

**TEXAS PERSONAL AUTO POLICY**

**Breckenridge General Agency**

P.O. Box 702228  
Dallas, Texas 75370

Managing General Agent for:  
**Redpoint County Mutual Insurance Company**  
Dallas, Texas  
(A Texas County Mutual Company)

**YOUR TEXAS PERSONAL AUTO POLICY – QUICK REFERENCE**

**DECLARATIONS PAGE**

Name of Insurance Company  
Your Name and Address  
Your Auto or Trailer  
Policy Period  
Coverage and Amounts of Insurance

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## **Have a complaint or need help?**

If you have a problem with a claim or your premium, call your insurance company or HMO first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company or HMO. If you don't, you may lose your right to appeal.

### **Redpoint County Mutual**

To get information or file a complaint with your insurance company or HMO:

**Call: Breckenridge General Agency at 888-921-0595**

Email: BGCustomerService@BreckGen.com

Mail: P.O. Box 702228 Dallas, TX 75370

### **The Texas Department of Insurance**

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: [www.tdi.texas.gov](http://www.tdi.texas.gov)

Email: ConsumerProtection@tdi.texas.gov

Mail: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

### **To compare policies and prices**

Visit **HelpInsure.com** to compare prices and coverages on home and auto insurance policies. The website is a service of the Texas Department of Insurance and the Office of Public Insurance Counsel.

## **¿Tiene una queja o necesita ayuda?**

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros o HMO. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros o HMO. Si no lo hace, podría perder su derecho para apelar.

## **Redpoint County Mutual**

Para obtener información o para presentar una queja ante su compañía de seguros o HMO:

Llame a: **Breckenridge General Agency at 888-921-0595**  
Correo electrónico: [CustomerService@BreckGen.com](mailto:CustomerService@BreckGen.com)  
Dirección postal: P.O. Box 702228 Dallas, TX 75370

## **El Departamento de Seguros de Texas**

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439  
Presente una queja en: [www.tdi.texas.gov](http://www.tdi.texas.gov)  
Correo electrónico: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)  
Dirección postal: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

## **Para comparar pólizas y precios**

Visite **[HelpInsure.com](http://HelpInsure.com)** para comparar precios y coberturas en pólizas de seguro para el hogar y automóvil. El sitio web es un servicio del Departamento de Seguros de Texas y de la Oficina del Asesor Público de Seguros (Office of Public Insurance Counsel, por su nombre en inglés).

## **TEXAS PERSONAL AUTO POLICY**

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## AGREEMENT

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In return for payment of the premium and subject to all the terms of this policy we agree with you as follows:

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## DEFINITIONS

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- A. Throughout this policy, **“you”** and **“your”** refer to:
    - 1. The named insured shown in the Declarations, and
    - 2. The spouse if a resident of the same household.
  - B. **“We”**, **“us”**, and **“our”** refer to the company providing this insurance.
  - C. For purposes of this policy, a private passenger type auto or pickup or van shall be deemed to be owned by a person if leased:
    - 1. Under a written agreement to that person; and
    - 2. For a continuous period of at least six months.
- Other words and phrases are defined. They are boldfaced when used.
- D. **“Family member”** means a person who is a resident of your household and related to you by blood, marriage or adoption. This definition includes a ward or foster child who is a resident of your household, and also includes your spouse even when not a resident of your household during a period of separation in contemplation of divorce.
  - E. **“Occupying”** means in, upon, getting in, on, out, or off.
  - F. **“Trailer”** means a vehicle designed to be pulled by a:
    - 1. Private passenger auto; or
    - 2. Pickup or van.

It also means a farm wagon or farm implement while towed by a vehicle listed in F.1. or F.2. above.
  - G. **“Your covered auto”** means:
    - 1. Any vehicle shown in the Declarations;
    - 2. I. Any of the following types of vehicles on the date you became the owner:
      - a. a private passenger auto; or
      - b. a utility type vehicle, with a G.V.W. of 25,000 lbs. or less, of the pickup body, sedan delivery, panel truck, van type and multi-use type, not used for the delivery or transportation of goods, materials or supplies other than samples; unless, (1) the delivery of goods, materials or supplies is not the primary usage of the vehicle, or (2) used for farming or ranching.
    - II. This provision (G.2) applies only if you:
      - a. acquire the vehicle during the policy period; and
      - b. notify us within 30 days after you become the owner. If the vehicle you acquire replaces one shown in the Declarations, it will have the same coverage as the vehicle it replaced. You must notify us of a replacement vehicle within 30 days only if you wish to add or continue Coverage for Damage to Your Auto. If the vehicle you acquire is in addition to any shown in the Declarations, it will have the broadest coverage we now provide for any vehicle shown in the Declarations.
  - 3. Any **trailer** you own
  - 4. Any auto or **trailer** you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its
    - a. breakdown;
    - b. repair;
    - c. servicing;
    - d. loss; or
    - e. destruction
  - 5. Any **temporary vehicle** issued or loaned to the insured and operated by an insured or **resident relative** or a licensed operator residing in the household

- H. **“Business day”** means a day other than a Saturday, Sunday or holiday recognized by the state of Texas.
- I. **“Actual cash value”** means the market value at the time of the **loss** less any depreciation.
- J. **“Temporary vehicle”** includes a vehicle that is loaned or provided to an insured by an automobile **repair facility** for the insured’s use while the insured’s vehicle is at the facility for service, repair, maintenance, or damage or to obtain an estimate and is:
- (A) in the lawful possession of the insured or **resident relative** of the insured;
  - (B) not owned by the insured, any **resident relative** of the insured, or any other person residing in the insured’s household; and
  - (C) operated by or in the possession of the insured or **resident relative** of the insured until the vehicle is returned to the **repair facility**.
- However, **“temporary vehicle”** does not include any vehicle that is not:
- (D) a private passenger automobile; or
  - (E) a pickup, utility vehicle, or van with a gross vehicle weight of 14,000 pounds or less that is not used for the delivery or transportation of goods, materials, or supplies, other than samples, unless:
    - (a) the delivery of the goods, materials, or supplies is not the primary use for which the vehicle is employed; or
    - (b) the vehicle is used for farming or ranching.
- K. **“Repair facility”** means a person who rebuilds, repairs, or services a motor vehicle for consideration or under a warranty, service, or maintenance contract.
- L. **“Resident relative”** means an individual who:
- (A) resides in the same household as the insured; and
  - (B) is related to the insured within the third degree of consanguinity or affinity as described by Chapter 573, Government Code.

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## PART A – LIABILITY COVERAGE

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### INSURING AGREEMENT

- A. We will pay damages for bodily injury or property damage for which any **covered person** becomes legally responsible because of an auto accident. Property damage includes loss of use of the damaged property. Damages include prejudgment interest awarded against the **covered person**. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted.
- B. **“Covered person”** as used in this Part means:
1. You or any **family member** for the ownership, maintenance or use of any auto or **trailer**.
  2. Any person using **your covered auto**.
  3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under this Part.
  4. For any auto or **trailer**, other than **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (B.4.) applies only if the person or organization does not own or hire the auto or **trailer**.

### SUPPLEMENTAL PAYMENTS

- In addition to our limit of liability, we will pay on behalf of a **covered person**:
1. Up to \$250 for the cost of bail bonds required because of an accident including related traffic law violations. The accident must result in bodily injury or property damage covered under this policy.
  2. Premiums on appeal bonds and bonds to release attachments in any suit we defend
  3. 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.
  4. Up to \$50 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
  5. Other reasonable expenses incurred at our request

### EXCLUSIONS

- A. We do not provide Liability Coverage for any person:
1. Who intentionally causes bodily injury or property damage;

2. For damage to property owned or being transported by that person;
3. I. For damage to property:
  - a. rented to;
  - b. used by; or
  - c. in the care of;
 that person
  - II. This exclusion (A.3.I.) does not apply to damage to:
    - a. a residence or private garage; or
    - b. any of the following type vehicles not owned by or furnished or available for the regular use of you or any **family member**:
      - (1) private passenger autos;
      - (2) **trailers**; or
      - (3) pickups or vans.
    - c. Any **Temporary Vehicle**
 However, the exclusion 3.I. does apply to a loss due to or as a consequence of a seizure of an auto listed in 3.II.b or 3.II.c. by a federal or state law enforcement officers as evidence in a case against you under the Texas Controlled Substances Act or the federal Controlled Substances Act if you are convicted in such case.
4. For bodily injury to an employee of that person during the course of employment. This exclusion (A.4.) does not apply to bodily injury to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
5. For that person's liability arising out of the ownership or operation of a vehicle while it is:
  - a. while it is being used to carry another person for a fee or for which expense reimbursement is to be paid; this does not apply to a share-the-expense car pool;
  - b. while it is being used to carry property for a fee or for a business; this does not apply to a share-the-expense car pool and used for farming or ranching or not primarily used for delivery or transportation of goods, material, supplies, other than samples; this exclusion A.5.b does not apply if the vehicle is a **temporary vehicle**;
  - c. while the person or driver of a covered auto is logged on to a transportation network company's digital network or is engaged in a prearranged drive as described in Chapter 1954 of the Texas Insurance Code; or
  - d. while it is rented or leased to another; this does not apply if you or any **family member** lends **your covered auto** to another for reimbursement of operating expenses only.
6. While employed or otherwise engaged in the business or occupation of:
  - a. selling;
  - b. repairing;
  - c. servicing;
  - d. storing; or
  - e. parking;
 vehicles designed for use mainly on public highways. This includes road testing and delivery. This exclusion (A.6.) does not apply to the ownership, maintenance or use of **your covered auto** by:
  1. you;
  2. any **family member**; or
  3. any partner, agent or employee of you or any **family member**.
7. Maintaining or using any vehicle while that person is employed or otherwise engaged in any business or occupation not described in Exclusion A.6. This exclusion (A.7.) does not apply to the maintenance or use of a:
  - a. private passenger auto;
  - b. pickup or van that is **your covered auto**; or
  - c. **trailer** used with a vehicle described in 7.a. or 7.b. above.
8. Using a vehicle without a reasonable belief that that person is entitled to do so.  
This exclusion (8.) does not apply to you or any **family member** while using **your covered auto**.
9. I. For 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.

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

- a. American Nuclear Insurers;
- b. Mutual Atomic Energy Liability Underwriters; or
- c. Nuclear Insurance Association of Canada.

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

1. Any motorized vehicle having fewer than four wheels;

2. Any vehicle, other than **your covered auto**, which is:

- a. owned by you; or
- b. furnished or available for your regular use.

3. I. Any vehicle, other than **your covered auto**, which is:

- a. owned by any **family member**; or
- b. furnished or available for the regular use of any **family member**.

II. However, this exclusion (B.3.) does not apply to your maintenance or use of any vehicle which is:

- a. owned by a **family member**; or
- b. furnished or available for the regular use of a **family member**.

C. We do not provide Liability Coverage for you or any **family member** for bodily injury to you or any **family member**, except to the extent of the minimum limits of Liability Coverage required by Texas Transportation Code Chapter 601, entitled "Texas Motor Vehicle Safety -Responsibility Act.

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#### LIMIT OF LIABILITY

A. If separate limits of liability for bodily injury and property damage liability are shown in the Declarations for this coverage the limit of liability for each person for bodily injury liability is our maximum limit of liability for all damages for bodily injury sustained by any one person in any one auto accident. Subject to this limit for each person, the limit of liability shown in the Declarations for "each accident for bodily injury liability is our maximum limit of liability for all damages for bodily injury resulting from any one auto accident. The limit of liability shown in the Declarations for "each accident for property damage liability is our maximum limit of liability for all damages to all property resulting from any one auto accident. If the limit of liability shown in the Declarations for this coverage is for combined bodily injury and property damage liability, it is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

- 1. **Covered persons**;
- 2. Claims made;
- 3. Vehicles or premiums shown in the Declarations; or
- 4. Vehicles involved in the auto accident.

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

B. Any payment under the Uninsured/Underinsured Motorists Coverage or the Personal Injury Protection Coverage of this policy to or for a **covered person** will reduce any amount that person is entitled to recover under this coverage.

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#### OUT OF STATE COVERAGE

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

A. If the state or province has:

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

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

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<b>FINANCIAL RESPONSIBILITY REQUIRED</b>	When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.
<b>OTHER INSURANCE</b>	<p>If there is other applicable liability 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.</p> <p>However, any liability insurance we provide to a <b>covered person</b> for the maintenance or use of a vehicle you do not own shall be excess over any other applicable liability insurance.</p> <p>Further, we will provide primary insurance for a <b>temporary vehicle</b>.</p>
<b>PART B1 – MEDICAL PAYMENTS COVERAGE</b>	
<b>INSURING AGREEMENT</b>	<p>A. We will pay reasonable expenses incurred for necessary medical and funeral services because of bodily injury:</p> <ol style="list-style-type: none"> <li>1. Caused by accident; and</li> <li>2. Sustained by a <b>covered person</b>.</li> </ol> <p>We will pay only those expenses incurred within three years from the date of the accident.</p> <p>B. “<b>Covered person</b>” as used in this Part means:</p> <ol style="list-style-type: none"> <li>1. You or any <b>family member</b>: <ol style="list-style-type: none"> <li>a. while <b>occupying</b>; or</li> <li>b. when struck by; <p>a motor vehicle designed for use mainly on public roads or a <b>trailer</b> of any type.</p> </li> </ol> </li> <li>2. Any other person while <b>occupying your covered auto</b>.</li> </ol>
<b>EXCLUSIONS</b>	<p>We do not provide Medical Payments Coverage for any person for bodily injury:</p> <ol style="list-style-type: none"> <li>1. Sustained while <b>occupying</b> any motorized vehicle having fewer than four wheels.</li> <li>2. Sustained while <b>occupying your covered auto</b> when it is: <ol style="list-style-type: none"> <li>a. being used to carry another person for a fee or for which expense reimbursement is to be paid; this does not apply to a share-the-expense car pool;</li> <li>b. being used to carry property for a fee or for a business; this does not apply to a share-the-expense car pool;</li> <li>c. the person or driver of a covered auto is logged on to a transportation network company’s digital network or is engaged in a prearranged drive as described in Chapter 1954 of the Texas Insurance Code; or</li> <li>d. rented or leased to another; this does not apply if you or any <b>family member</b> lends <b>your covered auto</b> to another for reimbursement of operating expenses only.</li> </ol> </li> <li>3. Sustained while <b>occupying</b> any vehicle located for use as a residence or premises.</li> <li>4. Occurring during the course of employment if workers’ compensation benefits are required or available for the bodily injury.</li> <li>5. Sustained while <b>occupying</b> or, when struck by, any vehicle (other than <b>your covered auto</b>) which is: <ol style="list-style-type: none"> <li>a. owned by you; or</li> <li>b. furnished or available for your regular use.</li> </ol> </li> <li>6. Sustained while <b>occupying</b> or, when struck by, any vehicle (other than <b>your covered auto</b>) which is: <ol style="list-style-type: none"> <li>a. owned by any <b>family member</b>; or</li> <li>b. furnished or available for the regular use of any <b>family member</b>.</li> </ol> <p>However, this exclusion (6.) does not apply to you.</p> </li> <li>7. Sustained while <b>occupying</b> a vehicle without a reasonable belief that person is entitled to do so. This exclusion (7.) does not apply to you or any <b>family member</b> while using <b>your covered auto</b>.</li> <li>8. Sustained while <b>occupying</b> a vehicle when it is being used in the business or occupation of a <b>covered person</b>. This exclusion (8.) does not apply to bodily injury sustained while <b>occupying</b> a: <ol style="list-style-type: none"> <li>a. private passenger auto;</li> <li>b. pickup or van that you own; or</li> <li>c. <b>trailer</b> used with a vehicle described in (8.a. or 8.b.) above.</li> </ol> </li> <li>9. Caused by or as a consequence of:</li> </ol>

- a. discharge of a nuclear weapon (even if accidental);
- b. war (declared or undeclared);
- c. civil war;
- d. insurrection; or
- e. rebellion or revolution.

10. From or as a consequence of the following whether controlled or uncontrolled or however caused:

- a. nuclear reaction;
- b. radiation; or
- c. radioactive contamination.

<b>LIMIT OF LIABILITY</b>	<p>A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we pay regardless of the number of:</p> <ul style="list-style-type: none"> <li>1. <b>Covered persons</b>;</li> <li>2. Claims made;</li> <li>3. Vehicles or premiums shown in the Declarations; or</li> <li>4. Vehicles involved in the accident.</li> </ul> <p>B. Any amounts otherwise payable for expenses under this coverage shall be reduced by any amounts paid or payable for the same expenses under any Auto Liability or Uninsured/Underinsured Motorists Coverage provided by this policy.</p> <p>C. No payment will be made unless the injured person or that person's legal representative agrees in writing that any payment shall be applied toward any settlement or judgment that person receives under any Auto Liability or Uninsured/Underinsured Motorists Coverage provided by this policy.</p>
<b>OTHER INSURANCE</b>	<p>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. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.</p>
<b>ASSIGNMENT OF BENEFITS</b>	<p>Payments for medical expenses will be paid directly to a physician or other health care provider if we receive a written assignment signed by the <b>covered person</b> to whom such benefits are payable.</p>

## **PART B2 – PERSONAL INJURY PROTECTION COVERAGE**

<b>INSURING AGREEMENT</b>	<p>A. We will pay Personal Injury Protection benefits because of bodily injury:</p> <ul style="list-style-type: none"> <li>1. resulting from a motor vehicle accident; and</li> <li>2. sustained by a <b>covered person</b>.</li> </ul> <p>Our payment will only be for losses or expenses incurred within three years from the date of accident.</p> <p>B. Personal Injury Protection benefits consist of:</p> <ul style="list-style-type: none"> <li>1. Reasonable expenses incurred for necessary medical and funeral services.</li> <li>2. I. Eighty percent of a <b>covered person's</b> loss of income from employment. These benefits apply only if, at the time of the accident, the <b>covered person</b> <ul style="list-style-type: none"> <li>a. was an income producer; and</li> <li>b. was in an occupational status. These benefits do not apply to any loss after the <b>covered person</b> dies.</li> </ul> </li> <li>II. Loss of income is the difference between <ul style="list-style-type: none"> <li>a. income which would have been earned had the <b>covered person</b> not been injured; and</li> <li>b. the amount of income actually received from employment during the disability.</li> </ul> </li> <li>III. If the income being earned as of the date of accident is a salary or fixed remuneration, it shall be used in determining the amount of income which would have been earned. Otherwise, the average monthly income earned during the period (not more than 12 months) preceding the accident shall be used.</li> <li>3. I. Reasonable expenses incurred for obtaining services. These services must replace those a <b>covered person</b> would normally have performed: <ul style="list-style-type: none"> <li>a. without pay;</li> <li>b. during a period of disability; and</li> <li>c. for the care and maintenance of the family or household.</li> </ul> </li> </ul>
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II. These benefits apply only if, at the time of the accident, the **covered person**:

- a. was not an income producer; and
- b. was not in an occupational status.

The benefits do not apply to any loss after the **covered person** dies.

C. “**Covered person**” as used in this Part means:

1. You or any **family member**:

- a. while **occupying**; or
- b. when struck by a motor vehicle designed for use mainly on public roads or a **trailer** of any type.

2. Any other person while **occupying your covered auto** with your permission.

<b>EXCLUSIONS</b>	We do not provide Personal Injury Protection Coverage for any person for bodily injury sustained: <ol style="list-style-type: none"><li>1. In an accident caused intentionally by that person.</li><li>2. By that person while in the commission of a felony.</li><li>3. By that person while attempting to elude arrest by a law enforcement official.</li><li>4. While <b>occupying</b>, or when struck by, any motor vehicle (other than <b>your covered auto</b>) which is owned by you.</li><li>5. By a <b>family member</b> while <b>occupying</b>, or when struck by any motor vehicle (other than <b>your covered auto</b>) which is owned by a <b>family member</b>.</li></ol>
<b>LIMIT OF LIABILITY</b>	The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of: <ol style="list-style-type: none"><li>1. <b>Covered persons</b>;</li><li>2. Claims made;</li><li>3. Vehicles or premiums shown in the Declarations; or</li><li>4. Vehicles involved in the accident.</li></ol>
<b>OTHER INSURANCE</b>	If there is other Personal Injury Protection Insurance, we will pay only our share. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance will provide with respect to a vehicle you do not own shall be excess over any other collectible Personal Injury Protection insurance.
<b>OTHER PROVISIONS</b>	<p><b>A. Loss Payments.</b> Benefits are payable:</p> <ol style="list-style-type: none"><li>1. Not more frequently than every two weeks; and</li><li>2. Within 30 days after satisfactory proof of claim is received.</li></ol> <p><b>B. Modification.</b> The General Provision part of this policy entitled “Our Right To Recover Payment” does not apply to this coverage.</p>
<b>ASSIGNMENT OF BENEFITS</b>	Payments for medical expenses will be paid directly to a physician or other health care provider if we receive a written assignment signed by the <b>covered person</b> to whom such benefits are payable.

#### **PART C – UNINSURED/UNDERINSURED MOTORISTS COVERAGE**

<b>INSURING AGREEMENT</b>	<p><b>A.</b> We will pay damages which a <b>covered person</b> is legally entitled to recover from the owner or operator of an <b>uninsured motor vehicle</b> because of bodily injury sustained by a <b>covered person</b>, or <b>property damage</b>, caused by an accident.</p> <p>If the owner or operator of any motor vehicle that causes bodily injury or property damage is unknown, then in order for the insured or covered person to be entitled to recover payment from us under this Part, actual physical contact must have occurred between vehicle owned or operated by the unknown person and the person or property of the insured or covered person.</p> <p>The owner’s or operator’s liability for these damages must arise out of the ownership, maintenance or use of the <b>uninsured motor vehicle</b>.</p> <p>Any judgment for damages arising out of a suit brought without our consent is not binding on us. If we and you do not agree as to whether or not a vehicle is actually uninsured, the burden of proof as to that issue shall be on us.</p> <p><b>B. “Covered person”</b> as used in this Part means:</p> <ol style="list-style-type: none"><li>1. You or any <b>family member</b>;</li><li>2. Any other person <b>occupying your covered auto</b>;</li><li>3. Any person for damages that person is entitled to recover because of bodily injury to which this coverage applies sustained by a person described in B.1. or B.2. above.</li></ol> <p><b>C. “Property damage”</b> as used in this Part means injury to, destruction of or loss of use of:</p>
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1. **Your covered auto**, not including a temporary substitute auto.
  2. Any property owned by a person listed in B.1. or B.2. of **covered person** while contained in **your covered auto**.
  3. Any property owned by you or any **family member** while contained in any auto not owned, but being operated, by you or any **family member**.
- D. I. **“Uninsured motor vehicle”** means a land motor vehicle or trailer of any type,
1. To which no liability bond or policy applies at the time of the accident,
  2. Which is a hit and run vehicle whose operator or owner cannot be identified and which hits:
    - a. you or any **family member**;
    - b. a vehicle which you or any **family member** are **occupying**; or
    - c. **your covered auto**.
  3. To which a liability bond or policy applies at the time of the accident but the bonding or insuring company:
    - a. denies coverage; or
    - b. is or becomes insolvent.
  4. Which is an underinsured motor vehicle. An underinsured motor vehicle is one to which a liability bond or policy applies at the time of the accident but its limit of liability either:
    - a. is not enough to pay the full amount the **covered person** is legally entitled to recover as damages; or
    - b. has been reduced by payment of claims to an amount which is not enough to pay the full amount the **covered person** is legally entitled to recover as damages.
- II. However, **“uninsured motor vehicle”** does not include any vehicle or equipment:
1. Owned by or furnished or available for the regular use of you or any **family member**.
  2. Owned or operated by a self-insurer under any applicable motor vehicle law.
  3. Owned by any governmental body unless:
    - a. the operator of the vehicle is uninsured; and
    - b. there is no statute imposing liability for damage because of bodily injury or **property damage** on the governmental body for an amount not less than the limit of liability for this coverage.
  4. Operated on rails or crawler treads.
  5. Designed mainly for use off public roads while not on public roads.
  6. While located for use as a residence or premises.

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## EXCLUSIONS

- A. We do not provide Uninsured/Underinsured Motorists Coverage for any person:
1. For bodily injury sustained while **occupying**, or when struck by, any motor vehicle or trailer of any type owned by you or any **family member** which is not insured for this coverage under this policy.
  2. If that person or the legal representative settles the claim without our written consent.
  3. When **your covered auto** is:
    - a. being used to carry another person for a fee or for which expense reimbursement is to be paid; this does not apply to a share-the-expense car pool;
    - b. being used to carry property for a fee or for a business; this does not apply to a share-the-expense car pool;
    - c. the person or driver of a covered auto is logged on to a transportation network company's digital network or is engaged in a prearranged drive as described in Chapter 1954 of the Texas Insurance Code; or
    - d. rented or leased to another; this does not apply if you or any family member lends your covered auto to another for reimbursement of operating expenses only.
  4. For the first \$250 of the amount of damage to the property of that person as the result of any one accident.
  5. Using a vehicle without a reasonable belief that the person is entitled to do so. This exclusion (A.5.) does not apply to you or any **family member** while using **your covered auto**.
  6. For bodily injury or **property damage** resulting from the intentional acts of that person.

- B. This coverage shall not apply directly or indirectly to benefit:

1. Any insurer or self-insurer under any workers' compensation, disability benefits or similar law;
2. Any insurer of property.

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**LIMIT OF LIABILITY**

- A. I. If separate limits of liability for bodily injury and **property damage** liability are shown in the Declarations for this coverage the limit of liability for each person for bodily injury liability is our maximum limit of liability for all damages for bodily injury sustained by any one person in any one motor vehicle accident. Subject to this limit for "each person", the limit of liability shown in the Declarations for each accident for bodily injury liability is our maximum limit of liability for all damages for bodily injury resulting from any one motor vehicle accident. The limit of liability shown in the Declarations for each accident for **property damage** liability is our maximum limit of liability for all damages to all property resulting from any one motor vehicle accident. If the limit of liability shown in the Declarations for this coverage is for combined bodily injury and **property damage** liability, it is our maximum limit of liability for all damages resulting from any one motor vehicle accident.
- This is the most we will pay regardless of the number of:
- a. **Covered persons**;
  - b. Claims made;
  - c. Policies or bonds applicable;
  - d. Vehicles or premiums shown in the Declarations; or
  - e. Vehicles involved in the accident.
- II. Subject to this maximum, our limit of liability will be the lesser of:
- a. The difference between the amount of a **covered person's** damages for bodily injury or **property damage** and the amount paid or payable to that **covered person** for such damages, by or on behalf of persons or organizations who may be legally responsible; and
  - b. The applicable limit of liability for this coverage.
- B. In order to avoid insurance benefits payments in excess of actual damages sustained, subject only to the limits set out in the Declarations and other applicable provisions of this coverage, we will pay all covered damages not paid or payable under any workers' compensation law, disability benefits law, any similar law, auto medical expense coverage or Personal Injury Protection Coverage.
- C. Any payment under this coverage to or for a **covered person** will reduce any amount that person is entitled to recover for the same damages under the Liability Coverage of this policy.

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**OTHER INSURANCE**

- A. If there is other applicable similar 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. However, any insurance
- We** provide with respect to a vehicle you do not own shall be excess over any other collectible insurance.
- B. For any **property damage** to which the Coverage for Damage to Your Auto of this policy (or similar coverage from another policy) and this coverage both apply, you may choose the coverage from which damages will be paid. You may recover under both coverages, but only if:
1. Neither one by itself is sufficient to cover the loss;
  2. You pay the higher deductible amount (but you do not have to pay both deductibles); and
  3. You will not recover more than the actual damages.

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**PART D – COVERAGE FOR DAMAGE TO YOUR AUTO**

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<b>INSURING AGREEMENT</b>	<p>A. We will pay for direct and accidental loss to <b>your covered auto</b>, including its equipment less any applicable deductible shown in the Declarations. However, we will pay for loss caused by <b>collision</b> only if the Declarations indicate that Collision Coverage is provided.</p> <p>B. <b>“Collision”</b> means the upset, or <b>collision</b> with another object of <b>your covered auto</b>. However, loss caused by the following are not considered <b>“collision”</b>:</p> <table border="0"> <tr> <td>1. Missiles or falling objections;</td><td>6. Hail, water or flood;</td></tr> <tr> <td>2. Fire;</td><td>7. Malicious mischief or vandalism;</td></tr> <tr> <td>3. Theft or larceny;</td><td>8. Riot or civil commotion;</td></tr> <tr> <td>4. Explosion or earthquake;</td><td>9. Contact with bird or animal; or</td></tr> <tr> <td>5. Windstorm;</td><td>10. Breakage of glass.</td></tr> </table> <p>If breakage of glass is caused by a <b>collision</b> or if loss is caused by contact with a bird or animal, you may elect to have it considered a loss caused by <b>collision</b>.</p>	1. Missiles or falling objections;	6. Hail, water or flood;	2. Fire;	7. Malicious mischief or vandalism;	3. Theft or larceny;	8. Riot or civil commotion;	4. Explosion or earthquake;	9. Contact with bird or animal; or	5. Windstorm;	10. Breakage of glass.
1. Missiles or falling objections;	6. Hail, water or flood;										
2. Fire;	7. Malicious mischief or vandalism;										
3. Theft or larceny;	8. Riot or civil commotion;										
4. Explosion or earthquake;	9. Contact with bird or animal; or										
5. Windstorm;	10. Breakage of glass.										
<b>TRANSPORTATION EXPENSES</b>	<p>In addition, we will pay up to \$20 per day, to a maximum of \$600 for transportation expenses incurred by you. This applies only in the event of the total theft of <b>your covered auto</b>. We will pay only transportation expenses incurred during the period:</p> <ol style="list-style-type: none"> <li>1. Beginning 48 hours after the theft; and</li> <li>2. Ending when <b>your covered auto</b> is returned to use or we pay for its loss.</li> </ol>										

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**EXCLUSIONS** We will not pay for:

1. Loss to **your covered auto** while it is:
  - a. being used to carry another person for a fee or for which expense reimbursement is to be paid; this does not apply to a share-the-expense car pool;
  - b. being used to carry property for a fee or for a business; this does not apply to a share-the-expense car pool;
  - c. the person or driver of a covered auto is logged on to a transportation network company's digital network or is engaged in a prearranged drive as described in Chapter 1954 of the Texas Insurance Code; or
  - d. rented or leased to another; this does not apply if you or any **family member** lends **your covered auto** to another for reimbursement of operating expenses only.
2. Damage due and confined to:
  - a. wear and tear;
  - b. freezing;
  - c. mechanical or electrical breakdown or failure; or
  - d. road damage to tires.This exclusion (2.) does not apply if the damage results from the total theft of **your covered auto**.
3. Loss due to or as a consequence of:
  - a. radioactive contamination;
  - b. discharge of any nuclear weapon (even if accidental);
  - c. war (declared or undeclared);
  - d. civil war;
  - e. insurrection; or
  - f. rebellion or revolution.
4. Loss to stereos, radios, and other sound reproducing equipment. This exclusion (4.) does not apply if the equipment is permanently installed in **your covered auto**.
5. Loss to tapes, records or other devices for use with equipment designed for the reproduction of sound.
6. Loss to a camper body or **trailer** not shown in the Declarations. This exclusion (6.) does not apply to a camper body or **trailer** you:
  - a. acquire during the policy period; and
  - b. notify us within thirty days after you become the owner.
7. Loss to any vehicle while used as a temporary substitute for a vehicle you own which is out of normal use because of its:
  - a. breakdown;
  - b. repair;
  - c. servicing;
  - d. loss; or
  - e. destruction.
8. When in or upon any **trailer**, loss to:
  - a. TV antennas;
  - b. awnings or cabanas; or
  - c. equipment designed to create additional living facilities.
9. Loss to any of the following or their accessories:
  - a. citizens band radio;
  - b. two-way mobile radio;
  - c. telephone;
  - d. scanning monitor receiver; or
  - e. any device or instrument used for detection of radar or other speed measuring equipment.This exclusion (9.) does not apply if the equipment is permanently installed in the opening of the dash or console of the auto. This opening must be normally used by the auto manufacturer for the installation of a radio.
10. Loss to any custom furnishings or equipment in or upon any pickup or van. Custom furnishings or equipment include but are not limited to:

- a. special carpeting and insulation, furniture, bars or television receivers;
- b. facilities for cooking and sleeping;
- c. height-extending roofs; or
- d. custom murals, paintings or other decals or graphics.

This exclusion (10.) does not apply if the value of the custom furnishings or equipment has been reported to us prior to a loss and included in the premium for this coverage.

- 11. Loss due to or as a consequence of a seizure of **your covered auto** by federal or state law enforcement officers as evidence in a case against you by the Texas Controlled Substances Act or the federal Controlled Substances Act if you are convicted in such case.

<b>LIMIT OF LIABILITY</b>	<p>Our limit of liability for loss will be the lesser of the:</p> <ul style="list-style-type: none"> <li>1. <b>Actual cash value</b> of the stolen or damaged property;</li> <li>2. Amount necessary to repair or replace the property with other of like kind and quality; or</li> <li>3. Amount stated in the Declarations of this policy.</li> </ul> <p>The most we will pay for loss to equipment listed in Exclusion 4. is \$1500. Our payment for loss will be reduced by any applicable deductible shown in the Declarations.</p> <p>At the mutual agreement of you and us, we will not apply the applicable deductible for a glass loss if the glass is repaired rather than replaced.</p>
<b>PAYMENT OF LOSS</b>	<p>We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:</p> <ul style="list-style-type: none"> <li>1. You; or</li> <li>2. The address shown in this policy.</li> </ul> <p>If we return stolen property, we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.</p>
<b>NO BENEFIT OF BAILEE</b>	<p>This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.</p>
<b>OTHER INSURANCE</b>	<p><b>A.</b> 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.</p> <p><b>B.</b> For any loss to which Uninsured/Underinsured Motorists Coverage (from this or any other policy) and this coverage both apply, you may choose the coverage from which damages will be paid.</p> <p>You may recover under both coverages, but only if:</p> <ul style="list-style-type: none"> <li>1. Neither one by itself is sufficient to cover the loss;</li> <li>2. You pay the higher deductible amount (but you do not have to pay both deductibles); and</li> <li>3. You will not recover more than the actual damages.</li> </ul>
<b>APPRAISAL</b>	<p>If we and you 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 <b>actual cash value</b> and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:</p> <ul style="list-style-type: none"> <li>1. Pay its chosen appraiser; and</li> <li>2. Bear the expenses of the appraisal and umpire equally.</li> </ul> <p>We do not waive any of our rights under this policy by agreeing to an appraisal.</p>
<b>PART E – DUTIES AFTER AN ACCIDENT OR LOSS</b>	



<b>GENERAL DUTIES</b>	<p><b>A.</b> We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses. If we show that your failure to provide notice prejudices our defense, there is no liability coverage under the policy.</p> <p><b>B.</b> A person seeking any coverage must:</p> <ol style="list-style-type: none"> <li>1. Cooperate with us in the investigation, settlement or defense of any claim or suit.</li> <li>2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.</li> <li>3. Submit, as often as we reasonably require, to physical exams by physicians we select. We will pay for these exams.</li> <li>4. Authorize us to obtain: <ol style="list-style-type: none"> <li>a. medical records which are reasonably related to the injury or damage asserted; and</li> <li>b. other pertinent records.</li> </ol> </li> <li>5. When required by us: <ol style="list-style-type: none"> <li>a. submit a sworn proof of loss;</li> <li>b. submit to examination under oath. A parent or guardian may be present during an examination of a minor.</li> </ol> </li> </ol> <p><b>C.</b> Within 15 days after we receive your written notice of claim, we must:</p> <ol style="list-style-type: none"> <li>1. acknowledge receipt of the claim. If our acknowledgment of the claim is not in writing, we will keep a record of the date, method and content of our acknowledgment.</li> <li>2. begin any investigation of the claim.</li> <li>3. specify the information you must provide in accordance with paragraph B. above. We may request more information, if during the investigation of the claim such additional information is necessary.</li> </ol> <p><b>D.</b> After we receive the information we request we must notify you in writing whether the claim will be paid or has been denied or whether more information is needed:</p> <ol style="list-style-type: none"> <li>1. within 15 <b>business days</b>; or</li> <li>2. within 30 days if we have reason to believe the loss resulted from arson.</li> </ol> <p><b>E.</b> If we do not approve payment of your claim or require more time for processing your claim, we must:</p> <ol style="list-style-type: none"> <li>1. give the reasons for denying your claim, or</li> <li>2. give the reasons we require more time to process your claim. But, we must either approve or deny your claim within 45 days after our requesting more time.</li> </ol> <p><b>F.</b> In the event of a weather-related catastrophe or major natural disaster, as defined by the Texas Department of Insurance, the claim-handling deadlines as stated above are extended for an additional 15 days.</p> <p><b>G.</b> Loss Payment</p> <ol style="list-style-type: none"> <li>1. If we notify you that we will pay your claim, or part of your claim, we must pay within 5 <b>business days</b> after we notify you.</li> <li>2. If payment of your claim or part of your claim requires the performance of an act by you, we must pay within 5 <b>business days</b> after the date you perform the act.</li> </ol> <p><b>H.</b> Notice of Settlement of Liability Claim</p> <ol style="list-style-type: none"> <li>1. We will notify you in writing of any initial offer to compromise or settle a claim against you under the liability section of this policy. We will give you notice within 10 days after the date the offer is made.</li> <li>2. We will notify you in writing of any settlement of a claim against you under the liability section of this policy. We will give you notice within 30 days after the date of the settlement.</li> </ol>
<b>ADDITIONAL DUTIES FOR UNINSURED/ UNDERINSURED MOTORISTS COVERAGE</b>	<p>A person seeking Uninsured/Underinsured Motorists Coverage must also:</p> <ol style="list-style-type: none"> <li>1. Promptly notify the police if a hit and run driver is involved;</li> <li>2. Promptly send us copies of the legal papers if a suit is brought;</li> <li>3. Take reasonable steps after loss, at our expense, to protect damaged property from further loss; and</li> <li>4. Permit us to inspect and appraise the damaged property before its repair or disposal.</li> </ol>
<b>ADDITIONAL DUTIES FOR COVERAGE FOR DAMAGE TO YOUR AUTO</b>	<p>A person seeking Coverage for Damage to Your Auto must also:</p> <ol style="list-style-type: none"> <li>1. Take reasonable steps after loss, to protect <b>your covered auto</b> and its equipment from further loss. We will pay reasonable expenses incurred to do this;</li> <li>2. Promptly notify the police if <b>your covered auto</b> is stolen; and</li> <li>3. Permit us to inspect and appraise the damaged property before its repair or disposal.</li> </ol>

<b>PART F – GENERAL PROVISIONS</b>	
<b>BANKRUPTCY</b>	Bankruptcy or insolvency of the <b>covered person</b> shall not relieve us of any obligation under this policy.
<b>CHANGES</b>	<p>A. This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.</p> <p>B. If a change requires a premium adjustment, we will adjust the premium as of the effective date of change in accordance with rules prescribed by the Texas Department of Insurance or its successor. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:</p> <ol style="list-style-type: none"> <li>1. The number, type or use classification of the insured autos;</li> <li>2. Operators using insured autos;</li> <li>3. The place of principal garaging of insured autos;</li> <li>4. Coverage, deductible or limits.</li> </ol> <p>C. If this policy form is revised to provide more coverage without additional premium charge, we will automatically provide the additional coverage as of the date the revision is effective.</p> <p>D. We will compute the premium at the rates in effect on each anniversary date of the policy's inception date for a policy written for more than a full year.</p>
<b>LEGAL ACTION AGAINST US</b>	<p>A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Liability Coverage, no legal action may be brought against us until:</p> <ol style="list-style-type: none"> <li>1. We agree in writing that the <b>covered person</b> has an obligation to pay; or</li> <li>2. The amount of that obligation has been finally determined by judgment after trial.</li> </ol> <p>B. No person or organization has any right under this policy to bring us into any action to determine the liability of a <b>covered person</b>.</p>
<b>OUR RIGHT TO RECOVER PAYMENT</b>	<p>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 do:</p> <ol style="list-style-type: none"> <li>1. Whatever is necessary to enable us to exercise our rights; and</li> <li>2. Nothing after loss to prejudice them.</li> </ol> <p>(A release of the insurer of an underinsured motor vehicle does not prejudice our rights.) However, our rights in this paragraph do not apply under Part D, against any person using <b>your covered auto</b> with a reasonable belief that person is entitled to do so.</p> <p>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:</p> <ol style="list-style-type: none"> <li>1. Hold in trust for us the proceeds of the recovery; and</li> <li>2. Reimburse us to the extent of our payment. (However, we may not claim the amount recovered from an insurer of any underinsured motor vehicle.)</li> </ol>
<b>POLICY PERIOD AND TERRITORY</b>	<p>A. This policy applies only to accidents and losses which occur:</p> <ol style="list-style-type: none"> <li>1. During the policy period as shown in the Declarations; and</li> <li>2. Within the policy territory.</li> </ol> <p>B. The policy territory is:</p> <ol style="list-style-type: none"> <li>1. The United States of America, its territories or possessions;</li> <li>2. Puerto Rico; or</li> <li>3. Canada.</li> </ol> <p>This policy also applies to loss to, or accidents involving, <b>your covered auto</b> while being transported between their ports.</p>
<b>TERMINATION</b>	<p>A. <b>Cancellation.</b> This policy may be cancelled during the policy periods as follows:</p> <ol style="list-style-type: none"> <li>1. The named insured shown in the Declarations may cancel by:</li> </ol>

- a. returning this policy to us; or
  - b. giving us advance written notice of the date cancellation is to take effect.
- 2. We may cancel by mailing at least 10 days notice to the named insured shown in the Declarations at the address shown in this policy.
- 3. After this policy is in effect for 60 days or if this is a renewal or continuation policy, we will cancel only:
  - a. if you submit a fraudulent claim; or
  - b. for nonpayment of premium; or
  - c. if your driver license or motor vehicle registration or that of:
    - (1) any driver who lives with you; or
    - (2) any driver who customarily uses **your covered auto**
 has been suspended or revoked. However, we will not cancel if you consent to the attachment of an endorsement eliminating coverage when **your covered auto** is being operated by the driver whose license has been suspended or revoked.
- 4. We may not cancel this policy based solely on the fact that you are an elected official.
- B. Non-renewal.** If we decide not to renew or continue this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 60 days before the end of the policy period. If the policy period is other than 1 year, we will have the right not to renew or continue it only at each anniversary of its original effective date. We will not refuse to renew because of a **covered person's** age. We may not refuse to renew this policy based solely on the fact that you are an elected official.
- C. Notice of Failure to Cooperate:** We will notify you if any insured fails or refuses to cooperate with us in the investigation, settlement, or defense of a third-party liability claim or action or if we are unable to contact the insured.
- D. Nonrenewal for Failure to Cooperate:** After we notify you, if the insured continues to fail or refuse to cooperate in the third-party liability claim, then we will not renew this policy at the end of the policy period. We will not renew this policy regardless of other required notices and even if it is not your policy's anniversary.
- E. Automatic Termination.** If, at any time, you obtain other insurance on **your covered auto**, any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance. If we offer to renew or continue and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- F. Other Termination Provisions**
  - 1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
  - 2. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund no later than the 15th day after the effective date of termination or cancellation. The premium refund, if any, will be computed pro rata, subject to the policy minimum premium. However, making or offering to make the refund is not a condition of cancellation.
  - 3. The effective date of cancellation stated in the notice shall become the end of the policy period.
  - 4. Any cancellation or restriction of coverage made without your consent will be of no effect, except as
    - a. provided for in this Termination provision under:
      - (1) Cancellation;
      - (2) Non-renewal; or
      - (3) Automatic Termination; or
    - b. required by the Texas Department of Insurance.

#### TRANSFER OF YOUR INTEREST IN THIS POLICY

- A.** Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:
  - 1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations.
  - 2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.
- B.** Coverage will be provided until the end of the policy period. NOTE: Refer to Medical Payments and/or Personal Injury Protection Coverages for Assignment of Benefits.

**TWO OR MORE  
AUTO  
POLICIES**

If this policy and any other auto insurance policy issued to you by us apply to the same accident, the maximum limit of our liability under all the policies shall not exceed the highest applicable limit of liability under one policy

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### **SPECIAL PROVISIONS**



**This Company is licensed to operate under Chapter 912, Texas Insurance Code, and such statutes shall apply to and form a part of this policy the same as if written or printed upon, attached or appended hereto.**

This policy is issued subject to the constitution and bylaws and all amendments thereto of the company, which shall form a part of this policy.

**MUTUALS – MEMBERSHIP AND VOTING NOTICE –** The insured is notified that by virtue of this policy, he is a member of the Redpoint County Mutual Insurance Company and is entitled to vote either in person or by proxy at any and all meetings of said Company. The Annual Meetings are held in its Home Office in Austin, Texas, on the first Tuesday of March in each year, at 10:00 o'clock A.M.

**MUTUALS – PARTICIPATION CLAUSE WITHOUT CONTINGENT LIABILITY –** No Contingent Liability: This policy is non-assessable. The policyholder is a member of the Company and shall participate, to the extent and upon the conditions fixed and determined by the Board of Directors in accordance with the provisions of law, in the distribution of dividends so fixed and determined.

**In Witness Whereof**, the company has caused this policy to be executed and attested.

  
\_\_\_\_\_  
Christopher A. McClellan  
\_\_\_\_\_  
J. Andrew Thomas

## **IMPORTANT NOTICE**

### **NON-RENEWALS FOR NOT-AT-FAULT ACCIDENTS OR CLAIMS (28 TAC §5.7016)**

We may not use any of the following types of accidents or claims as the only reason for refusing to renew your personal auto policy:

- 1 A claim involving damage from a weather-related incident that does not involve a collision (some examples being hail, flood, tornado, winds or hurricanes);
- 2 an accident or claim involving damage by contact with an animal or a fowl;
- 3 an accident or claim involving damage caused by flying gravel, missiles or falling objects; however, if you have three of these losses in any 36-month period, we may increase your deductible to the higher of \$250 or the next available deductible increment higher than your present deductible amount, at your renewal date;
- 4 a claim under towing and labor protection; however, if you have four claims of this type in any 36-month period, we have the option of eliminating this coverage from your policy;
- 5 any other not-at-fault accident or claim unless there are two or more of these accidents or claims in any 12-month period.

"Refusal to renew" means our refusal to renew your personal auto policy in the same company which originally issued the policy.

To the extent of any possible conflict between this notice and the Texas Administrative Code (28TAC §5.7016), the latter will be controlling.

**The following endorsements apply only if indicated on the Declarations page.**

## **525. FOREIGN MADE AND DISCONTINUED MAKES OF AUTO – LIMITING COVERAGE FOR DAMAGE TO YOUR AUTO**

You agree that Coverage for Damage to your Auto is amended to include the following additional exclusion:

Expenses or losses arising from the unavailability of stock repair parts or repair service in the vicinity where loss to the auto occurs or the stolen auto is recovered.

## **571A. FINANCIAL RESPONSIBILITY CERTIFICATION (SR-22 Filings)**

For the additional premium shown in the Declarations of the policy we certify this policy as proof of financial responsibility as required by the Texas Motor Vehicle Safety Responsibility Act. If this policy is cancelled or terminated, we will give written notice to the Texas Department of Public Safety in accordance with the provisions of the Texas Motor Vehicle Safety Responsibility Act prior to the date of such cancellation or termination.

**THE BELOW ENDORSEMENTS CHANGE THE POLICY. PLEASE READ IT CAREFULLY.**

### **RCM.UDE.2016 UNLISTED DRIVER ENDORSEMENT**

The parties agree to the following amendment to the policy:

Part D-Coverage for Damage to your Auto is amended by adding the following to the Insuring Agreement:

If a covered collision loss occurs while your covered auto is being driven by a resident of your household other than you or a person listed on the Declarations page as a covered driver, the deductible applicable to that loss shall be \$2,500.

### **RCM CLEE 2021 – CONTRACTUAL LIABILITY EXCLUSION ENDORSEMENT**

This endorsement adds the following provision to subsection A to the EXCLUSIONS section in **PART A - LIABILITY COVERAGE** of your Texas Personal Auto Policy:

9. For liabilities assumed solely under a contract. This exclusion does not apply to liability arising from the use of **a temporary vehicle** by **you** or a non-excluded member of your household.

### **RCM FME 2016 – FRAUD OR MISREPRESENTATION ENDORSEMENT**

This policy includes the Declarations Page and the amendments. This policy also includes the application and the endorsements. The statements that you made while you were applying for coverage are representations. To determine your premium and eligibility for coverage under this policy, we relied on the representations that you made when you applied for coverage. If you omitted material facts or made material misrepresentations that are fraudulent, false, misleading or affect the acceptance of the risk by us, we may void this policy. We may void this policy if you engaged in fraudulent conduct while applying for coverage under this policy in accordance with Texas Insurance Code Chapter 705, Subchapter A. Even following an accident or loss, we may still void this policy for fraud or where there was a material misrepresentation of fact by you while you were applying for any coverage under this policy, or through any notice of change that you gave under this policy in accordance with Texas Insurance Code Chapter 705, Subchapter A. In such a case, we will not be liable for any claims that would otherwise be covered in the absence of the fraud or material misrepresentation. If we are not allowed to void this policy, any first-party claims will be reduced by the amount of any other premium owed to us. We reserve the right to recover from you any payments made as a result of your fraud. Any statements you made or will make in a notification of change to your policy are also considered representations and are subject to the provisions set out above.

**This endorsement :**

(1) Adds the following provision to subparagraph A to the TERMINATION section in **PART F - GENERAL PROVISIONS** of your Texas Personal Auto Policy:

5. We may terminate your policy and void your coverage in the event of your fraud or material misrepresentation of fact(s) in establishing, amending or renewing the policy or in relation to the adjustment of a claim.

(2) Adds the following provision to the OUR RIGHT TO RECOVER PAYMENT section in **PART F - GENERAL PROVISIONS** of your Texas Personal Auto Policy:

- C. We may recover from you any claim payment made to you where the claim was paid as a result of your fraud or material misrepresentation of fact(s) in establishing, amending or renewing the policy or in relation to the adjustment of a claim.

## RCM.SE.2016 – STORAGE ENDORSEMENT

In the event that your covered auto requires storage following an accident, you must authorize us to have it moved to a facility of our choice at our expense.

This endorsement adds the following provision to subparagraph B in the GENERAL DUTIES Section of **PART E - DUTIES AFTER AN ACCIDENT OR LOSS** of your Texas Personal Auto Policy: 6. Authorize us to move a damaged vehicle at our expense to a storage facility of our choice

## RCM.VDE.2020 VIRUS AND DISEASE EXCLUSION ENDORSEMENT

*This endorsement changes your policy. Please read it carefully and keep it with your policy.*

The following section is added to **PART F – GENERAL PROVISIONS** of your policy. This change applies to all coverage under all forms and endorsements that comprise your policy, including, but not limited to, all endorsements that modify this same coverage part.

### **NO COVERAGE FOR LIABILITY, LOSS, OR DAMAGE FROM VIRUS OR DISEASE**

We do not cover any person's:

liability for bodily injury or property damage under **PART A – LIABILITY COVERAGE**;

medical or funeral expenses under **PART B1 – MEDICAL PAYMENTS COVERAGE**;

direct or accidental loss to **your covered auto** under **PART D – COVERAGE FOR DAMAGES TO YOUR AUTO**

which, in whole or in part, consists of, arises out of, is caused, directly or indirectly, or aggravated by, or results from any disease, virus, bacterium, parasite, or other microorganism that can be transmitted from one human to another or from animal to human, including without limitation:

1. any venereal disease;
2. Herpes;
3. Acquired Immune Deficiency Syndrome (AIDS);
4. Human Immunodeficiency Virus (HIV);
5. any coronavirus (including but not limited to COVID-19) or any mutant variation thereof; and
6. any type of influenza (including, but not limited to, avian or bird flu) or any mutant variation thereof.

*All other provisions of your policy apply.*

## RCM.DE.2016 DRIVER EXCLUSION ENDORSEMENT

This acknowledgement and rejection is applicable to all renewals issued by us. However, we must provide a notice with each renewal as follows: "This policy contains a named driver exclusion."

You agree that none of the insurance coverages afforded by this policy shall apply while an excluded operator is operating your insured auto or any other motor vehicle. You further agree that this Driver Exclusion endorsement (Form RCM.DE.2016) will also serve as a rejection of Uninsured/Underinsured Motorist Coverage and Personal Injury Protection Coverage while your insured auto or any other motor vehicle is operated by the excluded driver.

## RCM.PIPR.2016 PERSONAL INJURY PROTECTION COVERAGE REJECTION FORM

As required by Section 1952.152 of the Texas Insurance Code, I have been given the opportunity to purchase Personal Injury Protection Coverage.

☐

I hereby reject Personal Injury Protection Coverage. I understand that this rejection also applies to all future renewals, reinstatements or replacements of my automobile insurance policy. I also understand that I may have this coverage added to my policy at any future date.

## RCM.UMCR.2016 UNINSURED/UNDERINSURED MOTORIST COVERAGE REJECTION FORM

As required by Section 1952.101 of the Texas Insurance Code, I have been given the opportunity to purchase Uninsured/Underinsured Motorist Bodily Injury Coverage and Uninsured/Underinsured Motorist Property Damage Coverage.

☐

I hereby reject Uninsured/Underinsured Motorist Bodily Injury Coverage. I understand that this rejection also applies to all future renewals, reinstatements or replacements of my automobile insurance policy. I also understand that I may have this coverage added to my policy at any future date.

☐

I hereby reject Uninsured/Underinsured Motorist Property Damage Coverage. I understand that this rejection also applies to all future renewals, reinstatements or replacements of my automobile insurance policy. I also understand that I may have this coverage added to my policy at any future date.



## RCM.AD.2016 Accidental Death coverage

**THE FOLLOWING ENDORSEMENT APPLIES ONLY IF FORM NUMBER RCM.AD.2016 APPEARS ON YOUR POLICY DECLARATIONS.**

### Insuring Agreement

In return for your premium payment, we agree with you as follows: we will pay the limit of liability shown on the Declarations Page in the event of the death of a **covered person**. Such death must result from **bodily injury** caused by an accident involving a vehicle. The death must occur within one year from the date of the accident.

### Additional Definitions:

When used in this Part:

**Covered Person** means you, a relative or resident.

**Vehicle** means a motor vehicle having more than three load-bearing wheels. It must be of a kind requiring registration under the laws of the state. It also must be a motor vehicle designed primarily for operation upon the public streets, roads and highways, and driven by power other than muscular power. **Vehicle** includes a trailer drawn by or attached to such a motor vehicle.

### Exclusions

We do not provide Accidental Death Benefits for any person who has an;

1. Accidental death while in or on a motorcycle, moped, motorized bicycle or similar two-wheeled vehicle, or all-terrain motorized **vehicle** having two, three, or four wheels.
2. Accidental death while in or on the insured **auto** when it is being used to carry persons or property for a fee, including rental of the insured auto to others. This exclusion does not apply to a shared expense car pool.
3. Accidental death while in or on any **vehicle** used as a residence or premises.
4. Accidental death while operating any **vehicle** other than the insured auto, which is owned by or furnished for regular use of any **covered person**.
5. Accidental death while in or on a **vehicle** without the express or implied permission of the owner.
6. Accidental death while in or on a **vehicle** when it is being used in the business of a **covered person**.
7. Accidental death while in or on a **vehicle** when it is being used in any **auto** business.
8. Accidental death caused by the discharge of a nuclear weapon (even if accidental),
9. Accidental death from war (declared or undeclared), civil war, insurrection, rebellion or revolution or any consequence of any of these.
10. Accidental death from any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
11. Accidental death while the **vehicle** is used for racing.
12. Accidental death where the accident occurs and arises out of the use of a motor **vehicle** while the **covered person** is in the commission of a crime.

### Limit of Liability

Regardless of the number of **covered persons**, policies or bonds applicable, claims made or the insured **autos** to which this coverage applies, the limit of our liability under Accidental Death Benefit Coverage is the limit of liability shown on the Declarations page per **covered person**.

### other insurance

When the accidental death is sustained by a relative or resident, benefits payable under this endorsement are reduced by any other similar valid and collectible insurance, including death benefits under any No-Fault law if issued by us for the **covered person**.

### Policy Provisions

Part F - General Provisions applies to this coverage

## RCM.RR.2016 RENTAL REIMBURSEMENT

**THE FOLLOWING ENDORSEMENT APPLIES ONLY IF FORM NUMBER RCM.RR.2016 APPEARS ON YOUR POLICY DECLARATIONS.**

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. We will pay 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:

**your covered auto** is withdrawn from use for more than twenty-four (24) hours; and 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 **your covered auto** has been deemed a total **loss**, or

3. when we pay for the **loss**, or
4. thirty (30) days.

## RCM.TAL.2016 TOWING AND LABOR

**THE FOLLOWING ENDORSEMENT APPLIES ONLY IF FORM NUMBER RCM.TAL.2016 APPEARS ON YOUR POLICY DECLARATIONS.**

*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. We will pay for towing and labor costs incurred each time **your covered auto** is disabled, other than being disabled due to a **loss** under **Collision** and **Other than collision** coverage. Coverage for labor is provided under the conditions that: the labor must be performed at the place of disablement; and the disablement does not occur at your residence.

## RCM.MLC.2016 MEXICO COVERAGE-LIMITED ENDORSEMENT

***Warning -- Read This Endorsement Carefully!***

Auto accidents in Mexico are subject to the laws of Mexico only—NOT the laws of the United States of America. Unlike the United States, the Republic of Mexico considers an auto accident a CRIMINAL OFFENSE as well as a civil matter.

In some cases, the coverage under this endorsement may NOT be recognized by Mexican authorities and the company may not be allowed to implement this coverage at all in Mexico. You should consider purchasing auto coverage from a licensed Mexican Insurance Company before driving into Mexico.

This endorsement does not apply to trips into Mexico that exceed 25 miles beyond the border of the United States of America.

The coverages for your covered auto provided by this policy are extended to accidents occurring in Mexico within 25 miles of the United States border. The extension only applies for infrequent trips into Mexico that do not exceed ten (10) days each trip.

"Infrequent trips" means less than five (5) trips in any calendar month.

### Additional Exclusion

We do not provide any coverage:

1. If your covered auto is not principally garaged and used in the United States; and
2. To any insured who does not live in the United States.

### Special Conditions

1. Other Insurance. The insurance we provide by the endorsement will be excess over any other collectible insurance.
2. Losses Payable Under Coverage for Damage to Your Auto. We will pay losses under Coverage for Damage to Your Auto in the United States, not in Mexico. If your covered auto must be repaired in Mexico in order to be driven, we will not pay more than the actual cash value of such loss at the nearest United States point where the repairs can be made.

## RCM.LP.2016 LOSS PAYEE ENDORSEMENT

Loss or damage under Coverage for Damage to Your Auto shall be paid as interest may appear to you and the loss payee shown in the Declarations. This insurance covering the interest of the loss payee shall not become invalid because of your fraudulent acts or omissions, unless the loss results from your conversion, secretion, or embezzlement of **your covered auto**. However, we reserve the right to cancel the policy as permitted by policy terms and the cancellation shall terminate this agreement as to the loss payee's interest. We will give the same advance notice of cancellation to the loss payee as we give to the named insured shown in the Declarations.

When we pay the loss payee we shall, to the extent of payment, be subrogated to the loss payee's rights of recovery.



## PRIVACY STATEMENT

### To Redpoint Policy Holders

Redpoint County Mutual Insurance Company values you as a customer and respects your right of privacy. We want to assure you that we have taken steps and will continue to take steps to maintain and safeguard your information. This privacy policy summarizes and describes our efforts to meet this objective. In this notice, you will discover what information we collect, how we use it, and how we protect it from unauthorized access.

### Security

Redpoint recognizes the importance of respecting the privacy of our policyholders and applicants. We have established physical, electronic and procedural protections to ensure that your personal information is kept confidential in accordance with this privacy policy. We want to assure you that any information that we gather is used strictly to affect, administer or enforce a transaction requested or authorized by you. Furthermore, we also restrict access to your personal information within our organization to those employees who need the information to service your account.

### Information We Collect

We collect personal information about you and all policy-holders from the following sources:

- ☐ Information you gave us or your agent when submitting an application for one or more policies of insurance;
- ☐ Information from companies within Redpoint;
- ☐ Depending on the product requested and in order to verify your information and properly underwrite your request, we may obtain information from consumer reporting agencies (including credit information), medical providers, and/or others.

### How We Use Your Information

We use your information within Redpoint for the following reasons:

- ☐ To protect you. The information we maintain about you and your policies of insurance help identify you and help protect you against unauthorized access to your information.
- ☐ To provide service. Your information helps us respond to your inquiries more efficiently.
- ☐ To improve and develop our products and services. Every policy we offer is designed to protect you and/or your property. The information we gather is analyzed and processed in order to provide you with a superior product at a reasonable price.

### Information We Disclose

When we disclose your information to companies outside our group, we do so only for specific purposes as permitted by law. Accordingly, when we disclose information, we require companies to which we disclose your information to maintain and protect its confidentiality. We may disclose information to the following types of outside companies or entities:

- ☐ Independent contractors, such as technical system consultants, who program our software or maintain our systems to help us administer our products for you.
- ☐ Governmental or quasi-governmental entities, such as state insurance departments, guaranty funds or rate advisory organizations.
- ☐ Companies whom we have retained to provide services on our behalf or companies we have retained to administer your policy or account. For instance, we may provide a body shop or contractor your name and address to hasten the repair process.

Some insurers release personal information to non-affiliated third parties that provide marketing support for products and services other than those offered by that insurer. Redpoint does not. If we change our policy, we will give you a supplemental notice with instructions on how you may opt out of this information sharing.

### Questions ?

We value you as a customer and policyholder. *If you have any concerns about our privacy policy, you are entitled to access your personal information that we possess or can reasonably retrieve. This information can be obtained from your agent or directly from us. However, before we respond to a request by or through your agent, you must provide a signed and notarized request indicating that we can provide such information to your agent. All information requests must contain your policy number.*

This Privacy Statement describes our privacy practices for both current and former policyholders. We will provide one copy of this notice to joint policy or contract holders; please share this information with everyone covered by your policy.

# Consumer Bill of Rights

## Personal Automobile Insurance

AVISO: Este document es un resumen de sus derechos como asegurado. Usted tiene el derecho a llamar a su compañía y pedir una copia de estos derechos en español.

### What is the Bill of Rights?

This Bill of Rights is a summary of your rights and does not become a part of your policy. The Texas Department of Insurance (TDI) adopted the Bill of Rights and requires insurance companies to provide you a copy when they issue your policy.

Texas law gives you certain rights regarding your personal automobile insurance. This Bill of Rights identifies your rights specified by rule or by state statute, but it does not include all of your rights. Also, some exceptions to the rights are not listed here. Legislative or regulatory changes to statutes or rules may affect your rights as an insured. If your agent, company, or adjuster tells you that one of these rights does not apply to you, contact TDI's Consumer Protection Program at 1-800-252-3439, by mail at Mail Code 111-1A, P.O. Box 149091, Austin, TX 78714-9091, or by email at [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov). For a list of the specific law(s) and/or rules(s) summarized in each item of this Bill of Rights, or if you have questions or comments, contact the Office of Public Insurance Counsel (OPIC) at 1-877-611-6742, by mail at 333 Guadalupe, Suite 3-120, Austin, TX 78701, or visit the OPIC website at [www.opic.state.tx.us](http://www.opic.state.tx.us).

The Bill of Rights does not address your responsibilities. Your responsibilities concerning your insurance can be found in your policy. Failure to meet your obligations may affect your rights.

### Getting information from the Department of Insurance and your insurance company

1. **INFORMATION FROM TDI.** You have the right to call TDI free of charge at 1-800-252-3439 to learn more about:
  - your rights as an insurance consumer;
  - the license status of an insurance company or agent;
  - the financial condition of an insurance company;
  - the complaint ratio and type of consumer complaints filed against an insurance company;
  - use of credit information by insurance companies, including which insurance companies use it and access to each company's credit scoring model;
  - an insurance company's rates filed with the state;
  - an insurance company's underwriting guidelines (subject to exemptions in the Public Information Act, also known as the Open Records Act); and
  - other consumer concerns.

You can also find some of this information on the TDI website at [www.tdi.texas.gov](http://www.tdi.texas.gov).

At [www.helpinsure.com](http://www.helpinsure.com), Texans can find more detailed information on their current and prospective insurers. TDI, in conjunction with OPIC, maintains this website to help

Texans shop for residential property insurance and personal automobile insurance. For companies writing in Texas that are in the top 25 company groups nationally, the site also includes:

- a list of insurers by county and/or ZIP code;
- detailed contact information for each insurer;
- sample rates and a brief history of increases and/or decreases in the rates;
- policy form comparisons;
- a list of policy forms, exclusions, endorsements, and discounts offered by each insurer; and
- non-confidential disciplinary actions against each insurer.

### 2. INFORMATION FROM YOUR INSURANCE COMPANY.

You have the right to a toll-free number to call your insurance company free of charge with questions or complaints. You can find this number on a notice accompanying your policy. This requirement does not apply to small insurance companies.

### What you should know before you buy insurance

3. **PROHIBITED STATEMENTS.** Your insurance company or agent is prohibited from making false, misleading, or deceptive statements to you relating to insurance.

4. **EXCESS LIMITS.** An insurer or agent cannot require you to purchase liability limits greater than the minimum limits required by law or require you to purchase other types of coverage as a condition of offering or renewing insurance. The current minimum limits are 30/60/25, which references the maximum amount the policy will pay for each accident: \$30,000 per person for a bodily injury claim /\$60,000 for all bodily injury claims combined /\$25,000 for property damage claims per accident.

NOTE: Texas law requires that automobile insurance policies include personal injury protection (PIP) and uninsured motorist protection (UM/UIM) unless you reject these coverages in writing. Also, as a condition of your automobile loan, your lender may require you to purchase other types of coverages, such as collision or comprehensive coverage, to pay for any damage to your vehicle.

5. **CREDIT INFORMATION.** An insurance company cannot deny you insurance solely on the basis of credit information. Insurers who use credit information must also consider other underwriting factors independent of credit information when deciding whether to offer coverage. (For additional information see section of this Bill of Rights titled *What you should know about insurance companies' use of credit information.*)

6. **SAFETY NET.** You have the right to buy minimum liability, personal injury protection, and uninsured motorist insurance through the Texas Automobile Insurance Plan Association, also known as TAIPA, if you have been denied coverage by two insurance companies.

**7. PAYMENT PLANS.** You may have the right to pay your automobile insurance premium in installments. Insurance companies will charge a fee for each installment.

- 8. ELECTRONIC PAYMENTS.** If you authorize your insurer to withdraw your premium payments directly from your financial institution, your insurer cannot increase the amount withdrawn unless:
- the insurer notifies you by U.S. mail of the increase in premium at least 30 days prior to its effective date; and
  - you do not notify the insurer that you object to the increase in the amount to be withdrawn at least 5 days prior to the increase.

The notice provided by the insurer must include a toll-free number, a mailing address and an email address (if applicable), through which you can contact the insurer to object to the increase.

NOTE: This does not apply to premium increases specifically scheduled in the original policy, to increases based on policy changes you request, or to an increase that is less than \$10 or 10 percent of the previous month's payment.

- 9. NOTICE OF REDUCED COVERAGE.** If an insurer uses an endorsement to reduce the amount of coverage provided by your policy, the insurer must give you a written explanation of the change made by the endorsement. The insurer must provide the explanation not later than the 30<sup>th</sup> day before the effective date of the new or renewal policy. An insurance company cannot reduce coverage during the policy period unless you request the change. If you request the change, the company is not required to provide notice.

**10. EXPLANATION OF DENIAL.** Upon request, you have the right to be told in writing why you have been denied coverage. The written statement must fully explain the decision, including the precise incidents, circumstances, or risk factors that disqualified you. It must also state the sources of information used.

NOTE: The obligation to provide a written explanation applies to insurance companies directly. An independent agent does not have a specific duty to quote the lowest possible rate to a consumer or to provide a written statement explaining why the agent did not offer the consumer the lowest possible rate.

- 11. RATE DIFFERENTIAL WITHIN A COUNTY.** If an insurance company subdivides a county for the purpose of charging different rates for each subdivision, the difference between the lowest and the highest rate cannot exceed 15 percent unless actuarially justified.

- 12. RIGHT TO PRIVACY.** You have the right to prevent an insurance company, agent, adjuster, or financial institution from disclosing your personal financial information to companies that are not affiliated with the

insurance company or financial institution. Some examples are income, social security number, credit history, and premium payment history.

If you apply for a policy, the insurance company or financial institution must notify you if it intends to share financial information about you and give you at least 30 days to refuse. This refusal is called "opting out." If you buy a policy, the insurance company or financial institution must tell you what information it collects about you and whether it intends to share any of the information, and give you at least 30 days to opt out. Agents and adjusters who intend to share your information with anyone other than the insurance company or financial institution must give you similar notices.

You can opt out at any time. Your decision to opt out remains in effect unless you revoke it.

The protections do not apply to information:

- publicly available elsewhere;
- insurance companies or financial institutions are required by law to disclose; or
- insurance companies or financial institutions must share in order to conduct ordinary business activities.

#### **What you should know about cancellation and non-renewal**

**Cancellation** means that before the end of the policy period the insurance company:

- terminates the policy;
- reduces or restricts coverage under the policy; or
- refuses to provide additional coverage to which you are entitled under the policy.

The **policy period** is shown on the declarations page at the front of your policy.

- 13. LIMITATION ON CANCELLATION.** After your initial policy with your company has been in effect for 60 days, that insurance company cannot cancel your policy unless:

- you don't pay your premium when due;
- you file a fraudulent claim;
- your driver's license or car registration is revoked or suspended;
- the driver's license of any household resident or person who customarily drives a covered auto is suspended or revoked. If you agree to exclude coverage for that person, the insurance company cannot cancel your policy for this reason; or
- TDI determines continuation of the policy would result in violation of insurance laws.

- 14. NOTICE OF CANCELLATION.** To cancel your policy, your insurance company must mail notice at least 10 days prior to the effective date of the cancellation. Your policy may provide for even greater notice.



**15. POLICYHOLDER'S RIGHT TO CANCEL.** You have the right to cancel your policy at any time and receive a refund of the remaining premium. The refund will be paid to you unless your premium was financed through a premium finance company. In that case, the refund will be paid to the premium finance company to reduce the amount you owe on your loan.

**16. CHANGE IN MARITAL STATUS.** If your marital status changes, you have the right to continue your insurance coverage. You have a right to a new policy in your name that has coverages which most nearly approximate the coverages of your prior policy, including the same expiration date. The insurance company cannot date the new policy so that a gap in coverage occurs.

**17. NOT-AT-FAULT CLAIMS.** Your insurance company cannot refuse to renew your policy solely because of any of the following types of claims:

- claims involving damage from a weather-related incident that does not involve a collision, like damage from hail, wind, or flood;
- accidents or claims involving damage by contact with animals or fowls;
- accidents or claims involving damage caused by flying gravel or flying objects; however, if you have three of these claims in a three-year period, the insurance company may raise your deductible on your next renewal date;
- towing and labor claims; however, once you have made four of these claims in a three-year period, the company may eliminate this coverage from your policy on your next renewal date; and
- any other accident or claim that was not your fault unless you have two or more of these claims or accidents in a one-year period.

**18. USE OF AGE TO NONRENEW.** Your insurance company cannot refuse to renew your policy based solely on the age of any person covered by the policy. This includes placing you in a higher priced company or requiring a named driver exclusion for a teenager who reaches driving age.

**19. USE OF CREDIT INFORMATION TO NONRENEW.** An insurance company cannot refuse to renew your policy solely on the basis of credit information. Insurers who use credit information must also consider other underwriting factors independent of credit information when deciding whether to renew coverage. (For additional information see the section of this Bill of Rights titled *What you should know about insurance companies' use of credit information*.)

**20. LENGTH OF POLICY TERM.** If the term of your insurance policy is less than one year, your insurance company must renew that policy until it has been in effect for one year. Your insurance company may only refuse to renew your policy effective on the anniversary of the policy's original effective date. For instance, if your policy was originally effective on January 1, Year 1, the insurance company must renew your policy to provide

coverage until January 1, Year 2, and thereafter, may only refuse to renew your policy effective January 1 of any subsequent year.

**21. NOTICE OF NONRENEWAL.** If the insurance company does not mail you notice of nonrenewal at least 30 days before your policy expires, you have the right to require the insurance company to renew your policy.

**22. EXPLANATION OF CANCELLATION OR NON-RENEWAL.** Upon request, you have the right to a written explanation of an insurance company's decision to cancel or non-renew your policy. The written statement must fully explain the decision, including the precise incidents, circumstances, or risk factors that disqualified you. It must also state the sources of information used.

#### **What you should know when you file a claim**

**23. FAIR TREATMENT.** You have the right to be treated fairly and honestly when you make a claim. If you believe an insurance company has treated you unfairly, call the Department of Insurance at 1-800-252-3439 or download a complaint form from the TDI website at [www.tdi.texas.gov](http://www.tdi.texas.gov). You can complete a complaint form on-line via the Internet or fax it to TDI at 512-490-1007.

**24. SETTLEMENT OFFER.** You have the right to reject any settlement amount, including any unfair valuation, offered by the insurance company. If you reject a settlement offer, your options include continuing to negotiate with the insurer or pursuing legal remedies, such as mediation, arbitration, or filing a lawsuit.

**25. EXPLANATION OF CLAIM DENIAL.** Your insurance company must tell you in writing why your claim or part of your claim was denied.

**26. TIME FRAMES FOR CLAIM PROCESSING AND PAYMENT.** When you file a claim on your own policy, you have the right to have your claim processed and paid promptly. If the insurance company fails to meet required claims processing and payment deadlines, you have the right to collect 18 percent annual interest and attorney's fees in addition to your claim amount.

Generally, within **15 calendar days**, your insurance company must acknowledge receipt of your claim and request any additional information reasonably related to your claim. Within **15 business days** after receipt of all requested information, the company must approve or deny your claim in writing. The law allows the insurance company to extend this deadline up to **45 days** if it notifies you that more time is needed and tells you why.

After notifying you that your claim is approved, your insurance company must pay the claim **within 5 business days**.

If your claim results from a weather-related catastrophe or other major natural disaster as defined by TDI, these

claims handling deadlines are extended for an additional 15 days.

**27. CHOICE OF REPAIR SHOP AND REPLACEMENT PARTS.** You have the right to choose the repair shop and replacement parts for your vehicle. An insurance company may not specify the brand, type, kind, age, vendor, supplier, or condition of parts or products used to repair your automobile. The insurance company must provide you notice of the above requirements as follows:

- claims submitted by telephone – written notice within 3 business days or immediate verbal notice, followed by written notice within 15 days;
- claims submitted in person – immediate written notice at the time you present your vehicle to an insurer or an insurance adjuster or other person in connection with a claim for damage repair; or
- claims submitted in writing – written notice must be provided within 3 business days of the insurance company's receipt of the notice.

**28. DEDUCTIBLE RECOVERY.** If another person is liable for damage to your auto and you filed a claim and paid a deductible on your own policy, your insurance company must make a reasonable and diligent effort to recover the deductible from that person within 12 months from the date your claim is paid. If not, your company must:

- authorize you, at least 90 days prior to the expiration of the statute of limitations, to pursue your own collection efforts, or
- refund your deductible.

**29. NOTICE OF LIABILITY CLAIM SETTLEMENT.** Your insurance company must notify you if it intends to pay a liability claim against your policy. The company must notify you in writing of an initial offer to compromise or settle a claim against you no later than the 10<sup>th</sup> day after the date the offer is made. The company must notify you in writing of any settlement of a claim against you no later than the 30<sup>th</sup> day after the date of the settlement.

**30. INFORMATION NOT REQUIRED FOR CLAIM PROCESSING.** You have the right to refuse to provide your insurance company with information that does not relate to your claim. In addition, you may refuse to provide your federal income tax records unless your insurer gets a court order or your claim involves lost income or a fire loss.

#### **What you should know about prohibited discrimination**

**31. PROTECTED CLASSES.** An insurance company cannot discriminate against you by refusing to insure you; limiting the amount, extent or kind of coverage available to you; charging you a different rate for the same coverage; or refusing to renew your policy:

- because of race, color, religion, or nation origin; or

unless justified by actual or anticipated loss experience, because of age, gender, marital status, geographic location, or disability or partial disability.

**32. UNDERWRITING GUIDELINES.** Underwriting guidelines may not be unfairly discriminatory and must be based on sound actuarial principles.

**33. EQUAL TREATMENT.** Unless based on sound actuarial principles, an insurance company may not treat you differently from other individuals of the same class and essentially the same hazard. If you sustain economic damages as a result of such unfair discrimination, you have the right to sue that insurance company in Travis County District Court.

If your suit prevails, you may recover economic damages, court costs and attorney and necessary expert witness fees. If the court finds the insurance company knowingly violated your rights, it may award up to an additional \$25,000 per claimant.

You must bring the suit on or before the second anniversary of the date you were denied insurance or the unfair act occurred or the date you reasonably should have discovered the occurrence of the unfair act. If the court determines your suit was groundless and you brought the lawsuit in bad faith, or brought it for the purposes of harassment, you will be required to pay the insurance company's court costs and attorney fees.

#### **What you should know about insurance companies' Use of credit information**

**34. REQUIRED DISCLOSURE.** If an insurance company uses credit information to make underwriting or rating decisions, the company must provide you a disclosure statement with 10 days after receiving your completed application for insurance.

The disclosure indicates whether the insurer will obtain and use your credit information and lists your specific legal rights, including:

- credit information insurance companies cannot use against you;
- how you can get reasonable exceptions that your insurer is required to make to its use of credit information if certain life events, such as divorce, death of a close family member, or identity theft, hurt your credit;
- the notice\* an insurer must send you when making a credit-based decision that harms your ability to get or keep insurance or requires you to pay a higher premium; and

- how you can dispute credit information and require an insurer to re-rate your policy if the rate was increased because of inaccurate or unverifiable credit information.

\*The notice must include a description of up to four primary factors that influenced the action taken by the insurer.

Insurers must use the disclosure form (CD-1) adopted by the commissioner or an equivalent disclosure form filed prior to use with TDI. The CD-1 is available at [www.tdi.texas.gov/forms/pcpersonal/pc328crtds.pdf](http://www.tdi.texas.gov/forms/pcpersonal/pc328crtds.pdf) or by calling 1-800-252-3439.

Additional information regarding insurers' use of credit information is available at [www.tdi.texas.gov/credit/credit/html](http://www.tdi.texas.gov/credit/credit/html).

### What you should know about enforcing your rights

**35. FILING YOUR COMPLAINTS.** You have the right to complain to TDI about any insurance company and/or insurance matter and to receive a prompt investigation and response to your complaint. To do so, you should:

- call TDI's **Consumer Help Line** at 1-800-252-3439 for service in both English and Spanish;
- write to the Texas Department of Insurance, Consumer Protection, Mail Code 111-1A, P.O. Box 149091, Austin, Texas 78714-9091;
- email TDI at [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov);
- fax your complaint to 512-490-1007;
- download or complete a complaint form online from the TDI website at [www.tdi.texas.gov](http://www.tdi.texas.gov); or
- call the TDI Publications/Complaint Form order line at 1-800-599-SHOP (7467). The order line is available 24 hours a day, seven days a week.

**NOTE:** TDI offers interpreter services and publications in alternate formats. Persons needing more information in alternate layouts or languages can call the *TDI Consumer Help Line* listed above.

**36. RIGHT TO SUE.** If an insurance company violates your rights, you may be able to sue that company in court, including small claims court, with or without an attorney.

**37. BURDEN OF PROOF.** If you sue to recover under your insurance policy, the insurance company has the burden of proof as to any application of an exclusion in the policy and any exception to or other avoidance of coverage claimed by the insurer.

**38. REQUESTING NEW RULES.** You have the right to ask in writing that TDI make or change rules on any automobile insurance issue that concerns you. Send your written request to: Texas Department of Insurance, Attn: Commissioner (113-2A), P.O. Box 149104, Austin, TX 78714-9104.