

**GEICO**

ONE GEICO PLAZA  
Washington, D. C. 20076-0001  
Telephone: 1-800-841-3000

Appraisal Clause is  
found on page 11  
of this policy.



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# Georgia Family Automobile Insurance Policy

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Government Employees Insurance Company  
GEICO General Insurance Company  
GEICO Indemnity Company  
GEICO Casualty Company

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Whenever "he," "his," "him" or "himself" appears in this policy, *you* may read "she," "her," "hers," or "herself."

#### AGREEMENT

We, the Company named in the declarations attached to this policy, make this agreement with *you*, the policyholder. Relying on the information *you* have furnished and the declarations attached to this policy and if *you* pay *your* premium when due, we will do the following:

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### SECTION I-LIABILITY COVERAGES

#### Your Protection Against Claims From Others

#### Bodily Injury Liability and Property Damage Liability

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#### DEFINITIONS

The words italicized in Section I of this policy are defined below.

1. **Auto business** means the business of selling, repairing, servicing, storing, transporting or parking of autos.
2. **Bodily injury** means bodily injury to a person, including resulting sickness, disease or death.
3. **Farm auto** means a truck type vehicle with a gross vehicle weight of 15,000 pounds or less, not used for commercial purposes other than farming.
4. **Insured** means a person or organization described under "persons insured."
5. **Non-owned auto** means a **private passenger auto**, **utility auto**, or **trailer** not owned by or furnished for the regular use of either *you* or a **relative**, other than a **temporary substitute auto**. An auto rented or leased for more than 30 days will be considered as furnished for regular use.
6. **Owned auto** means:
  - (a) A vehicle described in this policy for which a premium charge is shown for these coverages;
  - (b) A **trailer** owned by *you*;
  - (c) A **private passenger**, **farm** or **utility auto** ownership of which *you* acquire during the policy period or for which *you* enter into a lease during the policy period for six months or more, if:
    - (i) It replaces an **owned auto** as defined in (a) above; or
    - (ii) We insure all **private passenger**, **farm** and **utility autos** owned or leased by *you* on the date of the acquisition, and *you* ask us to add it to the policy no more than 30 days later;
  - (d) A **temporary substitute auto**.
7. **Private passenger auto** means a four-wheel private passenger, station wagon or jeep-type auto.
8. **Relative** means a person who continuously lives in *your* household and is related by blood, marriage, or adoption (including a ward or foster child).
9. **State** includes the District of Columbia, the territories and possessions of the United States, and the Provinces of Canada.
10. **Temporary substitute auto** means an automobile or **trailer**, not owned by *you*, temporarily used with the permission of the owner. This vehicle must be used as a substitute for the **owned auto** or **trailer** when withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction.
11. **Trailer** means a trailer designed to be towed by a **private passenger auto**, if not being used for business or commercial purposes with a vehicle other than a **private passenger**, **farm** or **utility auto**.
12. **Use** of an auto includes the loading and unloading of the auto.
13. **Utility auto** means a vehicle, other than a **farm auto**, with a gross vehicle weight of 15,000 pounds or less of the pick-up body, van or panel truck type not used for commercial purposes.
14. **War** means armed conflict between nations, whether or not declared, civil war, insurrection, rebellion or revolution.
15. **You** and **your** means the policyholder named in the declarations or his or her spouse if a resident of the same household.

#### LOSSES WE WILL PAY FOR YOU

Under Section I, we will pay damages which an **insured** becomes legally obligated to pay because of:

1. **Bodily injury**, sustained by a person, and
2. Damage to or destruction of property, arising out of the ownership, maintenance or **use** of the **owned auto** or a **non-owned auto**. We will defend any suit for damages payable under the terms of this policy. Our payment of the liability insurance limits ends our duty to defend or settle. We may investigate and settle any claim or suit.

#### ADDITIONAL PAYMENTS WE WILL MAKE UNDER THE LIABILITY COVERAGES

1. All investigative and legal costs incurred by us.
2. All court costs charged to an **insured** in a covered lawsuit.

3. Interest calculated on that part of a judgment that is within our limit of liability and accruing:
  - (a) Before judgment, where owed by law, and until we pay, offer or deposit in court the amount due under this coverage;
  - (b) After the judgment, and until we pay, offer, or deposit in court, the amount due under this coverage.
4. Premiums for appeal bonds in a suit we appeal, or premiums for bonds to release attachments; but the face amount of these bonds may not exceed the applicable limit of liability.
5. Premiums for bail bonds paid by an **insured** due to traffic law violations arising out of the use of an insured auto, not to exceed \$250 per bail bond.

We will upon request by an **insured**, provide reimbursement for the following items:

- (a) Costs incurred by any **insured** for first aid to others at the time of an accident involving an insured auto.
- (b) Loss of earnings up to \$50 a day, but not other income, if we request an **insured** to attend hearings and trials.
- (c) All reasonable costs incurred by an **insured** at our request.

## EXCLUSIONS

### Section I Does Not Apply:

1. To **bodily injury** to **you**;
2. To **bodily injury** to any **relative**. If however, there is no other coverage available, then this exclusion (2) shall only apply to any policy limits provided by this policy which exceed the financial responsibility limits required by the state in which the accident occurred.
3. To any vehicle used to carry persons or property for compensation or a fee. However, a vehicle used in an ordinary car pool or ride sharing or cost sharing basis is covered.
4. To property damage to any non-owned property carried by a vehicle while being used to transport goods for hire.
5. To **bodily injury** or property damage caused intentionally by or at the direction of an **insured**, to the extent that the limits of liability provided by this policy exceed the minimum limits of liability required by the Georgia Motor Vehicle Safety Responsibility act.
6. To **bodily injury** or property damage that is insured or required to be insured under a nuclear liability policy. This exclusion applies even if the limits of that insurance are exhausted.
7. To **bodily injury** or property damage arising from the operation of farm machinery.
8. To **bodily injury** to an employee of an **insured** arising out of and in the course of employment by an **insured**. However, **bodily injury** of a domestic employee of the **insured** is covered unless benefits are payable or are required to be provided under a workers' or workmen's compensation law.
9. To **bodily injury** to a fellow employee of an **insured** if the fellow employee's **bodily injury** arises from the use of an auto while in the course of employment and if workers' compensation or other similar coverage is available. We will defend **you** if suit is brought by a fellow employee against **you** alleging use, ownership or maintenance of an auto by **you**.
10. To an **owned auto** while used by a person (other than **you** or a **relative**) when he is employed or otherwise engaged in the **auto business**.
11. To a **non-owned auto** while maintained or used by any person is not covered while such person is employed or otherwise engaged in (1) any **auto business** if the accident arises out of that business; (2) any other business or occupation of any **insured** if the accident arises out of that business or occupation, except a **private passenger auto** used by **you** or **your** chauffeur or domestic servant while engaged in such other business.
12. To:
  - (a) Property, including motor vehicles of any type, owned, or transported by an **insured**; or
  - (b) Property rented to or in charge of an **insured** other than a residence or private garage.
13. To an auto acquired by **you** during the policy term, if **you** have purchased other liability insurance for it.
14. To:
  - (a) The United States of America or any of its Agencies;
  - (b) Any person, including **you**, if protection is afforded under the provisions of the Federal Tort Claims Act.

15. To any liability assumed under any contract or agreement.
16. To **bodily injury** or property damage caused by an auto driven in or preparing for any racing, speed, or demolition contest or stunting activity of any nature, whether or not prearranged.
17. To punitive or exemplary damages recovered or potentially recoverable from any **insured** arising from the use or abuse of alcohol, medication, or drugs.

## PERSONS INSURED

### Who Is Covered

Section I applies to the following as **insureds** with regard to an **owned auto**:

1. **You** and **your relatives**;
2. Any other person operating the auto with **your** permission.
3. Any other person or organization for his or its liability because of acts or omissions of an **insured** under 1 or 2 above.

Section I applies to the following with regard to a **non-owned auto**:

1. (a) **You**;  
(b) **Your relatives** when operating a **private passenger, farm or utility auto or trailer**.  
Such operation must be with the express or implied permission of the owner.
2. A person or organization, not owning or hiring the auto, regarding his, hers or its liability because of acts or omissions of an **insured** under 1 above.  
The limits of liability stated in the declarations are our maximum obligations regardless of the number of **insureds** involved in the occurrence.

## FINANCIAL RESPONSIBILITY LAWS

When this policy is certified as proof of financial responsibility for the future under the provisions of a motor vehicle financial responsibility law, this liability insurance will comply with the provisions of that law. The **insured** agrees to reimburse us for payments made by us which we would not have had to make except for this agreement.

## OUT OF STATE INSURANCE

When the policy applies to the operation of a motor vehicle outside of **your** state, we agree to increase **your** coverages to the extent required of out-of-state motorists by local law. This additional coverage will be reduced to the extent that **you** are protected by another insurance policy. No person can be paid more than once for any item of loss.

## LIMITS OF LIABILITY

Regardless of the number of autos or **trailers** to which this policy applies:

1. The limit of bodily injury liability stated in the declarations as applicable to each person is the limit of our liability for all damages, including damages for care and loss of services and loss of consortium, because of **bodily injury** sustained by one person as the result of one occurrence.
2. The limit of such liability stated in the declarations as applicable to each occurrence is, subject to the above provision respecting each person, the total limit of our liability for all such damages, including damages for care and loss of services and loss of consortium, because of **bodily injury** sustained by two or more persons as the result of any one occurrence.
3. The limit of property damage liability stated in the declarations as applicable to each occurrence is the total limit of our liability for all damages because of injury to or destruction of the property of one or more persons or organizations, including the loss of use of the property as the result of any one occurrence.

## OTHER INSURANCE

If the **insured** has other insurance against a loss covered by Section I of this policy, we will not owe more than our pro-rata share of the total coverage available.

Any insurance we provide for losses arising out of the ownership, maintenance or use of a vehicle **you** do not own shall be excess over any other valid and collectible insurance unless the vehicle **you** do not own is owned by a person, firm or corporation engaged in the business of retail sales of new and used motor vehicles.

## CONDITIONS

The following conditions apply to Section I:

### 1. NOTICE

As soon as possible after an occurrence, written notice must be given us or our authorized agent stating:

- (a) The identity of the **insured**;
- (b) The time, place and details of the occurrence;

- (c) The names and addresses of the injured, and of any witnesses; and
- (d) The names of the owners and the description and location of any damaged property.

If a claim or suit is brought against an **insured**, unless otherwise received by us, **you** are required to send us a copy of every summons or other process relating to the coverage under this policy and to otherwise cooperate with us in connection with the defense of any action or threatened action covered under this policy.

If **you** fail to comply with this provision, it will constitute a breach of the insurance contract and if prejudicial to us, shall relieve us of our obligation to defend **you** and any other **insureds** under this policy and of any liability to pay any judgment or other sum on **your** or any other **insureds** behalf.

However, we will accept notice of a claim against an **insured** from an injured party if the **insured** has failed to give written notice within 30 days from the date of the occurrence. The notice from the injured party must be in writing and sent by registered mail.

## 2. TWO OR MORE AUTOS

If this policy covers two or more autos, the limit of coverage applies separately to each. An auto and an attached **trailer** are considered to be one auto.

## 3. ASSISTANCE AND COOPERATION OF THE INSURED

The **insured** will cooperate and assist us, if requested:

- (a) In the investigation of the occurrence;
- (b) In making settlements;
- (c) In the conduct of suits; and
- (d) In enforcing any right of contribution or indemnity against any legally responsible person or organization because of **bodily injury** or property damage; and
- (e) At trials and hearings;
- (f) In securing and giving evidence; and
- (g) By obtaining the attendance of witnesses.

Only at his or her own cost will the **insured** make a payment, assume any obligation or incur any cost other than for first aid to others.

## 4. ACTION AGAINST US

No suit will lie against us:

- (a) Unless the **insured** has fully complied with all the policy's terms and conditions, and
- (b) Until the amount of the **insured's** obligation to pay has been finally determined, either
  - (i) By a final judgment against the **insured** after actual trial; or
  - (ii) By written agreement of the **insured**, the claimant and us.

A person or organization or the legal representative of either, who secures a judgment or written agreement, may then sue to recover up to the policy limits.

No person or organization, including the **insured**, has a right under this policy to make us a defendant in an action to determine the **insured's** liability.

Bankruptcy or insolvency of the **insured** or his estate will not relieve us of our obligations.

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## SECTION II-AUTO MEDICAL PAYMENTS

### Protection For You And Your Passengers For Medical Expenses

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The definitions of terms shown under Section I apply to this Coverage. In addition, under this Coverage, **occupying** means in, upon, or the immediate act of entering into or alighting from.

#### PAYMENTS WE WILL MAKE

Under this Coverage, if **bodily injury** is discovered and treated within one year of the date of the accident, we will pay all reasonable expenses actually incurred by an **insured** within three years from the date of the accident for necessary medical, surgical, x-ray, dental services, prosthetic devices, ambulance, hospital, professional nursing and funeral services.

This Coverage applies to accidents or injuries which arise out of the operation, maintenance or use of a motor vehicle as a motor vehicle and applies to:

#### 1. **You** and each **relative** who sustains **bodily injury** caused by a motor vehicle accident:

- (a) While **occupying** the **owned auto**; or
- (b) While **occupying** a **non-owned auto** if **you** or **your relative** have the express or implied permission of the owner; or
- (c) When struck as a pedestrian by:
  - (i) An auto, **trailer**, or **utility auto**; or
  - (ii) A farm-type tractor or other equipment designed for use principally off public roads, while operated on public roadways.

2. Any other person who sustains **bodily injury** caused by accident while **occupying** the **owned auto** while being used by **you**, a resident of **your** household, or other persons with **your** permission.

## EXCLUSIONS

### Section II Does Not Apply:

1. To **bodily injury** sustained by any occupant of an **owned auto** used to carry persons or property for compensation or a fee. However, a vehicle used in an ordinary car pool on a ride sharing or cost sharing basis is covered.
2. To an **insured** while **occupying** a vehicle located for use as a residence or premises.
3. To **you** and **your relatives** for **bodily injury** sustained while **occupying**:
  - (a) A farm-type tractor or other equipment designed for use principally off public roads; or
  - (b) A vehicle operated on rails or crawler-treads.
4. To an **insured** when struck by:
  - (a) A farm-type tractor or other equipment for use off public roads, while not on public roads; or
  - (b) A vehicle operated on rails or crawler-treads.
5. To persons employed in the **auto business**, if the accident arises out of that business and if benefits are required to be provided under a workers' compensation law.
6. To **bodily injury** sustained due to **war**.
7. To the United States of America or any of its Agencies, as an **insured**, a third party beneficiary, or otherwise.
8. To **bodily injury** caused by an auto driven in or preparing for any racing, speed, or demolition contest or stunting activity of any nature, whether or not prearranged.
9. If the injured person has been fully compensated for medical expenses and non-economic losses for **bodily injury** by or on behalf of the liable party.

## LIMIT OF LIABILITY

The limit of liability for medical payments stated in the declarations as applying to each person is the limit we will pay for all costs incurred by or on behalf of each person who sustains **bodily injury** in one accident. This applies regardless of the number of persons insured or the number of autos or **trailers** to which this policy applies or number of policies issued by this company.

No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and under Sections I and IV of this policy.

## OTHER INSURANCE

If the **insured** has other auto medical payments insurance against a loss covered by Section II of this policy, we will not owe more than our pro-rata share of the total coverage available.

Any insurance we provide to a person who sustains **bodily injury** while **occupying** a vehicle **you** do not own shall be excess over any other valid and collectible insurance unless the vehicle **you** do not own is owned by a person, firm or corporation engaged in the business of retail sales of new and used motor vehicles.

## CONDITIONS

The following conditions apply to this Coverage:

### 1. NOTICE

As soon as possible after an accident, written notice must be given us or our authorized agent stating:

- (a) The identity of the **insured**;
- (b) The time, place and details of the accident; and
- (c) The names and addresses of the injured, and of any witnesses.

### 2. TWO OR MORE AUTOS

If this policy covers two or more autos, the limit of coverage applies separately to each. An auto and an attached **trailer** are considered to be one auto.

### 3. ACTION AGAINST US

Suit will not lie against us unless the **insured** has fully complied with all the policy terms.

### 4. MEDICAL REPORTS - PROOF AND PAYMENT OF CLAIMS

As soon as possible, the injured person or his representative will furnish us with written proof of claim, under oath if required. After each request from us, he will give us written authority to obtain medical reports and copies of records.

The injured person will submit to an examination by doctors chosen by us and at our expense as we may reasonably require.

We may pay either the injured person, the doctor or other persons or organizations rendering medical services. These payments are made without regard to fault or legal liability of the **insured**.

## 5. TRUST AGREEMENT

If we make a payment under this policy and the person to whom or for whom payment is made recovers damages from another, that person shall:

- (a) Hold in trust for us the proceeds of the recovery; and
- (b) Reimburse us to the extent of our payment.

However, our right of recovery exists only after the injured **insured** has been fully compensated for all economic and non-economic losses by or on behalf of the at-fault party. Any reimbursement due to us shall be reduced by our pro rata share of attorney's fees and expenses of litigation incurred in bringing the claim.

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## SECTION III-PHYSICAL DAMAGE COVERAGES Your Protection For Loss or Damage To Your Car

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### DEFINITIONS

The definitions of terms **auto business, farm auto, private passenger auto, relative, temporary substitute auto, utility auto, you, your** and **war** under Section I apply to Section III also. Under this Section, the following special definitions apply:

1. **Actual cash value** is the replacement cost of the auto or property less **depreciation** or **betterment**.
2. **Betterment** is improvement of the auto or property to a value greater than its pre-loss condition.
3. **Collision** means **loss** caused by upset of the covered auto or its collision with another object, including an attached vehicle.
4. **Custom parts or equipment** means paint, equipment, devices, accessories, enhancements, and changes, other than those which are original manufacturer installed, which:
  - (a) Are permanently installed or attached; or
  - (b) Alter the appearance or performance of a vehicle.

This includes any electronic equipment, antennas, and other devices used exclusively to send or receive audio, visual, or data signals, or to play back recorded media, other than those which are original manufacturer installed, that are permanently installed in the **owned auto** or a newly acquired vehicle using bolts or brackets, including slide-out brackets.
5. **Depreciation** means a decrease or loss in value to the auto or property because of use, disuse, physical wear and tear, age, outdatedness or other causes.
6. **Insured** means:
  - (a) Regarding the **owned auto**:
    - (i) **You** and **your relatives**;
    - (ii) A person or organization maintaining, using or having custody of the auto with **your** permission.
  - (b) Regarding a **non-owned auto: you** and **your relatives**, using the auto, if the actual operation or use is with the express or implied permission of the owner.
7. **Loss** means direct and accidental loss of or damage to:
  - (a) The auto, including its equipment; or
  - (b) Other insured property.
8. **Non-owned auto** means a **private passenger, utility auto, farm auto** or **trailer** not owned by or furnished for the regular use of either **you** or **your relatives**, except a **temporary substitute auto**. **You** or **your relative** must be using the **auto** or **trailer** with the permission given by its owner. An auto rented or leased for more than 30 days will be considered as furnished for regular use.
9. **Owned auto** means:
  - (a) Any vehicle described in this policy for which a specific premium charge indicates there is coverage;
  - (b) A **private passenger, farm** or **utility auto** or a **trailer**, ownership of which **you** acquire during the policy period or for which **you** enter into a lease during the policy period for six months or more; if
    - (i) It replaces an **owned auto** as described in (a) above, or
    - (ii) We insure all **private passenger, farm, utility autos** and **trailers** owned or leased by **you** on the date of such acquisition and **you** request us to add it to the policy within 30 days afterward;
  - (c) A **temporary substitute auto**.



10. **Trailer** means a trailer designed for use with a **private passenger auto** and not used as a home, office, store, display or passenger trailer.

## LOSSES WE WILL PAY FOR YOU

### Comprehensive (Excluding Collision)

1. We will pay for each **loss** less the applicable deductible caused other than by **collision** to the **owned** or **non-owned** auto. This includes glass breakage and **loss** caused by:

- |                      |                                      |
|----------------------|--------------------------------------|
| (a) Missiles;        | (j) Hail;                            |
| (b) Falling objects; | (k) Water;                           |
| (c) Fire;            | (l) Flood;                           |
| (d) Lighting;        | (m) Malicious mischief;              |
| (e) Theft;           | (n) Vandalism;                       |
| (f) Larceny;         | (o) Riot;                            |
| (g) Explosion;       | (p) Civil commotion; or              |
| (h) Earthquake;      | (q) Colliding with a bird or animal. |
| (i) Windstorm;       |                                      |

No deductible will apply to **loss** caused by:

- (a) Fire, lightning, smoke, smudge; or
- (b) Damage

sustained while the vehicle is being transported on any conveyance.

At the option of the **insured**, breakage of glass caused by **collision** may be paid under the collision coverage, if included in the policy.

2. We will pay, up to \$200 per occurrence, less the applicable deductible, for **loss** to personal effects due to:

- (a) Fire;
- (b) Lightning;
- (c) Flood;
- (d) Falling objects;
- (e) Earthquake;
- (f) Explosion; or
- (g) Theft of the entire automobile.

The property must be owned by **you** or a **relative**, and must be in or upon an **owned auto** or an auto rented or leased by **you**.

3. **Losses**, including **loss** to personal effects, arising out of a single occurrence shall be subject to no more than one deductible.

### Collision

1. We will pay for **collision loss** to the **owned** or **non-owned auto** for the amount of each **loss** less the applicable deductible.

2. We will pay up to \$200 per occurrence, less the applicable deductible, for **loss** to personal effects due to a **collision**. The property must be owned by **you** or a **relative**, and must be in or upon an **owned auto**.

3. **Losses** arising out of a single occurrence shall be subject to no more than one deductible.

### ADDITIONAL PAYMENT WE WILL MAKE UNDER THE PHYSICAL DAMAGE COVERAGES

1. We will reimburse the **insured** for transportation expenses incurred during the period beginning 48 hours after a theft of the entire auto covered by comprehensive coverage under this policy has been reported to us and the police.

Reimbursement ends when the auto is returned to use or we pay the **loss**.

Reimbursement will not exceed \$25.00 per day nor \$750.00 per **loss**.

2. We will pay general average and salvage charges for which the **insured** becomes legally liable when the auto is being transported.

### EXCLUSIONS

#### Section III Does Not Apply:

- 1. To an auto used to carry persons or property for compensation or a fee. However, a vehicle used in an ordinary car pool on a ride sharing or cost sharing basis is covered.
- 2. To **loss** due to **war**.
- 3. To **loss** to a **non-owned auto** when used by the **insured** in the **auto business**.
- 4. To damage caused by and limited to wear and tear, freezing, mechanical or electrical breakdown or failure, unless that damage results from a covered theft.
- 5. To tires, when they alone are damaged by **collision**.

6. To **loss** due to radioactivity.
7. To **loss** of or damage to any tape, wire, record disc or other medium for use with a device designed for the recording and/or reproduction of sound and/or video.
8. To **loss** to any radar or laser detector.
9. To **trailers** when used for business or commercial purposes with vehicles other than **private passenger, farm or utility autos**.
10. To **loss** for **custom parts or equipment** unless the existence of those **custom parts or equipment** has been previously reported to us and an endorsement to the policy has been added.
11. To any liability assumed under any contract or agreement.
12. To any **loss** or damage resulting from:
  - (a) The acquisition of a stolen vehicle;
  - (b) Any governmental, legal, or other action to return a vehicle to its legal, equitable, or beneficial owner, or anyone claiming an ownership interest in the vehicle;
  - (c) Any confiscation, seizure, or impoundment of a vehicle by governmental authorities; or
  - (d) The sale of an **owned auto**.
13. To the destruction, impoundment, confiscation, or seizure of a vehicle by governmental or civil authorities due to its use by **you**, a **relative**, or a permissive user of the vehicle in illegal activity.
14. To any **loss** caused by participation in or preparing for any racing, speed, or demolition contest or stunting activity of any nature, whether or not prearranged.

#### LIMIT OF LIABILITY

The limit of our liability for **loss**:

1. Is the **actual cash value** of the property at the time of the **loss**;
2. Will not exceed the cost to repair or replace the property, or any of its parts, including parts from non-original equipment manufacturers, with other of like kind and quality;
3. Will include compensation for diminution in the property's value that is claimed to result from **loss**;
4. To personal effects arising out of one occurrence is \$200;
5. To a **trailer** not owned by **you** is \$500;
6. For **custom parts or equipment** is limited to the **actual cash value** of the **custom parts or equipment**, not to exceed the **actual cash value** of the vehicle.  
**Actual cash value** of property will be determined at the time of the **loss** and will include an adjustment for **depreciation/betterment** and for the physical condition of the property.
7. For glass repair or replacement, is not to exceed the prevailing competitive price. Although **you** have the right to choose any glass repair facility or location, the limit of liability for **loss** to window glass is the cost to repair or replace such glass but will not exceed the prevailing competitive price. This is the price we can secure from a competent and conveniently located glass repair facility. At **your** request, we will identify a glass repair facility that will perform the repairs at the prevailing competitive price.
8. For a **temporary substitute auto**, is the coverage afforded on the specific **owned auto** withdrawn from normal use because of its breakdown, repair, servicing, **loss**, or destruction.

#### OTHER INSURANCE

If the **insured** has other insurance against a **loss** covered by Section III, we will not owe more than our pro-rata share of the total coverage available.

Any insurance we provide for a vehicle **you** do not own shall be excess over any other valid and collectible insurance unless the vehicle **you** do not own is owned by a person, firm or corporation engaged in the business of retail sales of new and used motor vehicles and you are not an employee of the owner.

#### CONDITIONS

The following conditions apply only to the Physical Damage Coverages:

1. NOTICE  
 As soon as possible after a **loss**, written notice must be given us or our authorized agent stating:
  - (a) The identity of the **insured**;
  - (b) A description of the auto or **trailer**;
  - (c) The time, place and details of the **loss**; and
  - (d) The names and addresses of any witnesses.

In case of total theft, the **insured** must promptly notify the police.

2. TWO OR MORE AUTOS

If this policy covers two or more autos or **trailers**, the limit of coverage and any deductibles apply separately to each.

3. ASSISTANCE AND COOPERATION OF THE **INSURED**

The **insured** will cooperate and assist us, if requested:

- (a) In the investigation of the **loss**;
- (b) In making settlements;
- (c) In the conduct of suits; and
- (d) In enforcing any right of subrogation against any legally responsible person or organization;
- (e) At trials and hearings;
- (f) In securing and giving evidence; and
- (g) By obtaining the attendance of witnesses.

4. ACTION AGAINST US

Suit will not lie against us unless the policy terms have been complied with and until 30 days after proof of loss is filed and until the amount of **loss** is determined.

If we retain salvage, and **you** ask us immediately after a **loss** to preserve the salvage for inspection, we will do so for a period not to exceed 30 days. **You** may purchase the salvage from us if **you** wish.

5. **INSURED'S DUTIES IN EVENT OF LOSS**

In event of **loss** the **insured** will:

- (a) Protect the auto, whether or not the **loss** is covered by this policy. Further **loss** due to the **insured's** failure to protect the auto will not be covered. Reasonable expenses incurred for this protection will be paid by us.
- (b) File with us, within 91 days after **loss**, sworn proof of loss including all information we may reasonably require.
- (c) At our request, the **insured** will exhibit the damaged property.

6. APPRAISAL

If we and the **insured** do not agree on the amount of **loss**, either may, within 60 days after proof of loss is filed, demand an appraisal of the **loss**. In that event, we and the **insured** will each select a competent appraiser. The appraisers will select a competent and disinterested umpire. The appraisers will state separately the **actual cash value** and the amount of the **loss**. If they fail to agree, they will submit the dispute to the umpire. An award in writing of any two will determine the amount of **loss**. We and the **insured** will each pay his chosen appraiser and will bear equally the other expenses of the appraisal and umpire. We will not waive our rights by any of our acts relating to appraisal.

7. PAYMENT OF **LOSS**

We may at our option:

- (a) Pay for the **loss**; or
- (b) Repair or replace the damaged or stolen property.

At any time before the **loss** is paid or the property replaced, we may return any stolen property to **you** or to the address shown in the declarations at our expense with payment for covered damage. We may take all or part of the property at the agreed or appraised value, but there will be no abandonment to us. We may settle claims for **loss** either with the **insured** or with the owner of the property.

8. NO BENEFIT TO BAILEE

This insurance does not apply directly or indirectly to the benefit of a carrier or other bailee for hire liable for the **loss** of the auto.

9. SUBROGATION

When payment is made under this policy, we will take over all the **insured's** rights of recovery against others. The **insured** will help us to enforce these rights. The **insured** will do nothing after **loss** to prejudice these rights.

This means we will have the right to sue for or otherwise recover the **loss** from anyone else who may be held responsible.

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**SECTION IV-UNINSURED MOTORISTS COVERAGE**  
**Protection For You, Your Relatives, and Your Passengers for Injuries**  
**And Property Damage Caused by Uninsured and Hit-and-Run Motorists**

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**DEFINITIONS**

The definitions of terms for Section I apply to Section IV, except for the following special definitions:

**1. Hit-and-run auto** is an auto:

- (a) Causing **bodily injury** to an **insured** or **property damage**, through actual physical contact with him or an **insured auto**. Physical contact is not required if the description by the claimant of how the occurrence occurred is corroborated by an eyewitness to the occurrence other than the claimant; and
- (b) Whose operator or owner cannot be identified, provided one of the involved drivers or in the case of death of a driver, someone on their behalf:
  - (1) In cases of injury, or **property damage** in excess of \$500, reports immediately, or as soon as practicable, by the quickest means of communication, the accident to the local police, office of county sheriff, or the nearest state patrol;
  - (2) Files with us within 30 days of reporting the accident, a statement under oath setting forth the facts of the accident and claiming that he has a cause of action for damages against an unidentified person; and
  - (3) Makes available for inspection, at our request, the auto that the **insured** was **occupying** at the time of the accident.

**2. Insured** means:

- (a) **You** and **your** spouse if a resident of the same household;
- (b) **Relatives** of (a) above if residents of his household;
- (c) Any other person while **occupying** an **owned auto** with **your** consent or operating an **owned auto** with **your** express or implied permission;

If there is more than one **insured**, our limits of liability will not be increased.

**3. Insured auto** is an auto:

- (a) Registered in Georgia, owned by **you** and covered by the bodily injury and property damage liability coverages of this policy;
- (b) Temporarily substituted for an **insured auto** when withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction;
- (c) Operated by **you** or **your** spouse if a resident of the same household.

But the term **insured auto** does not include:

- (i) An auto used to carry passengers or goods for hire except in a car pool;
- (ii) An auto being used without the owner's permission; or
- (iii) Under subparagraphs (b) and (c) above, an auto owned by or furnished for the regular use of an **insured**.

**4. Occupying** means in, upon, or in the immediate act of entering into or alighting from.

**5. Property damage** means injury to or destruction of an auto owned by **you**, including loss of use thereof, registered in Georgia and covered by the bodily injury and property damage coverages of this policy and property in the auto owned by the **insured**.

**6. Uninsured motor vehicle** is a motor vehicle:

- (a) Which at the time of the accident, has neither a bodily injury and property damage liability policy or bond nor cash or securities on file with the Georgia Department of Driver Services, in at least the amounts required under the Georgia Code;
- (b) For which the total available coverage limits of all bodily injury liability and property damage liability insurance policies are less than the limits of insurance under this coverage. The amount payable under this coverage is the difference between the available bodily injury and property damage liability limits and the limits of insurance under this coverage;
- (c) Whose insurer issues legally sustainable denial of coverage; or
- (d) Whose insurer becomes insolvent provided the **insured** informs us:
  - (1) Of any legal proceedings he knows of against the insolvent;
  - (2) Before he enters into any negotiation with the insolvent; and
  - (3) Before we are prejudiced by any action or non-action of his regarding the determination of insolvency.

The term **uninsured motor vehicle** does not include:

- (a) An **insured auto**;
- (b) An auto owned by or furnished for the regular use of **you** or a **relative**;

- (c) A land motor vehicle or trailer operated on rails or crawler-treads or located for use as a residence or premises; or
- (d) A farm-type tractor or equipment designed for use principally off public roads, except while used upon public roads.

## LOSSES WE PAY

Under the Uninsured Motorists Coverage we will pay compensatory damages for **bodily injury** and **property damage** caused by accident which the **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** or **hit-and-run auto** arising out of the ownership, maintenance or use of that motor vehicle as a motor vehicle.

No default judgment against a known person or organization allegedly legally responsible for the accident shall be conclusive as to legal liability or to the amount of damages to which any **insured** is entitled.

## EXCLUSIONS

### Section IV Does Not Apply

1. To **bodily injury** to an **insured** or injury to or destruction of an **insured's** property if the **insured** or his legal representative has made a settlement or has been awarded a judgment of his claim without our prior written consent. However, an **insured** or **insureds** may accept a policy limit tender by a liability carrier by executing a limited release discharging the liability carrier only to the extent of that payment.
2. To benefit any workmen's compensation insurer, self insurer or disability benefits insurer.
3. To the United States of America or any of its agencies as an **insured**, a third party beneficiary or otherwise.
4. To benefit any insurer of property.
5. To **property damage** for which the **insured** has been compensated by other property or physical damage insurance.
6. To any liability assumed under contract or agreement.
7. To damage caused by an **insured's** participation in or preparing for any racing, speed, or demolition contest or stunting activity of any nature, whether or not prearranged.
8. To punitive or exemplary damages.

## LIMITS OF LIABILITY

Regardless of the number of autos or **trailers** to which this policy applies:

1. The limit of bodily injury liability for Uninsured Motorists Coverage stated in the declarations as applicable to each person is the limit of our liability for all damages, including those for care or loss of services or loss of consortium, due to **bodily injury** sustained by one person as the result of one accident.
2. The limit of bodily injury liability stated in the declarations applicable to each accident is, subject to the above provision respecting each person, the total limit of our liability for all such damages, including damages for care and loss of services or loss of consortium, because of **bodily injury** sustained by two or more persons as the result of one accident.
3. The limit of property damage liability stated in the declarations as applicable to each accident is our total limit of liability for all damages to the property of one or more **insureds** as the result of any one accident.
4. When coverage is afforded to two or more autos, the limits of liability shall apply separately to each auto as stated in the declarations but shall not exceed the highest limit of liability applicable to one auto.  
If separate policies with us are in effect for **you** or any person in **your** household, they may not be combined to increase the limit of our liability for a loss.

The amount payable under this Coverage will be reduced by all amounts:

- (a) Paid by or for all persons or organizations liable for the injury;
- (b) Paid or payable under the Bodily Injury Coverage or Property Damage Coverage of this policy; or
- (c) Paid or present value of all amounts payable under any workmen's compensation law, disability benefits law or any similar law.
- (d) Paid under the Medical Payments coverage of this policy. However, any reduction will only be considered only after the injured **insured** has been fully compensated for all economic and non-economic losses by or on behalf of the at fault party.

## OTHER INSURANCE

If there is Uninsured Motorist Insurance available to an injured person under more than one policy the following priorities of recovery will apply:

First: The policy affording Uninsured Motorist Coverage to the injured person as a named insured.

Second: The policy affording Uninsured Motorist Coverage to the injured person's spouse or **relatives** if such spouse or **relative** is a resident of the injured insured person's household.

Third: The policy affording Uninsured Motorist Coverage on the motor vehicle that the injured insured person was **occupying**.

If there is more than one policy with the same priority we will only pay our share of the loss. Our share of the loss is limited to our proportion as it bears to the total of all available limits.

#### TRUST AGREEMENT

When we make a payment under this coverage:

1. We will be entitled to repayment of that amount out of any settlement or judgment the **insured** recovers from any person or organization legally responsible for the **bodily injury** and/or **property damage**.
2. The **insured** will hold in trust for our benefit all rights of recovery which he may have against any person or organization responsible for these damages. He will do whatever is necessary to secure all rights of recovery and will do nothing after the loss to prejudice these rights.
3. At our written request, the **insured**, in his own name, will take through a designated representative appropriate actions necessary to recover payment for damages from the legally responsible person or organization. The **insured** will pay us out of the recovery for our expenses, costs and attorneys' fees.
4. The **insured** will execute and furnish us with any needed documents to secure his and our rights and obligations.

#### CONDITIONS

The following conditions apply only to the Uninsured Motorists Coverage:

##### 1. NOTICE

As soon as possible after an accident notice must be given us or our authorized agent stating:

- (a) The identity of the **insured**;
- (b) The time, place and details of the accident; and
- (c) The names and addresses of the injured, and of any witnesses.

If the **insured** or his legal representative files suit before we make a settlement under this coverage, he must immediately provide us with a copy of the pleadings.

##### 2. ASSISTANCE AND COOPERATION OF THE **INSURED**

After we receive notice of a claim, we may require the **insured** to take any action necessary to preserve his recovery rights against any allegedly legally responsible person or organization. We may require the **insured** to make that person or organization a defendant in any action against us.

##### 3. ACTION AGAINST US

Suit will not lie against us unless the **insured** or his legal representative has fully complied with all the policy terms.

##### 4. PROOF OF CLAIM AND MEDICAL REPORTS

As soon as possible, the **insured** or other person making claim must give us written proof of claim, under oath if required. This will include details of the nature and extent of injuries, treatment, and other facts which may affect the amount payable.

Proof of claim must be made on forms furnished by us unless we have not furnished these forms within 15 days after receiving notice of claim.

The injured person will submit to examination by doctors chosen by us, at our expense, as we may reasonably require. In the event of the **insured's** incapacity or death, his legal representative must, at our request, authorize us to obtain medical reports and copies of records.

The **insured** or other person making a **property damage** claim shall file a proof of loss with us within 60 days after the accident date, unless we have extended the time in writing. This proof of loss shall be a sworn statement setting out:

- (a) The interest of the **insured** and any others in the property;
- (b) Any liens on the property;
- (c) The **actual cash value** at time of loss;
- (d) The amount, place, time and cause of the loss; and
- (e) The description and amounts of all other insurance covering the property.

If we request, the **insured** must make the damaged property available for our inspection.

##### 5. PAYMENT OF LOSS

We will pay any amount due under this coverage to the **insured** or his legal representative.

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## SECTION V-GENERAL CONDITIONS

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The definitions contained in Section I of the policy apply to this section.

These conditions apply to all Coverages in this policy except as noted.

### 1. TERRITORY

This policy applies only to accidents, occurrences or losses during the policy period within the United States of America, its territories or possessions, or Canada or when the auto is being transported between ports thereof.

### 2. PREMIUM

When **you** dispose of, acquire ownership of, or replace a **private passenger, farm or utility auto**, any necessary premium adjustment will be made as of the date of the change and in accordance with our manuals.

### 3. CHANGES

The terms and provisions of this policy cannot be waived or changed, except by an endorsement issued to form a part of this policy.

We may revise this policy during its term to provide more coverage without an increase in premium. If we do so, **your** policy will automatically include the broader coverage when effective in **your state**.

The premium for each auto is based on the information we have in **your** file. **You** agree:

- (a) That we may adjust **your** policy premiums during the policy term if any of this information on which the premiums are based is incorrect, incomplete or changed.
- (b) That **you** will cooperate with us in determining if this information is correct and complete.
- (c) That **you** will notify us of any changes in this information.

Any calculation or recalculation of **your** premium or changes in **your** coverage will be based on the rules, rates and forms on file, if required, for our use in **your state**.

### 4. ASSIGNMENT

**Your** rights and duties under this policy may not be assigned without our written consent.

If **you** die, this policy will cover **your** surviving spouse, if covered under the policy prior to **your** death, and until the expiration of the policy term:

- (a) The executor or administrator of **your** estate, but only while operating an **owned auto** and while acting within the scope of his duties;
- (b) Any person having proper temporary custody of and operating the **owned auto**, as an **insured**, until the appointment and qualification of the executor or administrator of **your** estate.

If **your** marital relationship should terminate during the policy period, this policy will cover, upon notice to us or our agent, **your** former spouse, if such spouse was previously covered under the policy, for a period of 90 days following the termination of the marital relationship or until the expiration of the policy term, whichever is less.

### 5. POLICY PERIOD

Unless we cancel sooner, this policy will expire as shown in the declarations. It may be continued by our offer to renew and **your** acceptance, by payment of the required renewal premium, before the expiration date. Each period will begin and end at 12:01 A.M. local time at **your** address stated in the declarations.

### 6. CANCELLATION BY THE **INSURED**

**You** may cancel this policy by providing notice to us stating when, after the notice, cancellation will be effective.

If this policy is cancelled, **you** may be entitled to a premium refund. The premium refund, if any, will be computed according to our manuals.

### 7. CANCELLATION BY US

We may cancel this policy by mailing or delivering to **you**, at the address shown in this policy, and to any lienholder designated as such in the declarations, at the address shown in this policy, written notice stating when the cancellation will be effective.

We will mail this notice:

- (a) 10 days in advance if **your** policy has been in effect for less than 60 days, or if the proposed cancellation is for non-payment of premium or any of its installments when due;
- (b) 30 days in advance in all other cases.

The mailing or delivery of the above notice shall be effected by delivery in person to **you** or by first class United States Mail Post Office Receipt Secured. The policy will cease to be in effect as of the date and hour stated in the notice.

If this policy is cancelled, **you** may be entitled to a premium refund. The premium refund, if any, will be computed according to our manuals. Payment of unearned premium is not a condition of cancellation.

## 8. CANCELLATION BY US IS LIMITED

After this policy has been in effect for 60 days or, if the policy is a renewal policy, we will not cancel except for any of the following reasons:

- (a) **You** do not pay the initial premium on other than a renewal policy or any additional premium for this policy or fail to pay any premium installment when due to us or our agent.
- (b) **You** obtained the policy through material misrepresentation.
- (c) Any **insured** violated any of the terms and conditions of the policy.
- (d) **You** failed to disclose fully in **your** application **your** motor vehicle accidents and moving traffic violations for the preceding 36 months.
- (e) **You** failed to disclose in **your** application, or at our request, information we needed for acceptance or proper rating of the risk, or facts regarding accidents or losses which would have been material to a decision to renew **your policy**.
- (f) An **insured** made a false or fraudulent claim or knowingly aided or abetted another in presenting such claim.
- (g) **You**, any operator resident in **your** household or any customary operator of an insured auto has, within the 36 months prior to the notice of cancellation or non-renewal, had his driver's license suspended or revoked.
- (h) **You**, any operator resident in **your** household, or any customary operator of an insured auto has a history of or is subject to epilepsy or heart attacks and cannot produce a certificate from a physician testifying to his unqualified ability to operate a motor vehicle.
- (i) **You**, any household operator resident in **your** household, or any customary operator of an insured auto has an accident record, conviction record (criminal or traffic), or physical, mental or other condition which is such that his operation of an auto might endanger the public safety.
- (j) **You**, any operator resident in **your** household, or any customary operator of an insured auto is addicted to or uses narcotics or other drugs.
- (k) **You**, any operator resident in **your** household, or any customary operator of an insured auto has been convicted, or forfeited bail, during the 36 months immediately preceding the notice of cancellation for any felony.
- (l) **You**, any operator resident in **your** household, or any customary operator of an insured auto has been convicted, or forfeited bail, during the 36 months immediately preceding the notice of cancellation for criminal negligence, or assault arising out of the operation of a motor vehicle.
- (m) **You**, any operator resident in **your** household, or any customary operator of an insured auto has been convicted, or forfeited bail, during the 36 months immediately preceding the notice of cancellation for operating a motor vehicle while in an intoxicated condition or while under the influence of drugs.
- (n) **You**, any operator resident in **your** household, or any customary operator of an insured auto has been convicted, or forfeited bail, during the 36 months immediately preceding the notice of cancellation for leaving the scene of an accident without stopping to report.
- (o) **You**, any operator resident in **your** household, or any customary operator of an insured auto has been convicted, or forfeited bail, during the 36 months immediately preceding the notice of cancellation for theft or an unlawful taking of a motor vehicle.
- (p) **You**, any operator resident in **your** household, or any customary operator of an insured auto has been convicted, or forfeited bail, during the 36 months immediately preceding the notice of cancellation for making false statements in an application for a driver's license.
- (q) **You**, any operator resident in **your** household, or any customary operator of an insured auto has been convicted of, or forfeited bail for, 3 or more violations within the 36 months immediately preceding the notice of cancellation of any law, ordinance or regulation limiting the speed of motor vehicles, or of any of the provisions of motor vehicle laws, of any **state**, violation of which is a misdemeanor, whether or not the violations were repetitions of the same offense or different offenses.
- (r) The insured auto is mechanically defective to the extent that its operation might endanger public safety.
- (s) The insured auto is used in carrying passengers for hire or compensation, except that the use of an auto for a car pool shall not be considered use of an auto for hire or compensation.
- (t) The insured auto is used in the business of transporting flammables or explosives.
- (u) The insured auto is an authorized emergency vehicle.
- (v) The insured auto is modified or changed in condition during the policy period so as to increase the risk substantially.

Our failure to cancel for any of these reasons will not obligate us to renew the policy.



## 9. RENEWAL

We will not refuse to renew **your** policy unless written notice of our refusal to renew is mailed or delivered to **you**, at the address shown in this policy and to any lienholder, at least 30 days prior to the expiration date. The mailing or delivery of this notice by us shall be effected by delivery in person to **you** or by first class United States mail Post Office Receipt Secured. This policy will expire without notice if any of the following conditions exist:

- (a) **You** do not pay any premium as we require to renew this policy.
- (b) **You** have informed us or our agent that **you** wish the policy to be cancelled or not renewed.
- (c) **You** do not accept our offer to renew.

## 10. OTHER INSURANCE

If other insurance is obtained on **your** insured auto, any similar insurance afforded under this policy for that auto will terminate on the effective date of the other insurance.

## 11. DIVIDEND PROVISION

**You** may be entitled to share in a distribution of the surplus of the Company as determined by its Board of Directors from time to time.

## 12. DECLARATIONS

By accepting this policy, **you** agree that:

- (a) The statements in **your** application and in the declarations are **your** agreements and representations;
- (b) This policy is issued in reliance upon the truth of these representations; and
- (c) This policy, along with the application and declaration sheet, embodies all agreements relating to this insurance. The terms of this policy cannot be changed orally.

## 13. FRAUD AND MISREPRESENTATION

Coverage is not provided, or the policy may be cancelled, whether before or after a loss, an insured has:

- (a) Intentionally concealed or misrepresented any material fact or circumstance;
- (b) Engaged in fraudulent conduct; or
- (c) Made false statements

Relating to this insurance.

## 14. EXAMINATION UNDER OATH

The **insured** or any other person seeking coverage under this policy must submit to examination under oath by any person named by us when and as often as we may require.

## 15. TERMS OF POLICY CONFORMED TO STATUTES

Any terms of this policy in conflict with the statutes of Georgia are amended to conform to those statutes.

## 16. DISPOSAL OF VEHICLE

If **you** relinquish possession of a leased vehicle or if **you** sell or relinquish ownership of an **owned auto**, any coverage provided by this policy will terminate on the date **you** do so.

## 17. CHOICE OF LAW

The policy and any amendment(s) and endorsement(s) are to be interpreted pursuant to the laws of Georgia.

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**SECTION VI - AMENDMENTS AND ENDORSEMENTS**

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**1. SPECIAL ENDORSEMENT UNITED STATES GOVERNMENT EMPLOYEES**

**A.** Under the Property Damage coverage of Section I, we provide coverage to United States Government employees, civilian or military, using

1. Motor vehicles owned or leased by the United States Government or any of its agencies, or
2. Rented motor vehicles used for United States Government business,

when such use is with the permission of the United States Government. Subject to the limits described in paragraph **B.** below, we will pay sums **you** are legally obligated to pay for damage to these vehicles.

**B.** The following limits apply to this Coverage:

1. A \$100 deductible applies to each occurrence.
2. For vehicles described in **A.1.** above, our liability shall not exceed the lesser of the following:
  - (a) The **actual cash value** of the property at the time of the occurrence; or
  - (b) The cost to repair or replace the property, or any of its parts with other of like kind and quality; or
  - (c) Two months basic pay of the **insured**; or
  - (d) The limit of Property Damage liability coverage stated in the declarations.
3. For vehicles described in **A.2.** above, our liability shall not exceed the lesser of the following:
  - (a) The **actual cash value** of the property at the time of the occurrence; or
  - (b) The cost to repair or replace the property, or any of its parts with other of like kind and quality; or
  - (c) The limit of Property Damage liability coverage stated in the declarations.

This insurance is excess over other valid and collectible insurance.



W. C. E. Robinson  
Secretary



O. M. Nicely  
President