

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMENDMENT OF POLICY PROVISIONS – CALIFORNIA**

**SCHEDULE**

Waiver Of Collision Deductible	
Description Of Your Covered Auto	Premium
	\$
	\$
	\$

**NOTICE**

Throughout this policy, the term spouse includes an individual registered under California law as a domestic partner of the "named insured" shown in the Declarations.

**I. Definitions**

**A.** The following is added to the **Definitions** Section:

Throughout the policy, "minimum limits" refers to the following limits of liability, as required by California law, to be provided under a policy of automobile liability insurance:

1. \$15,000 for each person, subject to \$30,000 for each accident, with respect to "bodily injury"; and
2. \$5,000 for each accident with respect to "property damage".

**B.** Definition **F.** is replaced by the following:

"Family member" means a person related to you by blood, marriage, registered domestic partnership under California law or adoption who is a resident of your household. This includes a ward or foster child.

**II. Part A – Liability Coverage**

Part **A** is amended as follows:

**A.** The following exclusion is added:

We do not provide Liability Coverage for any "insured" for "bodily injury" to you or any "family member" whenever the ultimate benefits of that indemnification accrue directly or indirectly to you or any "family member".

**B.** The **Other Insurance** Provision is replaced by the following:

**OTHER INSURANCE**

If there is other applicable liability insurance:

1. Any insurance we provide for a vehicle you do not own, including any vehicle while used as a temporary substitute for "your covered auto", shall be excess over any other collectible insurance. However, any insurance we provide for a vehicle you do not own will be primary insurance if the vehicle is insured under a policy affording coverage to a named insured engaged in the "business" of:
  - a. Selling;
  - b. Repairing;
  - c. Servicing;
  - d. Delivering;
  - e. Testing;
  - f. Road testing;
  - g. Parking; or
  - h. Storing;

- a. Selling;
- b. Repairing;
- c. Servicing;
- d. Delivering;
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- f. Road testing;
- g. Parking; or
- h. Storing;

motor vehicles. This applies only if an "insured":

- (1) Is operating the vehicle; and
- (2) Is neither the person engaged in such "business" nor that person's employee or agent.

2. Any insurance we provide for a vehicle you own shall be excess to that of:

a. A person engaged in the "business" of:

- (1) Selling;
- (2) Repairing;
- (3) Servicing;
- (4) Delivering;
- (5) Testing;
- (6) Road testing;
- (7) Parking; or
- (8) Storing;

motor vehicles, if the accident occurs while the vehicle is being operated by that person or that person's employee or agent; or

b. An owner, tenant or lessee of premises on which loss arising out of the loading or unloading of the vehicle occurs.

3. We will pay only our share of:

a. The loss. Our share of the loss is the proportion that our limit of liability bears to the total of all applicable limits.

b. Defense costs if both primary and excess policies of liability insurance apply to the loss. Our share of defense costs is the proportion that the amount of damages paid by us bears to the total amount of damages paid under all applicable policies of liability insurance.

### III. Part D – Coverage For Damage To Your Auto

The following provision is added to Part D:

#### WAIVER OF COLLISION DEDUCTIBLE

When there is a loss to "your covered auto" insured for Collision Coverage under this policy, we will pay the full Collision deductible if:

1. The loss involves an "uninsured motor vehicle", as the term is defined in Items 1. and 4. of the "uninsured motor vehicle" definition in the Uninsured Motorists Coverage Endorsement;
2. You are legally entitled to recover the full amount of the loss from the owner or operator of the "uninsured motor vehicle"; and
3. A specific premium charge in the Schedule or in the Declarations indicates that the Waiver Of Collision Deductible Provision applies to that vehicle.

Subject to the above, if you are legally entitled to recover only a percentage of the loss, we will pay that percentage of your deductible. However, if the amount of the loss is less than your deductible, we will pay the percentage of the loss you are legally entitled to recover.

In no event will we pay more than the amount of the loss.

The **Arbitration and Duties After An Accident Or Loss** Provisions in the Uninsured Motorists Coverage Endorsement apply to the **Waiver Of Collision Deductible** Provision.

### IV. Part F – General Provisions

Part F is amended as follows:

A. The **Our Right to Recover Payment** Provision is amended as follows:

#### OUR RIGHT TO RECOVER PAYMENT

Paragraph A. of this provision does not apply to Part B.

B. The **Termination** Provision is amended as follows:

#### TERMINATION

1. Section 3. of Paragraph A. **Cancellation** is replaced by the following:

After this policy is in effect for 60 days, or if this is a renewal or continuation policy, we will cancel only:

- a. For nonpayment of premium; or
- b. If your driver's license 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. This must have occurred:

- (1) During the policy period; or
- (2) 60 days prior to the most recent renewal or effective date of the policy and we had no notice of such suspension or revocation.

However, with respect to a suspended driver's license, such cancellation will not become effective if the suspension is removed prior to the time that the cancellation of the policy is to become effective; or

- c. If the policy was obtained through material misrepresentation of any of the following information, and the correct information is not furnished to us within 20 days of receipt of notice of cancellation:
- (1) Safety record;
  - (2) Annual miles driving in prior years;
  - (3) Number of years of driving experience;
  - (4) Record of prior automobile insurance claims, if any; or
  - (5) Any other factor found by the Commissioner of Insurance to have a substantial relationship to the risk of loss.

2. Paragraph **B. Nonrenewal** is replaced by the following:

**Nonrenewal**

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 30 days before the end of the policy period. Subject to this notice requirement, if the policy period is:

1. Less than 6 months, we will have the right not to renew or continue this policy every 6 months, beginning 6 months after its original effective date.
2. 6 months or longer, but less than one year, we will have the right not to renew or continue this policy at the end of the policy period.

3. 1 year or longer, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

3. Section 2. of Paragraph **D. Other Termination Provisions** is replaced by the following:

**Other Termination Provisions**

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

- C. The following provision is added:

If the Limited Mexico Coverage Endorsement is attached to this policy, the following warning applies:

**WARNING**

Unless you have automobile insurance written by a Mexican insurance company, you may spend many hours or days in jail, if you have an accident in Mexico. Insurance coverage should be secured from a company licensed under the laws of Mexico to write insurance in order to avoid complications and some other penalties possible under the laws of Mexico, including the possible impoundment of your automobile.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.