical Expenses** do not include expenses:

- B. For treatment, services, products or procedures that are:
 1. experimental in nature, for research, or not primarily designed to serve a medical purpose; or
 2. not commonly and customarily recognized throughout the medical profession and within the United States as appropriate for the treatment of **bodily injury**; or
- C. Incurred for:
 1. the use of thermography or other related procedures of similar nature; or
 2. the use of acupuncture or other related procedures of a similar nature; or
 3. the purchase or rental of equipment not primarily designed to serve a medical purpose;

EXCLUSIONS

We do not provide Medical Payments Coverage for any person for **bodily injury**:

1. Arising out of the ownership, maintenance, repair or use of a **vehicle** in the course and scope of any **business** including, but not limited to:
 - a. wholesale or retail deliveries or any activity associated with the delivery of items such as magazines, newspapers, food, pizza, or any other product.

- b. operating any **vehicle** displaying advertising.
- c. operating any **vehicle** containing permanently installed mechanical equipment.
- d. used to carry persons or property for compensation or a fee, including but not limited to, use in connection with a personal vehicle sharing program, transportation network, or any other similar vehicle or ride sharing business or enterprise.

This exclusion does not apply to a share-the-expense car pool.

2. Sustained while **occupying** the **insured auto** while it is located for use as a residence or premises.
3. Occurring during the course of employment if Workers' Compensation benefits are required or available for the **bodily injury**.
4. Sustained while **occupying** or when struck by any **auto** other than the **insured auto** which is:
 - a. **owned by you**; or
 - b. furnished or available for **your** regular use.
5. Sustained while **occupying** or when struck by any **auto** other than the **insured auto** which is:
 - a. **owned by any relative or resident**; or
 - b. furnished or available for the regular use of any **relative or resident**.
6. Sustained while **occupying** any **auto** being used without or beyond the scope of the **owner's** express or implied permission.
7. Resulting from the maintenance, repair or use of any **auto** while that person is engaged in any **auto business**.
8. Resulting from the maintenance or use of any **auto** while that person is employed or otherwise engaged in any **business**. If a **business** use surcharge is noted on the **Declarations Page** for an **auto** shown on the **Declarations Page**, this exclusion does not apply to:
 - a. **you**; or
 - b. any **relative**.
9. Caused by or as a consequence of:
 - a. discharge of a nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection;
 - e. rebellion or revolution;
 - f. radioactive contamination;
 - g. Nuclear reaction or radiation whether controlled or uncontrolled or however caused.
10. Sustained while **occupying**:
 - a. a motorcycle or any motorized vehicle having fewer than four wheels or more than six wheels; or
 - b. an all-terrain vehicle regardless of the number of wheels it has; or
 - c. any self-propelled vehicle not licensed for use on public roads; or
 - d. any vehicle weighing in excess of ten thousand (10,000) pounds, exclusive of load.
11. Sustained while **you** are or any **relative or resident** is **occupying** the **insured auto** while it is:
 - a. Being used in any unlawful activity (other than a traffic violation), illicit trade or transportation; or
 - b. Used or operated in an attempt to flee a law enforcement agent
This exclusion applies regardless of whether any person is actually convicted of a crime.
12. Resulting while the **insured auto** is being used, operated or driven, by an individual not listed on the policy who:
 - a. is under the minimum age to obtain a driver's license; or
 - b. does not have a valid driver's license or learner's permit; or
 - c. has a suspended driver's license; or
 - d. has a revoked driver's license; or
 - e. has only a learner's permit.
13. Resulting from **ownership**, maintenance or use of an **auto** in a **racing** event
14. For whom the United States Government or any of its military services are required to provide similar services and/or benefits.

15. Sustained while the **insured auto** is being operated by a person or persons specifically excluded by endorsement.
16. Arising from or resulting from the discharge or use of any firearm or weapon.
17. Sustained while the **insured auto** is rented to others.
18. Sustained by any person that causes or contributes to an **accident** while operating an **auto** when that person is driving under the influence (DUI) of alcohol, medication or drugs or while driving while intoxicated (DWI).
19. Sustained by any person that causes or contributes to an **auto accident** while engaged in reading, talking, typing, texting or other similar use of any electronic device, including but not limited to a phone, smart phone, computer, or tablet.
20. Sustained by **you**, a **resident** or a **relative** or any **regular or frequent operator** of the **insured auto**, if that person is not disclosed on the application or added to the policy prior to the **accident**.
21. To the extent that any medical expense is paid or payable to or on behalf of the **insured** under the provisions of any:
 - a. other automobile or premises insurance affording benefits for medical expenses.
 - b. individual, blanket, group accident, disability, or hospitalization insurance.
 - c. medical or surgical reimbursement plan.
 - d. workers' compensation or disability benefits law or any similar law
22. Caused by dumping discharge or escape of any irritants, **pollutants** or contaminants other than the fluids necessary for the operation of **the insured auto**.
23. Caused by explosives, other than the fluids necessary for the operation of **the insured auto**.
24. Due to or resulting from intentional acts by or reasonably expected to result from the intentional or felonious acts or omissions, committed by **you** or any **insured**.

LIMIT OF LIABILITY

- A. The limit of liability shown on the **Declarations Page** for this coverage is **our** maximum limit of liability for each person injured in any one **accident** regardless of the number of:
 1. claims made;
 2. **autos** or premium shown on the **Declarations Page**;
 3. **autos** involved in the **auto accident**;
 4. **insureds**;
 5. lawsuits brought; or
 6. premiums paid.
- B. If two or more policies issued by us to **you** or any **relative** provide Medical Payments Coverage and apply to these same bodily injuries, the total limits of liability under such policies shall not exceed that of the policy with the highest limit of liability.
- C. An **auto** and attached **trailer** are considered one **auto**. Therefore, the limit of liability will not be increased for an **accident** involving an **auto** with an attached **trailer**.

OTHER INSURANCE

If there is other applicable **auto** medical payments insurance, **we** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. Any auto medical payments insurance **we** provide for a loss involving an an **auto you** do not **own** shall be excess over any other applicable auto medical payments insurance.

PART C: UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT

Uninsured Motorist Coverage

Subject to the Limits of Liability, if **you** pay a premium for Uninsured Motorist Coverage, **we** will pay for damages which an **insured** is legally entitled to recover from the **owner** or operator of an **uninsured motor vehicle** because of **bodily injury** sustained by an **insured** or due to **property damage**:

1. caused by an **accident**; and
2. arising out of the **ownership**, maintenance, or use of an **uninsured motor vehicle**.

Underinsured Motorist Coverage

Subject to the Limits of Liability, if **you** pay a premium for Underinsured Motorist Coverage, **we** will pay damages which an **insured** is legally entitled to recover from the **owner** or operator of an **underinsured motor vehicle** because of **bodily injury** or **property damage** sustained by an **insured**:

1. caused by an **accident**; and
2. arising out of the **ownership**, maintenance, or use of an **underinsured motor vehicle**.

We will pay under this Part C only after the limits of liability under any and all applicable liability bonds or policies have been exhausted by payment of judgments or settlements.

Any judgment for damages arising out of a lawsuit is not binding on **us** unless **we** have

1. received reasonable notice of filing of the suit resulting in the judgment; and
2. had a reasonable opportunity to protect **our** interest in the suit.

DEFINITIONS– (Part C Only)

Insured as used in this Part means:

1. **you** or a **relative**.
2. any other person while using the **insured auto** with **your** express or implied permission.
3. any personal representative for damages that person is legally entitled to recover because of **bodily injury** to which this coverage applies sustained by a person listed in 1. or 2. above.

However, no person shall qualify as an **insured** if the person operating the **insured auto** does not have **your** express or implied permission or is a **resident** not disclosed on the **application** or added prior to the **accident**.

Uninsured motor vehicle means a **vehicle** for which:

1. A **bodily injury** and **property damage** liability bond, cash deposit, security, or policy in at least the amounts of coverage required by South Carolina law does not apply at the time of the **accident**.
2. The operator or **owner** is unknown and cannot be identified, and such operator or **owner** causes an **accident** resulting in **bodily injury** to an **insured** or **property damage**. There is no right of action or recovery under the uninsured motorist provision, unless:
 - a. the **insured** or someone on his or her behalf reports the **accident** to some appropriate police or civil authority within a reasonable time, under all the circumstances, after the **accident**; and
 - b. the **insured** provides a report setting forth the facts of the **accident** to **us** within 30 days of the **accident**, and makes the **auto** available to **us** for inspection; and
 - c. the injury or damage was caused by physical contact with the unknown vehicle, or the **accident** must have been witnessed by someone other than the **owner** or operator of the **insured auto** to provide competent, independent, corroborative evidence; provided, however, the witness must sign an affidavit attesting to the truth of the facts of the **accident** contained in the affidavit to prove that the **bodily injury** or **property damage** was proximately caused by the negligence or intentional actions of the unidentified operator of the **vehicle**. The testimony of the **owner** or operator of the **insured auto** shall not constitute independent corroborative evidence; and

- d. the **insured** was not negligent in failing to determine the identity of the other vehicle and the driver of the other vehicle at the time of the **accident**.
- 3. A **bodily injury** and **property damage** liability bond or policy applies at the time of the **accident** but the bonding or insuring company:
 - a. legally denies coverage.
 - b. is or becomes insolvent.
 - c. is in delinquency proceedings, suspension, or receivership.
 - d. is financially unable to fully satisfy a judgment rendered in favor of an **insured**.

However, **uninsured motor vehicle** does not include any vehicle or equipment:

- 1. which qualifies as the **insured auto** under this policy.
- 2. **owned** by or furnished or available for the regular use of **you** or a **resident** or a **relative**.
- 3. **owned** or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer that is or becomes insolvent, or fails to qualify as a self-insurer under South Carolina law.
- 4. **owned** by any governmental unit or agency, except when:
 - a. operated by a person without proper authorization.
 - b. a cause of action against that governmental unit or agency arising out of an **accident** is barred by the Tort Claims Act of South Carolina, as amended, or by any other applicable law.
- 5. operated on rails or crawler treads.
- 6. which is designed mainly for use off public roads while not on public roads.
- 7. while located for use as a residence or premises.
- 8. which is not required to be registered as a **vehicle**.
- 9. which is an **underinsured motor vehicle**.

Underinsured Motor Vehicle means a **vehicle** as to which a **bodily injury** liability insurance or bond applies at the time of the **accident** with limits of liability that equal or exceed the minimum amount required by the South Carolina Motor Vehicle Financial Responsibility Law, but the applicable limits of liability for **bodily injury** are less than the amount of the damages sustained in the **accident** which the **insured** is entitled to recover.

However, **underinsured motor vehicle** does not include any vehicle or equipment:

- 1. which qualifies as the **insured auto** under this policy.
- 2. **owned** by or furnished or available for the regular use of **you** or a **resident** or a **relative**.
- 3. **owned** or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer that is or becomes insolvent, or fails to qualify as a self-insurer under South Carolina law.
- 4. **owned** by any governmental unit or agency, except when:
 - a. operated by a person without proper authorization.
 - b. a cause of action against that governmental unit or agency arising out of an **accident** is barred by the Tort Claims Act of South Carolina, as amended, or by any other applicable law.
- 5. operated on rails or crawler treads.
- 6. which is designed mainly for use off public roads while not on public roads.
- 7. while located for use as a residence or premises.
- 8. which is not required to be registered as a **vehicle**.

9. which is an **uninsured motor vehicle**.

EXCLUSIONS

READ THE FOLLOWING EXCLUSIONS CAREFULLY. COVERAGE WILL NOT BE AFFORDED UNDER THIS PART FOR ANY OF THE EXCLUSIONS LISTED BELOW.

Coverage under this Part C is not provided for **property damage** or **bodily injury** sustained by any person:

1. While **occupying**, or when struck by, any motor vehicle **you own** which is insured for this coverage on a primary basis under any other policy.
2. Arising out of the ownership, maintenance, repair or use of a **vehicle** in the course and scope of any **business** including, but not limited to:
 - a. wholesale or retail deliveries or any activity associated with the delivery of items such as magazines, newspapers, food, pizza, or any other product.
 - b. operating any **vehicle** displaying advertising.
 - c. operating any **vehicle** containing permanently installed mechanical equipment.
 - d. used to carry persons or property for compensation or a fee, including but not limited to, use in connection with a personal vehicle sharing program, transportation network, or any other similar vehicle or ride sharing business or enterprise.

This exclusion does not apply to a share-the-expense car pool.

3. When the **insured auto** is rented or leased to another; this does not apply if **you** or any **relative** lends the **insured auto** to another for reimbursement of operating expenses only.
4. While using or **occupying** the **insured auto** without the express or implied permission of **you** or any **relative**. This exclusion does not apply to **you** or any **relative** while using the **insured auto**.
5. While using a **non-owned auto** without the express or implied permission of the **owner**.
6. For the amount of the deductible for **uninsured motorist property damage** shown on the **Declarations Page** for **property damage** to the property of each **insured** as the result of any one **auto accident**.
7. While **occupying** or when struck by any vehicle **owned** by **you**, any **relative**, or any **resident**, if uninsured motorist coverage or underinsured motorist coverage has not been purchased for that vehicle. This includes a **trailer** of any type used with that **auto**.
8. If the property is contained in or struck by an **auto** (other than **the insured auto**) **owned** by or furnished for the regular use of **you** or any **relative** or **resident**. This includes a **trailer** of any type used with that **auto**.
9. For **bodily injury** or **property damage** to any person while **occupying** any **auto**:
 - a. Being used in any unlawful activity (other than a traffic violation), illicit trade or transportation; or
 - b. Used or operated in an attempt to flee a law enforcement agent.
10. Resulting from use of the **insured auto** by a person or persons specifically excluded by endorsement.
11. Due to or resulting from intentional acts, or reasonably expected to result from the intentional or felonious acts or omissions, committed by **you** or any **insured**. This exclusion applies even if:
 - a. **you** or any **insured** lacks the mental capacity to control or govern his or her own conduct, including but not limited to being under the influence of or being mentally incapacitated by any drug, medication, alcohol or other substance;
 - b. **you** or any **insured** is temporarily insane or temporarily lacks the mental capacity to control or govern his or her conduct or is temporarily unable to form any intent to cause **bodily injury** or **property damage**;
 - c. such **bodily injury** or **property damage** is of a different kind or greater degree than intended or reasonably expected by the **insured**, or such **property damage** or **bodily injury** is sustained by a different person than intended or reasonably expected by the **insured**.
12. Who does not report the **accident** to the police within twenty-four (24) hours of the **accident**, or as soon as possible thereafter, and make a written report to **us** within thirty (30) days, if a hit and run vehicle or unknown driver is involved.
13. For **bodily injury** or **property damage** resulting from the **ownership**, maintenance, or use of

- a. Any vehicle with more or less than four (4) wheels;
 - b. Any vehicle designed mainly for use off public roads, except in a medical emergency;
 - c. Any vehicle, other than **the insured auto**, which is **owned** by **you** or available for **your** regular use;
 - d. Any vehicle, other than **the insured auto**, which is **owned** by a **relative** or a **resident** or regularly used by a **relative, resident**, or members of their immediate families.
14. While **the insured auto** is used in, or in preparation for, any **racing** event.
15. Arising from or caused by the use of firearms or any other weaponry.
16. Sustained from any other source other than an **accident**.
- B. This coverage shall not apply directly or indirectly to benefit:
- 1. Any insurer or self-insurer under any of the following or similar law:
 - a. Workers' compensation law; or
 - b. Disability benefits law.
 - 2. Any insurer of property.

If a court with proper jurisdiction determines any exclusion is invalid or unenforceable because it does not satisfy the minimum requirements of the South Carolina Motor Vehicle Financial Responsibility Act, such exclusion shall apply only to that portion of the damages that is in excess of the minimum limits of liability required by that law.

LIMIT OF LIABILITY

The limit of **bodily injury** liability shown on the **Declarations Page** for each person for Uninsured and Underinsured Motorist Coverage is **our** maximum limit of liability for all damages arising from **bodily injury**, including, but not limited to, death sustained by any one person in any one **accident**, loss of consortium, loss of services, loss of society, or loss of companionship.

Subject to this limit for each person, the limit of **bodily injury** liability shown on the **Declarations Page** for each **accident** for Uninsured and Underinsured Motorist coverage is **our** maximum limit of liability for all damages for **bodily injury**, including claims as noted above, resulting from any one **accident**.

The limit of **property damage** liability shown on the **Declarations Page** for each **accident** for Uninsured and Underinsured Motorist Coverage is **our** maximum limit of liability for all damages to all property resulting from any one **accident**. **Our** limit of liability under this Part C for **property damage** to the **insured auto** arising out of one **accident** will be the lesser of:

- 1. the **actual cash value** of the **insured auto** at the time of the **accident**, reduced by the applicable **deductible** shown on the **Declarations Page**, and reduced by its salvage value if **you** or the **owner** retain the salvage.
- 2. the amount necessary to repair the **insured auto** to its pre-loss condition using parts produced by or for the vehicle's manufacturer or parts from other sources, including, but not limited to, **aftermarket parts**, reduced by the applicable **deductible** shown on the **Declarations Page**.
- 3. any limit of liability shown on the **Declarations Page** for **property damage** under this Part C.

Payments for **property damage** under this Part C are subject to the following provisions:

- 1. Any amount payable under this Part C for **property damage** shall be subject to the **deductible** shown on the **Declarations Page**;
- 2. No more than one **deductible** shall be applied to any one **accident**.
- 3. An adjustment for **depreciation** or physical condition, which may also be referred to as **betterment**, wear and tear, or prior damage, will be made in determining the limit of liability at the time of the **accident**; and
- 4. In determining the amount, **we** will pay to repair damaged property to its pre-loss condition, the repair or replacement parts and equipment may be new, reconditioned, remanufactured, or used, including, but not limited to original manufacturer parts or equipment and non-original manufacturer parts or equipment.

This is the most **we** will pay for **bodily injury** and **property damage** regardless of the number of:

1. **insureds** or claimants.
2. claims made.
3. **autos** or premiums shown on the **Declarations Page**.
4. **vehicles** involved in the **accident**.
5. lawsuits brought.
6. premiums paid.
7. policies or bonds applicable.

An **auto** and attached **trailer** are considered one **auto**. Therefore, the limit of liability will not be increased for an **accident** involving an **auto** with an attached **trailer**.

When **you** sustain damages covered under this Part C while **occupying** the **insured auto**, or an **auto owned** by **you** or a **relative**, the most that may be recovered as benefits under each applicable uninsured or underinsured motorist coverage is the limit of liability applicable to that **insured auto**. When **you** are **occupying a vehicle** other than the **insured auto** or an **auto owned** by **you** or a **relative** and sustain **bodily injury** covered under this Part C, **our** coverage shall be excess to the coverage applicable to the **vehicle** that **you** are **occupying**, and **our** total limit of liability under this policy shall not exceed **our** limit of liability for one vehicle. Coverage for more than one vehicle under this policy may not be stacked or combined together for **bodily injury** sustained by **you** while **occupying a vehicle** other than the **insured auto** or an **auto owned** by **you** or a **relative**. When **you** are not **occupying a vehicle** and sustain **bodily injury** caused by the **owner** or operator of an **uninsured motor vehicle** or **underinsured motor vehicle**, **our** limit of liability shall not exceed the limit of liability shown on the **Declarations Page** for any one covered vehicle.

No payment will be made for **loss** paid or payable to the **insured** under Part D of this policy or any policy of property insurance. However, for any payment made for **property damage** under Part C, the **deductible** shall be the lower of the **deductible** allowed under Part C or the **deductible** shown on the **Declarations Page** for the applicable coverage under Part D.

We will not make a duplicate payment under this coverage for any element of **loss** or injury for which payment has been made by or on behalf of persons or organizations who may be legally responsible. Any amounts otherwise payable for damages under this part shall be reduced by all sums:

1. Paid because of the **bodily injury** or **property damage** by or on behalf of persons who or organizations which may legally be responsible. This includes all sums paid under Part A or Part D of this policy.
2. Paid or payable for medical payments coverage under Part B of this policy when the **insured** receives compensation for the **bodily injury**.

We will not pay for any element of **loss** or injury if a person is entitled to receive payment for the same element of **loss** or injury under any of the following or similar laws:

1. Workers' Compensation law.
2. Disability benefits law.
3. Personal Injury Protection or no-fault coverage.

PROOF OF CLAIM

An **insured** making a claim under this coverage must give **us** full details of their injuries and treatment.

OTHER INSURANCE

If there is other applicable uninsured or underinsured motorist coverage, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable coverage

limits. However, any insurance **we** provide shall be excess over any other collectible insurance, except for **bodily injury to you** or a **relative** when **occupying** the **insured auto**. **We** will not pay for any damages which would duplicate any payment made for damages under other insurance, except as required under the South Carolina Motor Vehicle Financial Responsibility Act and then only for damages within the minimum limits of coverage required by the Act.

PART D: COVERAGE FOR DAMAGE TO YOUR VEHICLE

INSURING AGREEMENT

Subject to the Limits of Liability, if **you** pay a premium for Comprehensive and/or Collision Coverages, **we** will pay for direct and accidental **loss** to the **insured auto** including its equipment attached thereto, less any applicable deductible shown on the **Declarations Page**.

We will pay for **loss** to the **insured auto** caused by:

1. **Collision** only if the **Declarations Page** indicates that **Collision** Coverage is provided for that **auto**.
2. **Other than Collision (Comprehensive)** only if the **Declarations Page** indicates that **Other Than Collision (Comprehensive)** Coverage is provided for that **auto**.

Our payment will be reduced by any deductible shown on the **Declarations Page**.

The **insured auto** must be used or operated by or in the care or custody of an **authorized driver** at the time of the **loss**, except in the event of theft or larceny.

DEFINITIONS -- (Part D Only)

Authorized driver means:

1. **You**;
2. any other person listed on the policy application or added by endorsement during the policy term prior to the **loss**; or
3. any other person who has **your** express permission to use the **insured auto** and who:
 - a. holds a valid driver's license at the time of loss; and
 - b. is not a **regular operator** of the **insured auto**.

Authorized driver does not mean any person with a learner's permit operating an **insured auto** unless that person is listed on the policy.

Authorized driver does not mean a person who is not listed on this policy, who resides in the same household as the **named insured**, or who is a **regular operator** of any **vehicle** insured under this policy, and is involved in an **accident** which occurs while the **vehicle** is being driven, operated, manipulated, maintained, serviced, or used in any other manner by this person.

Collision means the upset of the **insured auto** or its impact with another vehicle or object.

Loss caused by the following is considered **Other than Collision (Comprehensive)**:

1. missiles or falling objects;
2. fire;
3. theft or larceny;
4. explosion or earthquake;
5. windstorm;
6. hail, water or flood;
7. malicious mischief or vandalism;
8. riot or civil commotion;
9. contact with bird or animal; or
10. breakage of glass, except as a result of **collision**.

Insured auto as used in this part means:

- a. any **auto** or **trailer** described on the **Declarations Page**.

- b. a **replacement auto** or an **additional auto**.

We will only provide Part D coverage for a **replacement auto** or an **additional auto** effective after you:

- i. ask **us** to do so; and
- ii. give **us** the opportunity to inspect the **vehicle** or provide documentation that the **vehicle** was purchased new, having never been titled to a prior **owner**.

To qualify as a **replacement auto** or an **additional auto** under this policy, the **auto** must be an acceptable risk to **us** under **our** underwriting guidelines.

Custom and Special Equipment means equipment, devices, accessories, changes and enhancements, other than those installed by the original manufacturer, which are permanently installed or attached and alter the appearance or performance of an **auto**. This includes, but is not limited to, such items as body or suspension alterations; custom or special wheels or tires; side exhausts; roll bars; light bars; spoilers; ground effects; bed liners; utility boxes; custom windows; custom painting; murals; decals or graphics; and any electronic equipment, antennas and other devices used exclusively to send or receive audio, visual or data signals, or play back recorded media, which are permanently installed in the **insured auto** using bolts, brackets or slide-out brackets.

TOWING AND STORAGE CHARGES

In addition, after an **auto accident** for which this coverage is provided, **we** will pay reasonable towing and storage charges **you** or any **relative** is legally responsible for in transporting and storing the **insured auto** up to a maximum of two hundred dollars (\$200). This coverage applies only if the **Declarations Page** indicates that **Collision** or **Other than Collision (Comprehensive)** is provided for that **auto**.

TRANSPORTATION EXPENSES

In addition, **we** will pay without application of a deductible, up to fifteen dollars (\$15) per day, to a maximum of four hundred and fifty dollars (\$450) for transportation expenses incurred from a commercially licensed rental agency by **you** in the event of the total theft of the **insured auto**. This applies only if the **Declarations Page** indicates that **Other than Collision (Comprehensive)** is provided for the **insured auto**. **We** will pay only transportation expenses incurred during the period:

- 1. beginning forty-eight (48) hours after the theft; and
- 2. ending when the **insured auto** is returned to use or **we** offer to pay for its **loss**, which ever occurs first.

EXCLUSIONS

We will not pay for:

- 1. Any **loss** or damage arising from an **accident** which occurs while the **auto** is being driven, operated, manipulated, maintained, serviced, or used in any other manner by someone other than an **authorized driver**. This exclusion shall apply whether or not the **named insured** is **occupying** the vehicle at the time said driver is using it in any manner whatsoever.
- 2. **Loss** arising out of the ownership, maintenance, or use of a **vehicle** in the course of any **business** including, but not limited to:
 - a. wholesale or retail deliveries or any activity associated with the delivery of items such as magazines, newspapers, food, pizza, or any other product.
 - b. operating any **vehicle** displaying advertising.
 - c. operating any **vehicle** containing permanently installed mechanical equipment.
 - d. carrying persons or property for compensation or a fee, including but not limited to, use in connection with a personal vehicle sharing program, transportation network, or any other similar vehicle or ride sharing business or enterprise.

This exclusion does not apply to a share-the-expense car pool.

- 3. Damage due and confined to:
 - a. wear and tear;

- b. freezing;
- c. mechanical or electrical breakdown or failure;
- d. road damage to tires;
- e. manufacturer's defects; or
- f. latent defects.

This exclusion does not apply if the damage results from the total theft of **the insured auto**.

4. **Loss** due to or as a consequence of:
 - a. radioactive contamination;
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection;
 - e. rebellion or revolution; or
 - f. discharge of any nuclear weapon (even if accidental).
5. **Loss** to **vehicle** equipment or accessories including but **not limited to**:
 - a. insulation, furniture or bars.
 - b. facilities for cooking or refrigeration and sleeping.
 - c. body or suspension alterations or any equipment not installed by the original manufacturer which mechanically or structurally changes the **insured auto** and results in an increase in performance or change in appearance.
 - d. awnings, cabanas, or equipment designed to provide additional living facilities.
 - e. tapes, compact discs, records, cassettes, or similar recording or recorded media used with sound equipment, including any cases or other containers used in storing or carrying such items.
 - f. sound receiving or transmitting equipment designed for use as citizen band radios, 2-way mobile radios, televisions, VCRs, telephones not originally installed by the original make and model **vehicle** manufacturer or dealer, home high fidelity equipment, scanning monitor receivers, radar or laser detectors, or any other detection equipment for speed-measuring devices, or any accessories or antennas to any of these types of equipment.
 - g. bed liners and fifth wheel conversions.
 - h. side exhausts, headers, tachometers, and pressure and temperature gauges.
 - i. winches, **trailer** hitches, roll bars, utility boxes, tool boxes and light bars.
 - j. **auto** covers or front-end covers or protectors.
 - k. pickup shell, box covers, camper body, height extending roofs, toppers or ladders.
 - l. any modified suspension equipment, modified engines, modified carburetors systems, or modified equipment, including but not limited to custom wheels or tires.
 - m. paint, murals, decals or graphics, custom windows, paintings, special carpeting or furnishings, sunroofs, moon roofs, t-bar roofs or height extending roofs, bubble domes or similar windows.
 - n. any electronic equipment, antennas, and other devices used exclusively or primarily to send or receive audio, visual, or data signals, or to play back recorded media, if such equipment or device is not permanently installed in the dash or console opening of the **insured auto** by the **auto** manufacturer or dealer and specified as original equipment by the **vehicle** manufacturer.

This exclusion does not apply to subparagraphs g-n if **you** have elected **Custom and Special Equipment** Coverage for the item(s) and it is listed on the **Declarations Page** and **you** have paid premium for same.

6. **Loss** to the **insured auto** due to forfeiture ordered by the courts or destruction or confiscation by governmental or civil authorities. This exclusion does not apply to the interests of Loss Payees in **the insured auto**.
7. **Loss** to the **insured auto** while employed or otherwise engaged in any **auto business**.
8. **Loss** to the **insured auto** while maintained or used by any person employed or otherwise engaged in any **business** (other than farming or ranching) not described in Exclusion 7. If a **business** use surcharge is noted on the **Declarations Page** for an **auto** shown on the **Declarations Page**, this exclusion does not apply to the **ownership**, maintenance or use of the **auto** by:
 - a. **you**; or

- b. any **relative**.
- 9. **Loss** to **the insured auto** while any **authorized driver**:
 - a. is using **the insured auto** in any unlawful activity (other than a traffic violation); or
 - b. using or operating **the insured auto** to flee any law enforcement agent.
- 10. **Loss** to **the insured auto** which occurs due to use of any **insured auto** in any **racing** event.
- 11. **Loss** to **the insured auto** while it is:
 - a. being rented or leased to another; or
 - b. sold to another; or
 - c. under any conditional sales agreement by **you** to another.
- 12. **Loss** due to theft, conversion, secretion or fraudulent disposal of covered property by **you** or any **relative**.
- 13. **Loss** due to and resulting from intentional acts, or reasonably expected to result from the intentional or felonious omissions, committed by **you** or any **insured**. This exclusion applies even if:
 - a. **you** or any **insured** lacks the mental capacity to control or govern his or her own conduct;
 - b. **you** or any **insured** is temporarily insane or temporarily lacks the mental capacity to control or govern his or her conduct or is temporarily unable to form any intent to cause **property damage**;
 - c. such **property damage** is of a different kind of degree than intended or reasonably expected; or
 - d. such **property damage** is sustained by a different person than intended or reasonably expected.
- 14. **Loss** arising out of the operation or use of the **insured auto** by any individual who:
 - a. is under the minimum age to obtain a driver's license; or
 - b. does not have a valid driver's license; or
 - c. has a suspended driver's license; or
 - d. has a revoked driver's license; or
 - e. has only a learner's permit, unless listed on the policy prior to the **loss**,
 - f. is operating the **auto** outside of the privileges authorized by a valid driver's license
- 15. **Loss** arising out of or due to the use of the **insured auto** for the commercial transport of toxic or flammable liquids and/or chemicals.
- 16. **Loss** to the **insured auto** that results, in whole or in part, from a person operating the **auto** when that person is driving under the influence (DUI) of alcohol or drugs or while driving while intoxicated (DWI).
- 17. **Loss** to the **insured auto** that results, in whole or in part, from a person operating the **auto** when that person is engaged in reading, talking, typing, texting or other similar use of any electronic device, including but not limited to a phone, smart phone, computer, or tablet.
- 18. **Loss** due to a single **vehicle accident** when a police report has not been made within 24 hours or as soon as practicable following the **accident**.
- 19. **Loss** to any **non-owned auto**, including a **rental vehicle**.
- 20. **Loss** to property the **insured** rents or has charge of, including loss of its use.
- 21. **Diminution in value** to the **insured auto** due to a covered **loss**.
- 22. **Loss** resulting from the ownership, maintenance or use of the **insured auto** by any person who is a **regular operator** of the **insured auto**, but is not listed on the policy prior to the **loss**.
- 23. **Loss** due to theft if:
 - a. there is no evidence that forcible entry was required to operate or move the **auto**; or
 - b. the key or keys to the **auto** were left in or on the **auto**; or
 - c. there is no evidence that the ignition wiring was altered or the ignition cylinder was forced to allow the operation of the **auto** without keys.
- 24. **Loss** to **the insured auto** or its equipment resulting from recreational, off road use when the vehicle is not specifically designed and recommended by the original manufacturer for such use.
- 25. **Loss** to wearing apparel, tools or personal effects.
- 26. **Loss** to **the insured auto** resulting from its use by a person or persons specifically excluded by endorsement.

LIMIT OF LIABILITY

- A. **Our** limit of liability for **loss** to the **insured auto** will be the lesser of the:
1. **actual cash value**;
 2. the prevailing competitive price to repair or replace the property at the time of **loss**, or any of its parts, including parts from non-original equipment manufacturers, with other of like kind and quality less deduction for any applicable **depreciation**; or
 3. stated amount shown on the **Declarations Page**, if applicable.
- B. An adjustment for **depreciation** and physical condition will be made in determining **actual cash value** in the event of a total **loss**. If a repair or replacement results in better than like kind or quality, **we** will not pay for the amount of the **betterment**.
- C. Although **you** have the right to choose any repair facility or location, the limit of liability for repair or replacement of such property is the prevailing competitive price which is the price **we** can secure from a competent and conveniently located repair facility. At **your** request, **we** will identify a repair facility that will perform the repairs or replacement at the prevailing competitive price.
- D. Further, if there is a stated amount **you** declared on the **application** or endorsement for a specific **auto** listed and shown on the **Declarations Page**, that stated amount will be the total Limit of Liability applicable for **loss** to that **auto**, including its **Custom and Special Equipment**.
- E. Unless **you** pay a premium for and the endorsement for **Custom and Special Equipment** is shown on the **Declarations Page**, the maximum payment for all electronic equipment designed for the reproduction of sound will be the lesser of:
1. the **actual cash value**, reduced by the applicable deductible and its salvage value, if **you** or the **owner** retains the salvage;
 2. the amount necessary to repair or replace the part with parts of like kind and qualify, reduced by the applicable deductible; or
 4. five hundred (\$500) dollars.
- F. If the **loss** is to a **trailer** shown on the **Declarations Page** we will pay up to the limit stated on the **Declarations Page**. For all other **trailers**, the most we will pay for **loss** is \$500.
- G. **Our** liability for the cost of repairing **the insured auto** and its equipment is limited to the amount necessary to perform physical repairs to the stolen or damaged property. Part D of **your** policy – **Coverage for Damage to Your Auto** – does not cover, and **we** will not pay for, **diminution in value**.
- H. **We** will not pay for any **depreciation to the insured auto** resulting from a **loss** sustained under Part D of this policy.
- I. In the repair of **the insured auto** under the physical damage coverage provisions of this policy, **we** may specify the use of **automobile** parts not made by the original manufacturer. These parts are required to be at least equal in terms of fit, quality, performance and warranty to the original manufacturer parts they replace.
- J. **Our** payment for **loss** will be reduced by any applicable deductible shown on the **Declarations Page** for **Collision** and/or **Other than Collision (Comprehensive)** and/or **Custom and Special Equipment Coverage**, if selected.
- K. No one will be entitled to receive duplicate payment for the same elements of damage. If **loss** to the **insured auto** is also payable under the liability coverage or another policy issued by **us**, **we** will pay for such damage or **loss** only once, either under this policy or under the liability of the other policy.
- L. No **deductible** will apply to a **Other than Collision (Comprehensive) loss** to automobile safety glass. A **vehicle** damaged in a collision where more than the safety glass is damaged may have the full collision **deductible** applied.

PROOF OF LOSS

When **we** request it, **you** must file a written proof of **loss** within sixty (60) days from the date of **our** request or there will be no coverage for the **loss** claimed under PART D.

PAYMENT OF LOSS

We may pay for the **loss** in money or repair or replace the damaged or stolen property. **We** may, at **our** expense, return any stolen property to:

1. **you**; or
2. the address shown on the **Declarations Page** of this policy.

If **we** return stolen property, **we** will pay for any direct physical damage to **the insured auto** or its equipment resulting from the theft. **We** may keep all or part of the property at an agreed or appraised value. **You** do not have the right to abandon salvage to **us**.

We may wait up to 30 days from the date the theft is reported in writing to the police and to **us** to either issue payment or replace the property.

NO BENEFIT TO BAILEE

The insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER INSURANCE

If other insurance also covers the **loss**, **we** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. Any applicable deductible of this policy will be taken in a proportionate share based on the applicable deductibles of each policy. However, any insurance **we** provide for an **auto you** do not own shall be excess over any other insurance.

APPRAISAL

If **you** and **we** do not agree on the amount of **loss**, either may demand an appraisal of the **loss**. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the **actual cash value** and the amount of **loss**. If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

1. pay its chosen appraiser; and
2. bear the expenses of the appraisal and umpire equally.

We do not waive any of **our** rights under this policy by agreeing to an appraisal.

PART E: GENERAL POLICY PROVISIONS

By acceptance of this policy, **you** affirm and agree that:

1. This policy is issued in reliance upon **your** statements made in the **application**;
2. **Your** statements made in the **application** are true and complete;
3. **Your** statements made in the **application** are incorporated into and form a part of this policy;
4. **Your** statements as reflected in the **Declarations page** and all endorsements are incorporated into and form a part of this policy;
5. The insurance **application**, **Declarations page** and all endorsements are incorporated into and form a part of this policy;
6. Any material misrepresentation on **your** part may render this policy null and void from inception
7. This policy embodies all agreement existing between **you** and **us**; and
8. **You** have the affirmative obligation to report all accidents regardless of fault and to promptly advise us of any change in circumstances or in the information **you** supplied to us on **your** application.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve **us** of any obligations under this policy.

JOINT AND INDIVIDUAL INTERESTS

If there is more than one **named insured** on this policy, any **named insured** may cancel or change this policy. The action of one **named insured** shall be binding on all persons provided coverage under this

policy.

CHANGES

The premium charged is based on information **we** have received from **you** or other sources. **You** agree:

1. That if any of this information material to the development of the policy premium is incorrect, incomplete or changed, **we** may adjust the premium accordingly during the policy period
2. To cooperate with **us** in determining if this information is correct and complete, and to advise **us** of any changes during the policy period within seven (7) days of the change.
3. That any return premium will be calculated on the basis of the correct premium, if this policy is cancelled.
4. Any adjustment of **your** premium will be made using **our** rules in effect at the time of the change.

Premium adjustments may be made as a result of a change in:

1. The type or number of **autos** insured by the policy, including changes in use;
2. Drivers;
3. Coverages or coverage limits;
4. Rating territory; or
5. Eligibility for discounts or surcharges or other premium credits or debits.

This policy contains all of the coverage agreements between **you** and **us**. Its terms may not be changed or waived except by an endorsement issued by **us**.

LEGAL ACTION AGAINST US

No legal action may be brought against **us** until:

1. there has been full compliance with all the terms and conditions of this policy.
2. 30 days after the required written notice of **loss** and reasonable proof of claim has been filed with **us**.
3. **we** agree in writing that the **insured** has an obligation to pay or the amount of that obligation has been finally determined by judgment after trial.

No person or organization has any right under this policy to bring legal action against **us** or to make **us** a party to any legal proceeding to determine the liability of the **insured**.

We have no duty to preserve or otherwise retain the salvage for any purpose, including evidence for any civil or criminal proceeding.

OUR RIGHT TO RECOVER

- A. If **we** make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another, **we** shall be subrogated to that right. That person shall:
 1. do whatever is necessary to enable **us** to exercise **our** rights; and
 2. do nothing after the **loss** to prejudice them; and
 3. deliver to **us** any legal papers relating to that recovery.
- B. If **we** make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
 1. hold in trust for **us** the proceeds of the recovery; and
 2. reimburse **us** to the extent of **our** payment, including expenses, costs and attorney fees incurred in connection with this recovery.

POLICY PERIOD AND TERRITORY

This policy applies only to covered **losses** resulting from **auto accidents** or damage to the **insured auto** which occur:

1. during the policy period as shown on the **Declarations Page**; and
2. within the policy territory.

The policy territory is:

1. the United States of America, its territories or possessions;
2. Puerto Rico; or
3. Canada.

TERMINATION, CANCELLATION, INSUFFICIENT FUNDS, NONRENEWAL, AUTOMATIC TERMINATION, OTHER TERMINATION PROVISIONS

Cancellation

This policy may be canceled during the policy period as follows:

1. The **named insured** shown on the **Declarations Page** may cancel by giving **us** advance written notice of the date cancellation is to take effect.
2. **We** may cancel this policy by mailing notice to the **named insured** shown on the **Declarations Page** to the last known address:
 - a. at least 15 days prior if cancellation is for non-payment of premium;
 - b. at least 15 days prior if cancellation is for a reason other than non-payment of premium and is mailed during the first 90 days the policy is in effect;
 - c. at least 15 days in all other cases.
3. **We** may cancel this policy only for one or more of the following reasons within the first sixty (60) days of the initial policy period:
 - a. a premium payment by check, draft, or remittance is not honored upon presentment; or
 - b. **you** produce satisfactory proof that **you** have sold or otherwise disposed of **your covered auto**, or surrendered its tags and registration; or
 - c. **you** produce satisfactory proof that **you** have secured another policy that satisfies the financial responsibility laws of the State of South Carolina; or
 - d. **you** do not pay the required premium for this policy when due, however the policy will not be cancelled before the 31st day.
4. After the policy has been in effect for 90 days, **we** will cancel only for reasons permissible under the applicable South Carolina insurance statutes including, but not limited to:
 - a. nonpayment of premium.
 - b. suspension or revocation of **your** driver's license or that of any driver who lives with **you** or any driver who customarily uses the **insured auto**.
 - c. any other reason permitted by law.

We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.

If this policy is canceled, **you** may be entitled to a premium refund. If so, **we** will send **you** the refund. The premium refund, if any, will be computed on a pro rata basis. However, making or offering to make the refund is not a condition of cancellation.

The effective date of cancellation stated in the notice shall terminate all coverages under this policy.

If **we** cancel or non-renew the policy, **we** will give the same notice of cancellation or nonrenewal to any loss payee stated in the policy as **we** give to **you**.

Nonrenewal

If we decide not to renew or continue the policy, we will mail notice to you at the address shown on the Declarations Page at least 15 days before the end of the policy period.

Dishonored / Insufficient Checks or Credit Cards. **We** provide coverage for each policy term only on condition that the initial **premium payment** and any subsequent installment **premium payments** for that policy term are paid. **You** have not paid the initial **premium payment** or any installment **premium**

payment if **you** provide **us** a check, a credit card, or an electronic funds transfer that is not honored at first presentation by the financial institution upon which it is drawn.

If **you** have not paid the initial **premium payment** because **you** give **us** a check, a credit card, or an electronic funds transfer that is not honored at first presentation by the financial institution upon which it is drawn, this policy shall be void from the inception of the policy term and no coverage will exist.

If **you** receive a notice from **us**, referencing either a regular installment **premium payment** or a renewal **premium payment**, and informing **you** that **your premium payment** to **us** was returned unpaid for insufficient funds or any other reason, **you** must provide a replacement payment to **us** by means of either a cashier's check or money order. If the replacement payment is timely made prior to the cancellation or expiration of **your** policy, then **your** policy will remain active and in force.

If **we** receive a **premium payment** or a replacement **premium payment** after **your** policy has cancelled or expired, **your** policy may be reinstated, at **our** discretion, with a gap in coverage. Any **accidents** or **losses** occurring between the date of cancellation or lapse for non-payment of premium and the date of any reinstatement of this policy will not be covered.

Failure to Renew. If **we** offer to renew or continue the policy and **you** or **your** representative do not make payment by the end of the current policy period, then the policy will automatically terminate at the end of the current policy period. **Your** failure to pay the required renewal or continuation premium by the due date means that **you** have not accepted **our** offer.

Other Termination Provisions.

1. If the law in effect at the time this policy is issued, renewed or continued;
 - a. requires a longer notice period;
 - b. requires a special form or procedure for giving notice; or
 - c. modifies any of the stated termination reasons; **we** will comply with those requirements.
2. **We** may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
3. If this policy is cancelled, the premium refund, if any, will be computed according to **our** manuals. However, making or offering to make the refund is not a condition of cancellation.
4. The effective date of cancellation stated in the notice shall terminate all coverages under this policy.

TRANSFER OF YOUR INTEREST IN THIS POLICY

- A. **Your** rights and duties under this policy may not be assigned without **our** written consent. However, upon the death of the **named insured** shown on the **Declarations Page**, coverage will be provided until the end of the policy period for:
 1. The surviving spouse, if a **resident** in the same household at the time of death.
 2. The legal representative of the deceased person while acting within the scope of duties of a legal representative. This applies only with respect to the representative's legal responsibility to maintain or use **the insured auto**.
- B. Coverage will only be provided until the end of the policy period or cancellation, whichever is less.

LIMITATIONS ON AGENT AUTHORITY

The authorized agent who obtained this policy for **you** has limited authority to act in transacting business with **you** on this policy. Any statement or assurance made by the authorized agent to **you** concerning **your** policy is governed by **our** guidelines and rules, as well as applicable laws and regulations and will not be binding upon **us**.

The authorized agent who obtained this policy for **you** does not possess any apparent, implied, or actual authority to act on **our** behalf after the expiration, cancellation, or nonrenewal of **your** policy with **us**. Any representations made by the authorized agent after a notice of termination has been initiated, by either **you** or **us**, will apply only if **we** provided prior written approval.

MISREPRESENTATION AND FRAUD

Fraud or Misrepresentation in the Application or Notification of Change

The statements made by **you** in the application are deemed to be representations. If any representation contained in the application is false, misleading, or materially affects the acceptance or rating of the risk by **us**, this policy will be void from its inception.

If any representation contained in any notification of change is false, misleading, or materially affects the acceptance or rating of the risk by **us**, this policy will be terminated from the effective date of the change.

This provision shall apply to statements or representations that contain fraudulent, false, misleading or deceptive statements, direct misrepresentations, and omissions or concealments of fact. **We** may void this policy or deny coverage even after the occurrence of an **accident** or **loss**. This means that **we** will not be liable for any claims or damages that would otherwise have been covered in the absence of the fraud or misrepresentation. No coverage will be afforded to any **relative** or **resident** in **your** household unless named in the application for coverage and/or listed on the **Declarations Page** or added by endorsement.

Fraud or Misrepresentation in the Presentation of a Claim

The statements made by **you** or any other person seeking coverage under this policy are deemed to be representations. In connection with any **accident** or **loss**, **we** do not provide coverage for anyone who has engaged in fraudulent conduct or made statements or representations that contain fraudulent, false, misleading or deceptive statements, direct misrepresentations, or omissions or concealments of fact. This means that **we** will not be liable for any claims or damages that would otherwise have been covered in the absence of the fraud or misrepresentation.

If **we** are not permitted by law to retroactively void this policy, **you** agree that **we** have the right to reduce any amounts otherwise owed to **you** under any coverage(s) provided by this policy, except for the coverages provided in Part A, by the amount of any additional premium which would have been charged to **you** had there been no fraud and/or misrepresentation. With respect to the coverages provided under Part A of this policy **you** agree to make any additional **premium payment** which would have been charged to **you** had there been no fraud and/or misrepresentation. **You** agree that any payments made by **us** as the result of **your** fraud and/or misrepresentation may be recovered by **us** from **you**, or from any payments due or made to **you** under any coverage(s) provided by this policy.

TWO OR MORE AUTOS INSURED

With respect to any **accident** to which this and any other **auto** policy issued to **you** by **us** applies, the total limit of **our** liability under all the policies shall not exceed the highest applicable limit of liability under any one policy.

CONFORMITY TO STATE STATUTES

The terms of this policy that conflict with the statutes of South Carolina are amended to conform to such statutes. Any dispute as to the coverages provided or the provisions of this policy shall be governed by the law of the State of South Carolina.

COMPANY SIGNATURE

This policy is signed on behalf of First Acceptance Insurance Company, Inc., and is countersigned on the **Declarations Page**, if necessary, by **our** authorized representative.

First Acceptance Insurance Company, Inc.
3813 Green Hills Village Drive
Nashville, Tennessee 37215
Claims Phone#: 1-800-779-2103
Customer Service Phone #: 1-800-321-0899

Vice President and Secretary,

A handwritten signature in cursive script that reads "Mike Bodayle". The signature is written in black ink and is positioned above a horizontal line.

Mike Bodayle

**YOUR PERSONAL AUTO POLICY QUICK REFERENCE
ENDORSEMENT FORMS SECTION**

SC – 101	Loss Payable Clause	30
SC – 102	Named Driver Exclusion	31
SC - 103	Additional Insured – Lessor	31
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The following endorsements form a part of your policy only if the form number corresponding to the specific endorsement is printed on the Declarations Page and premium has been paid. If a form number does not appear on the Declarations Page of the attached policy, then the endorsement below is not applicable to your policy.

**FORM SC-101
LOSS PAYABLE CLAUSE**

**THIS ENDORSEMENT DOES NOT APPLY UNLESS THIS FORM NUMBER IS LISTED UNDER THE
FORMS SECTION ON THE DECLARATIONS PAGE**

Loss or damage shall be paid, subject to all the terms of this policy, as interest may appear, to the **named insured**, the Loss Payee shown on the **Declarations Page** of this policy, both jointly, or separately, at **our** discretion. However, if the **insured auto** is not a total loss, **we** may make payment jointly to **you** and the facility or shop where your **insured auto** is repaired.

The loss payee has no greater rights under this policy than the **insured**. Where coverage is denied to the **insured**, coverage is also denied to the loss payee.

Where fraud, misrepresentation, material omission, or intentional damage has been committed by or at the direction of **you** or a **relative**, the Loss Payee or lien holder's interest will not be protected.

We reserve the right to cancel or non-renew this policy as permitted by policy terms and the cancellation or non-renewal shall terminate this agreement as to the Loss Payee's interest. **We** will give written notice of cancellation or non-renewal to the Loss Payee shown on the **Declarations Page**. Proof of mailing shall be sufficient proof of notice.

When **we** pay the Loss Payee, **we** shall, to the extent of payment, be subrogated to the Loss Payee's rights of recovery.

SC-101 01.17

FORM SC-102
NAMED DRIVER EXCLUSION ENDORSEMENT

THIS ENDORSEMENT DOES NOT APPLY UNLESS THIS FORM NUMBER IS LISTED UNDER THE FORMS SECTION ON THE DECLARATIONS PAGE

Notwithstanding any other provision of the agreement and in consideration of the premium charged for this policy, it is agreed that no coverage is afforded for any claim or **loss** arising from an **accident** when the **insured auto**, or any other **auto** to which the terms of this policy apply is being driven, operated, or under the control of, either with or without the express or implied permission of the **named insured** or **owner**, by those persons specifically listed by **you** on **your** application or as named by **you** on a subsequent policy endorsement as an excluded driver. This includes any claim for damages made against **you**, a **relative**, or any other person or organization that is vicariously liable for an **accident** arising out of the operation of a motorized vehicle by the excluded driver.

This endorsement applies to any continuation, renewal, replacement, or reinstatement of this policy unless changed by **you** in writing.

No Uninsured Motorist Coverage or Underinsured Motorist Coverage will be provided under this policy to anyone while the **insured auto** or any other **auto** to which the terms of this policy are extended is being driven or operated by the excluded driver(s).

All other terms and provisions of this policy remain unchanged.

SC-102 01.17

FORM SC-103
ADDITIONAL INSURED – LESSOR

THIS ENDORSEMENT DOES NOT APPLY UNLESS THIS FORM NUMBER IS LISTED UNDER THE FORMS SECTION ON THE DECLARATIONS PAGE

All provisions and exclusions that apply to this policy shall also apply to this endorsement except as changed by this endorsement.

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Insuring Agreement

Any coverage afforded under Part A or Part D of this policy for **the insured auto** shall also apply to the lessor named on the **Declarations Page** of this policy as an additional **insured**.

This **insured** is subject to the following additional provisions:

1. **We** will pay damages for which the lessor becomes legally responsible only if said damages arise out of acts or omissions of:
 - a. **you** or any **relative**, or
 - b. any other person using, maintaining or operating **the insured auto** with the **named insured's** permission and within the scope of such except the lessor or any employee or agent of the lessor using **the insured auto**.
2. If **we** cancel or non-renew this policy, notice provided under this policy will also be mailed to the lessor. Proof of mailing shall be sufficient proof of notice.
3. The lessor is not responsible for payment of premiums.
4. The designation of the lessor as an additional **insured** shall not operate to increase **our** limits of liability under this policy.

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FORM SC-104
NAMED NON-OWNER COVERAGE

THIS ENDORSEMENT DOES NOT APPLY UNLESS THIS FORM NUMBER IS LISTED UNDER THE FORMS SECTION ON THE DECLARATIONS PAGE

It is agreed that such insurance as is afforded by this policy for Part A- Liability Coverage, Part B- Medical Payments Coverage, or Part C- Uninsured Motorist Coverage applies subject to the following provisions:

Under all DEFINITIONS sections of the policy, the definition of **you** and **your** are deleted and replaced as follows: **you** and **your** means the person named on the **Declarations Page** only, specifically excluding the spouse of that individual.

Under DEFINITIONS section of the policy the definition of **insured auto** is deleted and no coverage is provided with respect to a covered vehicle under this policy.

This coverage applies when **you** are personally in control as the driver of an **auto**, with the permission of that person having the right to grant such permission.

Coverage does not apply to:

1. any **losses** resulting from the operation or use of a **vehicle** by any person other than **you**. Any provisions in the policy that give such coverage are eliminated.
25. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **vehicle** in the course and scope of any **business** including, but not limited to:
 - e. wholesale or retail deliveries or any activity associated with the delivery of items such as magazines, newspapers, food, pizza, or any other product.
 - f. operating any **vehicle** displaying advertising.
 - g. operating any **vehicle** containing permanently installed mechanical equipment.
 - h. used to carry persons or property for compensation or a fee, including but not limited to, use in connection with a personal vehicle sharing program, transportation network, or any other similar vehicle or ride sharing business or enterprise.
2. **bodily injury** or **property damage** arising out of **auto business** operations, including the selling, repairing, servicing, storing or parking of cars.
3. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **vehicle owned**, in full or in part, or registered in the name of **you**, a **resident**, or **relative**.
4. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **vehicle** furnished or available for the **regular or frequent use** of **you**, a **resident** or a **relative**.

Any insurance afforded by this policy is excess over any other collectible **auto** liability insurance or self insurance.

If you purchase, lease, acquire, or register an **auto** in **your** name, **you** must notify **us** within 7 days of the date **you** become the **owner** or take physical possession of the **auto**, whichever comes first.

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FORM SC-105
CUSTOM AND SPECIAL EQUIPMENT COVERAGE

THIS ENDORSEMENT DOES NOT APPLY UNLESS THIS FORM NUMBER IS LISTED UNDER THE FORMS SECTION ON THE DECLARATIONS PAGE

Coverage is provided under this endorsement only on those insured vehicles for which **Collision** and **Other Than Collision (Comprehensive)** coverage is noted on the **Declarations Page** and only on additional custom and special equipment permanently installed in the **insured auto** which is specifically listed on the **application**.

All provisions of this policy apply to the coverage provided by this endorsement except as modified herein.

The provisions and exclusions that apply to **Part D - Coverage for Damage to Your Auto** - also apply to this endorsement except as changed by this endorsement.

A. The **Insuring Agreement** in **Part D** of this policy is replaced by the following:

INSURING AGREEMENT

Subject to the Limits of Liability and the terms herein, if **you** pay a premium for **Comprehensive** and/or **Collision** Coverages, **we** will pay for direct and accidental **loss** to the **insured auto** for that coverage purchased, including its original factory-installed equipment attached thereto, less any applicable deductible shown on the **Declarations Page**.

We will pay for **loss** to **insured auto** caused by:

1. **Collision** only if the **Declarations Page** indicates that **Collision** Coverage is provided for that **auto**.
2. **Other than Collision (Comprehensive)** only if the **Declarations Page** indicates that **Other than Collision (Comprehensive)** Coverage is provided for that **auto**.

Our payment will be reduced by any applicable deductible shown on the **Declarations Page**.

In addition, **we** will pay for direct and accidental **loss** to additional **custom and special equipment** permanently installed in the **insured auto** which is specifically listed on the **application** and shown on the **Declarations Page**, and for which a specific premium is noted and paid. The maximum payment for **loss** to specific **Custom and Special Equipment** shown on the **Declarations Page** will be the lesser of:

1. the stated value listed on the **Declarations Page**, reduced by the applicable deductible, and reduced by its salvage value if **you** retain the salvage;
2. the **actual cash value**, reduced by the applicable deductible, and reduced by its salvage value if **you** retain the salvage;
3. the amount necessary to repair or replace the part with parts of like kind and quality, reduced by the applicable deductible per occurrence.

Coverage for **Custom and Special Equipment** shall not cause **our** limit of liability for **loss** to an **auto** under this Part D to be increased to an amount in excess of:

1. The **actual cash value** of the vehicle, including its **Custom and Special Equipment**; or
2. Any applicable limits of liability or stated amount vehicle coverage elected by **you**.

Our payment under the **Custom and Special Equipment** Coverage Endorsement will be reduced by a \$50 deductible.

B. **Part D – Coverage for Damage to Your Auto – Exclusions.**

The exclusions that apply to **Part D - Coverage for Damage to Your Auto** - also apply to this endorsement except as changed as follows:

1. Exclusion 5. shall not apply to any additional equipment permanently installed in the **insured auto** which is listed on the **application** and for which a specific premium is noted and paid.

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FORM SC-109T
TOWING AND LABOR COSTS COVERAGE

THIS ENDORSEMENT DOES NOT APPLY UNLESS THIS FORM NUMBER IS LISTED UNDER THE FORMS SECTION ON THE DECLARATIONS PAGE

Coverage is provided under this endorsement only when noted on the **Declarations Page** of this policy. All the provisions of this policy including all amendments thereto apply to the coverage provided by this endorsement.

Insuring Agreement

If **you** pay a premium for towing and labor costs coverage, **we** will pay up to the amount shown on the **Declarations Page** for towing and labor costs incurred each time the **insured auto** is disabled, other than disablement due to a **loss** under **Collision** and **Other than Collision (Comprehensive)** coverage, provided that:

1. the labor must be performed at the place of disablement; and
2. the disablement does not occur at **your** residence.
3. **you** provide **us** with proof in the form of verifiable receipts of the towing and labor charges incurred.

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FORM SC-109R
RENTAL REIMBURSEMENT COVERAGE

THIS ENDORSEMENT DOES NOT APPLY UNLESS THIS FORM NUMBER IS LISTED UNDER THE FORMS SECTION ON THE DECLARATIONS PAGE

Coverage is provided under this endorsement only when noted on the **Declarations Page** of this policy. All the provisions of this policy apply to the coverage provided by this endorsement except as modified herein.

We will reimburse **you** or, at **our** option, pay directly on **your** behalf, without application of a deductible, up to the daily limit and aggregate amount shown on the **Declarations Page** for Rental Reimbursement Coverage for rental expenses incurred by **you** when **you** rent an **auto** from a commercially licensed rental agency approved by **us**. Daily rental expenses shall not include cost of any insurance related to the rental of the **auto**, cost of refueling the rental auto, or mileage fees.

This endorsement applies only if:

1. the **insured auto** is withdrawn from use for more than twenty-four (24) hours; and
2. the **loss** is caused by an **auto accident**.

Our payment will be limited to the lesser of that period of time:

1. reasonably required to repair or replace **your auto**, or
2. forty-eight (48) hours of rental coverage extended after an offer has been made if the **insured auto** has been deemed a total **loss**, or
3. when **we** pay for the **loss**, or
4. thirty (30) days.

This coverage provided by this endorsement cannot be combined or stacked with the transportation

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expenses benefit provided under the TRANSPORTATION EXPENSES section of PART D – COVERAGE FOR DAMAGE TO YOUR AUTO of this policy.

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