

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF WASHTENAW

ANGELA PERRY
and MICHAEL PETERSON,
individually and on behalf
of all others similarly situated,

Plaintiffs,

v.

PROGRESSIVE MICHIGAN INSURANCE CO.,
A Michigan corporation, and
PROGRESSIVE MARATHON INSURANCE CO.,
A Michigan corporation,

Defendants.

CASE NO.: 2022- CK
22-000971-CK
Hon. JUDGE ARCHIE C.
BROWN
CLASS ACTION

Two civil actions between other parties arising out of the same occurrence alleged in the complaint have been previously filed in this Court, where they were given case numbers 19-741-CK and 22-408-CK and were assigned to Judge Timothy P. Connors. The actions remain pending.

CLASS ACTION COMPLAINT AND JURY DEMAND

Plaintiffs Angela Perry (“Perry”) and Michael Peterson (“Peterson”) (collectively, “Plaintiffs”) on behalf of themselves and all others similarly situated, file this Class Action Complaint against Progressive Marathon Insurance Company (“Progressive Marathon”) and Progressive Michigan Insurance Company (“Progressive Michigan”) (collectively “Progressive” or “Defendants”), and in support thereof state the following:

NATURE OF THE ACTION

1. This is a class action lawsuit by Plaintiffs, the named insureds under Progressive automobile policies issued for private-passenger auto physical damage including comprehensive and collision coverage, which requires payment of “Actual Cash Value” or “ACV.” Plaintiffs bring claims for breach of contract and declaratory relief.

2. Defendants are large private-passenger auto insurance carriers operating in Michigan. Progressive Marathon alone has 15.05% of the market share for private-passenger auto insurance in Michigan According to the National Association of Insurance Commissioners (“NAIC”). NAIC 2017 Market Share Reports https://www.naic.org/prod_serv/MSR-PB-18.pdf at 349 (last visited March 19, 2019). One of the coverages Progressive offers is comprehensive and collision coverage. Upon information and belief, Progressive systematically underpaid not just Plaintiffs, but thousands of other putative Class members, amounts Progressive owed their insureds for ACV losses for total loss vehicles insured with comprehensive and collision coverage.

3. This lawsuit is brought by the Plaintiffs, individually and on behalf of all other similarly situated insureds, who suffered damages due to Defendants’ practice of refusing to pay full ACV payments or full total loss payments (“FTLP”) to first-party total loss insureds on physical damage policies (“Policies”) containing comprehensive and collision coverages. Specifically, as a matter of policy, Progressive fail to include sales tax, title transfer and vehicle registration fees (“Tax, Title, and Registration Fees”) in its calculation of ACV when paying FTLP to its insureds.

4. The failure to pay Tax, Title, and Registration Fees to first-party total losses owed to the Progressive insureds pursuant to the policy language is a breach of the policy and constitutes a breach of contract as to Plaintiffs and each putative class member.

PARTIES, JURISDICTION, AND VENUE

5. This is an action asserting class claims for damages and declaratory relief pursuant to MCR 3.501.

6. The amount in controversy exceeds \$25,000, exclusive of interest, costs, and attorneys' fees. Plaintiffs do not currently know if the total amount in controversy exceeds \$5 million.

7. At all times material hereto, Perry is and was domiciled in Macomb County, Michigan, and is a citizen of the State of Michigan.

8. At all times material hereto, Peterson is and was domiciled in Gogebic County, Michigan, and is a citizen of the State of Michigan.

9. At all times material hereto, Progressive Michigan is and was a Michigan corporation, authorized to transact and regularly transacting insurance business in the State of Michigan, with its principal place of business in the State of Ohio.

10. At all times material hereto, Progressive Marathon is and was a Michigan corporation, authorized to transact and regularly transacting insurance business in the State of Michigan, with its principal place of business in the State of Ohio.

11. This Court has general and limited personal jurisdiction over Progressive pursuant to MCL § 600.711, MCL § 600.715, and MCL § 600.745, because Defendants entered into the contracts at issue with Plaintiffs in Michigan, Defendants carry on a continuous and systematic part of their general business in Michigan, Defendants transact business in Michigan. Defendants are also incorporated in Michigan.

12. Further, venue is proper in this Court because Progressive has a place of business in and regularly conducts business in Washtenaw County.

13. This case is not removable to federal court because Plaintiffs, and all putative class members, and Defendants are citizens of Michigan. In addition, neither Plaintiffs nor any member of the class assert any claim based on any federal question.

FACTUAL ALLEGATIONS

14. Defendants' standardized policy language as to collision and comprehensive coverage for ACV of total loss vehicles is present in every Progressive auto policy issued by Defendants in Michigan that provide for collision and comprehensive coverage.

15. The policy language used in Policies issued by Progressive is standardized in all relevant and material ways.

16. At all times material hereto, Plaintiff Perry owned a 2009 Pontiac G6 Sedan, VIN # 1G2ZG57B894153582 ("Perry's Insured Vehicle").

17. At all times material hereto, Perry insured Perry's Insured Vehicle under an insurance policy issued by Progressive Michigan. *See* Perry Insurance Policy and Declarations Page, attached as Exhibit A.

18. On or about February 13, 2022, Perry's Insured Vehicle was involved in an accident. As a result of said accident, Perry filed a claim for property damage with Progressive Michigan, claim number 22-4311575-01.

19. Following the filing of said claim, Progressive Michigan determined that Perry's Insured Vehicle was a total loss with a base value of \$4,731.35. Progressive Michigan applied a "condition adjustment" of \$321.13 resulting in a "Net Settlement" of \$4,495.22, which did not include any amount for Tax, Title, and Registration Fees. *See* Perry Settlement Summary, attached as Exhibit B.

20. From the "Net Settlement" of \$4,495.22, Progressive Michigan then subtracted the deductible of \$100.00. Thus, the Total Settlement was in the amount of \$4,395.22, which Progressive paid to Perry. *See* Ex. B.

21. Progressive Michigan's failure to include amounts for Tax, Title, and Registration Fees in its payment of \$4,395.22 constituted a breach of its insurance policy.

22. At all times material hereto, Plaintiff Peterson owned a 2008 Toyota Tundra VIN # 5TFDV54158X068431 ("Peterson's Insured Vehicle").

23. At all times material hereto, Peterson insured Peterson's Insured Vehicle under an insurance policy issued by Progressive Marathon. *See* Peterson Insurance Policy and Declarations Page, attached Exhibit C.

24. On or about March 28, 2022, Peterson's Insured Vehicle was involved in an accident. As a result of said accident, Peterson filed a claim for property damage with Progressive Marathon, claim number 22-6273946-01.

25. Following the filing of said claim, Progressive Marathon determined that Peterson's Insured Vehicle was a total loss with a base value of \$13,186.97. Progressive Marathon applied a "condition adjustment" of \$1,062.19, resulting in a "Net Settlement" of \$12,259.78, which did not include any amount for Tax, Title, and Registration Fees. *See* Settlement Summary, attached as Exhibit D.

26. From the "Net Settlement" of \$12,259.78, Progressive Marathon then subtracted the deductible of \$500.00. Thus, the Total Settlement was in the amount of \$11,759.78, which Progressive paid to Peterson. *See* Ex. D.

27. Progressive Michigan's failure to include amounts for Tax, Title, and Registration Fees in its payment of \$11,759.78 constituted a breach of its insurance policy.

28. Sales tax is a mandatory cost that must be paid to replace any vehicle in the State of Michigan. Michigan sales tax is assessed in the amount of 6% of the purchase price.

29. Tax, Title, and Registration Fees are mandatory applicable fees that must be paid to replace any vehicle in the State of Michigan.

30. Michigan law requires that all vehicles be properly titled in order to be legally driven on Michigan roadways.

31. Michigan law requires that all vehicles have proper registration in order to be legally driven on Michigan roadways.

32. Plaintiffs were owed, at minimum, 1) title transfer fees and registration fees, plus 2) tag transfer fees, plus 3) sales tax in an amount equal to 6% of the base vehicle value, all of which comprise Tax, Title, and Registration Fees.

33. Plaintiffs paid all premiums owed and otherwise satisfied all conditions precedent such that their insurance policies were in effect and operational at the time of the accidents.

THE PROGRESSIVE INSURANCE POLICY

34. Progressive's insurance policy under the section entitled "Part IV, Damage to a Vehicle," states that "we will pay for sudden, direct and accidental loss to a: 1. **covered auto** . . . resulting from a **collision.**" *Exs. A and C* p. 17 (emphasis in original) (collectively referred to as the "Policy"). The section also covers comprehensive coverage, stating "we will pay for sudden, direct and accidental loss to a: 1. **covered auto** . . . that is not caused by a **collision.**" *id.* at p. 18 (emphasis in original).

35. "'**Collision**' means the upset of a vehicle or its impact with another vehicle or object." *Id.* at p. 21 (emphasis in original).

36. "Comprehensive" coverage means that Defendant will pay for any non-excluded loss other than collision to the covered auto. The Policy includes a non-exhaustive list of what "A loss not caused by **collision** includes." *Id.* at p. 18 (emphasis in original).

37. In the same section, under a provision entitled “Limits of Liability,” the Policy states that the “limit of liability for loss... is the lowest of:

- a. the actual cash value of the stolen or damaged property at the time of the loss reduced by the applicable deductible;
- b. the amount necessary to replace the stolen or damaged property reduced by the applicable deductible;
- c. the amount necessary to repair the damaged property to its pre-loss condition reduced by the applicable deductible; or
- d. the Stated Amount shown on the **declarations page** for that **covered auto**.

Id. at p. 23–24. (emphasis in original).

38. ACV is not defined in the Policy.

39. There is no difference, for purposes of the duty to pay ACV on a first-party total loss claim, between a collision total loss claim and a comprehensive total loss claim.

40. Clearly then, the policy language does not further define ACV as including: (1) any provision excluding Tax, Title, and Registration Fees from ACV; (2) any provision deferring payment of the ACV Tax, Title, and Registration Fees for any purpose whatsoever; (3) any provision requiring an insured to obtain a replacement vehicle; (4) any provision requiring the insured to first obtain a replacement vehicle as a condition precedent to receiving ACV Tax, Title, and Registration Fees; or (5) any provision linking the amount of ACV Tax, Title, and Registration Fees to a particular replacement vehicle and the corresponding Tax, Title, and Registration Fees on said replacement vehicle.

41. The policy language applies to all covered autos irrespective of ownership interests - whether owned, financed or leased, insured autos are considered a “covered-auto” for purposes of the policy. *Id.* at p. 1.

PAYMENT OF MANDATORY TAXES AND FEES

42. Michigan law is clear that courts cannot limit the scope of a term, if it is not defined in the policy, to a narrow definition that benefits the insurer; in fact, if policy language is susceptible to more than one reasonable interpretation, it is construed in the light that would grant coverage, *i.e.*, to the benefit of the insured and against the insurer. *See State Farm Mut. Automobile Ins. Co v Enterprise Leasing Co.*, 549 NW2d 345 (Mich. 1996).

43. Michigan law requires payment of sales tax on vehicle purchases, and requires vehicles to be legally titled and registered, for which Michigan imposes mandatory fees.

44. Progressive's Policies promise to provide the costs of replacement, including Tax, Title, and Registration Fees, and that such costs will be determined at the time of loss. No policy provision provides exclusion for such costs nor conditions payment on vehicle replacement.

45. Progressive's promise to pay ACV necessarily includes sales tax equal to a percentage of the base value and mandatory transfer fees. Progressive fails to actually make such payment to total loss insureds as a uniform and standard policy.

CLASS ALLEGATIONS

46. Plaintiffs bring this class action pursuant to MCR 3.501 on behalf of themselves and the following class ("Class") of similarly situated persons:

All people insured by Progressive and whose insurance covers a vehicle with private-passenger physical damage coverage for comprehensive or collision loss who made a first party claim that was adjusted by Progressive as a total loss and who received an actual cash value payment from Progressive that did not include Tax, Title, and/or Registration Fees, within the six years prior to the date on which this lawsuit was filed until the date of any certification order.

47. Plaintiffs reserve the right to modify or amend the definition of the proposed Class.

48. Excluded from the Class is Progressive, including any parent, subsidiary, affiliate, or controlled person of Progressive; Progressive's officers, directors, agents, or employees; the judicial officers assigned to this litigation; and members of their staffs and immediate families.

A. Numerosity

49. Although the precise number of Class members is unknown to Plaintiffs at this time and can only be determined through appropriate discovery, Plaintiffs believe that because Progressive is amongst the largest motor vehicle insurers in the State of Michigan and writes millions of dollars of private-passenger physical damage coverage premiums, the class of persons affected by Progressive's unlawful practice consists of thousands of individuals or the class of persons affected are otherwise so numerous that joinder of all class members is impractical. The unlawful practice alleged herein is a standardized and uniform practice, employed by Progressive pursuant to standardized insurance policy language, and results in the retention by Progressive of insurance benefits properly owed to Plaintiffs and the Class members. The class definition will permit the court to reasonably ascertain whether any individual or entity is a member of the Class as any individual who is an insured of Progressive in the class period and received an ACV that did not include Vehicle Title and Registration Fees will be a member of the class.

50. Upon information and belief, Progressive uniformly fails to pay Tax, Title, and Registration Fees in total loss cases. Accordingly, the Class consists of many thousands, if not tens of thousands, of Progressive's insureds who were not paid in violation of their insurance policies. Thus, pursuant to MCR 3.501(A)(1)(a), the large size of the Class renders the Class so numerous that joinder of all individual members is impracticable.

B. Commonality

51. Common questions of law and fact predominate in this matter because Progressive's conduct towards the members of the Class is identical. Progressive uniformly fails to pay Tax, Title, and Registration Fees in total loss cases.

52. Progressive shares a common interest with all members of the putative Class in the objects of the action and the relief sought.

53. Progressive satisfies MCR 3.501(A)(1)(b)'s commonality requirement because her claims arise from a practice which Progressive applies uniformly to all of the similarly situated Class members and are based on the same legal theories as all other members of the putative Class, that failing to pay Tax, Title, and Registration Fees in total loss cases violates the uniform insurance Policies. Because Progressive's conduct was uniform as to all Class members, the material elements of Plaintiffs' claims and those of absent Class members are subject to common proof, and the outcome of Plaintiffs' individual actions will be dispositive for the Class. The common questions include, but are not limited to, the following: (a) whether, under the Progressive's standardized policy language, Plaintiffs and the Class members are owed Tax, Title, and Registration Fees as part of ACV upon the total loss of an insured vehicle; (b) whether Progressive has breached its insurance contracts with Plaintiffs and the class members by failing to pay Tax, Title, and Registration Fees as part of ACV upon the total loss of an insured vehicle.

C. Typicality

54. Pursuant to MCR 3.501(A)(1)(c), Plaintiffs' claims are typical of the claims of all other members of the Class because all such claims arise from the Progressive's failure to pay Tax, Title, and Registration Fees on total loss claims of insured vehicles.

55. Plaintiffs' and Class members' legal claims arise from the same core practices, namely, the failure to pay full ACV, including Tax, Title, and Registration Fees, for first-party total loss claims. The material facts underlying the claims of each putative class member are the same material facts as those supporting the Plaintiffs' claims alleged herein and require proof of the same material facts.

D. Adequacy

56. Plaintiffs can and will adequately represent the putative class and their interests are common to, and coincident with, those of all absent Class members. By proving their, Plaintiffs will necessarily prove the claims of the putative class and prove Defendant's liability to the Class. Plaintiffs have no known conflicts of interest with any members of the Class; their interests and claims are not antagonistic to those of any other Class members; nor are their claims subject to any unique defenses.

57. The representative Plaintiffs therefore can and will fairly and adequately protect and represent the interests of the Class under the criteria set forth in MCR 3.501(A)(1)(d).

58. Plaintiffs' counsel—The Miller Law Firm, P.C.; Kopelowitz Ostrow Ferguson Weiselberg Gilbert; Edelsberg Law, P.A.; and Shamis & Gentile, P.A.—have extensive experience in complex commercial litigation and class actions, and have the ability to vigorously litigate this case to conclusion in the interests of the Class.

59. If appointed class representatives, Plaintiffs are aware of, and are committed to, faithfully upholding their fiduciary duties to absent Class members. Plaintiffs and their counsel are committed to the vigorous prosecution of this action and will allocate the appropriate time and resources to ensure that the Class is fairly represented.

60. Plaintiffs and their counsel will therefore fairly and adequately assert and protect the interests of the Class.

E. Predominance and Superiority

61. A class action provides a fair and efficient method for the adjudication of this controversy under the criteria set forth in MCR 3.501(A)(1)(e). Class treatment is a superior form of adjudication than the prosecution of individual claims and provides a substantial benefit to the court and litigants by avoiding a multiplicity of suits, and the risk of inconsistent results.

62. Because Progressive's conduct was uniform with respect to all prospective Class members, common questions of law and fact predominate over individual questions.

63. Because the Class encompasses many thousands of claims (if not tens of thousands of claims), a single, state-wide class action is far more efficient than many thousands of individual lawsuits, each requiring the same discovery and proofs. Given the relatively small amount of the claim(s) of each putative class member, it is likely that, absent class representation, such claims would not be brought, and the Class would never have appropriate redress for Progressive's improper conduct. A class action is superior and more efficient to other available methods for the fair and efficient adjudication of this controversy.

64. Class treatment ensures uniformity and consistency in results, enables the many small claims of Class members as well as claims for class-wide declaratory relief to be brought efficiently, and will provide optimum relief to Class members for their past and future injuries, as well as deter Progressive and other similar businesses from engaging in such wrongful conduct in the future.

65. In addition, the expense and burden of individual litigation effectively makes it a practical impossibility for individual Class members to seek redress for the wrongs alleged herein.

66. The advantages of maintaining this action as a class suit far outweigh the expense and waste of judicial effort that would result from thousands of separate adjudications or the unfairness of none at all, which is the likely outcome if the small individual claims at issue are not aggregated as a class.

67. There are also no unusual difficulties likely to be encountered in the maintenance of this action as a class suit, and this Court can effectively manage the class action.

68. Any argument that class treatment is not viable or productive in the present action is undercut by the fact that the Southern District of Florida recently certified a class of Progressive insureds in a case that is substantially identical to the present action. *See Paris v. Progressive Am. Ins., Co.*, No. 19-21761, 2020 U.S. Dist. LEXIS 21217 (S.D. Fla. Nov. 13, 2020). More recently, the court in *Paris* entered summary judgment in favor of the certified class. *See Paris v. Progressive Am. Ins., Co.*, No. 19-21761, 2021 U.S. Dist. LEXIS 165314 (S.D. Fla. Aug. 31, 2021). The Middle District of Florida similarly certified a class of insureds in *Roth v. Geico General Insurance Co.*, No. 16-62942 (S.D. Fla. June 14, 2018).

69. The Class is not so large that it would be unmanageable, and no difficulties are foreseen providing notice to individual claimants because Progressive keeps records of insurance policies and claims of prospective Class members during the class period, including records of total loss vehicles. Therefore, both the membership of the Class and the amount of individual damages is readily ascertainable from Progressive's records.

F. Declaratory Relief Under MCR 3.501(A)(2)(b)

70. Pursuant to MCR 3.501(A)(2)(b), class treatment is warranted because Progressive has acted or refused to act on grounds generally applicable to all the members of the Class, thereby making final declaratory relief concerning the Class as a whole appropriate.

71. Because declaratory relief is sought, class treatment ensures uniformity and consistency in results, enables the many small claims of Class members as well as claims for class-wide declaratory relief to be brought efficiently, and will provide optimum relief to Class members for their past and future injuries, as well as deter Progressive and other similar businesses from engaging in such wrongful conduct in the future.

72. Because Progressive has acted consistently towards all members of the Class, declaratory relief is appropriate with respect to both the Class and Plaintiffs' claims and is likewise subject to common proof and adjudication.

73. Based on the foregoing, class treatment is the most fair and efficient form of adjudication for this matter.

COUNT I
BREACH OF CONTRACT

74. The allegations contained in paragraphs 1–73 are incorporated by reference.

75. This count is brought by Plaintiffs, individually and on behalf of the Class members.

76. Perry was party to a contract, the insurance policy, with Defendant as described herein. *See Ex. A.* Peterson was also party to an identical contract, the insurance policy, with Progressive as described herein. *See Ex. C.* All Class members were parties to an insurance contract with one or both Progressive entities containing materially identical terms.

77. The interpretation of Plaintiffs' and all Class members' insurance Policies are governed by Michigan law.

78. Plaintiffs and all Class members made a claim determined by Progressive to be a first-party total loss under the insurance policy and determined by Progressive to be a covered claim.

79. Progressive, by paying the total loss claim, determined that Plaintiffs and each Class member complied with the terms of their insurance contracts, and fulfilled all of their duties and conditions under the Policies for each insured to be paid on his or her total loss.

80. Pursuant to the aforementioned uniform contractual provisions, upon the total loss of insured vehicles, the Plaintiffs and every Class member were owed the actual cash value of the vehicle, including all Tax, Title, and Registration Fees.

81. Progressive refused to make full ACV payment to Plaintiffs and every Class member.

82. Progressive's failure to provide the promised coverage constitutes a material breach of contract with Plaintiffs and every Class member.

83. As a result of said breaches, Plaintiffs and the Class members are entitled under Progressive's Policies to sums representing the benefits owed for Tax, Title, and Registration Fees, as well as costs, prejudgment and post-judgment interest, and other relief as is appropriate.

84. In addition, Plaintiffs and the Class members are entitled to an award of attorney's fees and costs pursuant to Michigan law.

COUNT II
DECLARATOR RELIEF

85. The allegations contained in paragraphs 1–73 are incorporated by reference.

86. This count seeks declaratory relief pursuant to MCR 2.605.

87. This count is brought by Plaintiffs on behalf of themselves and all members of the Class. Progre

88. Perry was party to a contract, the insurance policy, with Defendant as described herein. *See Ex. A.* Peterson was also party to an identical contract, the insurance policy, with

Progressive as described herein. *See Ex. C.* All Class Members were parties to an insurance contract with one or both Progressive entities containing materially identical terms.

89. Plaintiffs seek a declaratory judgment that an insured is entitled to Tax, Title, and Registration Fees in a FTLP to pay a vehicle's ACV in the event of a total loss under the insurance policies that govern Plaintiffs' and the Class members' contractual relationships with Progressive.

90. Plaintiffs contends Progressive is required to pay Tax, Title, and Registration Fees to pay a vehicle's ACV in the event of a total loss under the insurance Policies and under Michigan law that govern Plaintiffs and the Class members' relationship with Progressive.

91. Progressive disagrees with Plaintiffs' interpretation of the insurance Policies as evidenced by its practice of failing to pay Tax, Title, and Registration Fees to pay a vehicle's ACV in the event of a total loss.

92. Because of Progressive's claim to the contrary, Plaintiffs are in doubt as to their rights under the insurance policy.

93. The above allegations present ascertained or ascertainable facts of a present controversy between Plaintiffs and Progressive as to entitlement to the Tax, Title, and Registration Fees.

94. The above allegations reflect that Plaintiffs have presented a justiciable question as to the existence of their right to the Tax, Title, and Registration Fees.

95. All antagonistic and adverse interests, namely Plaintiffs and Progressive and the Class when certified, are before this Court by the filing of this count.

96. Plaintiffs are entitled to a declaration of their right to the Tax, Title, and Registration Fees to resolve her doubt about her rights under the insurance policy considering the Progressive's position otherwise.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiffs Angela Perry and Michael Peterson, individually and on behalf of those similarly situated, demand a trial by jury on all triable issues and seeks and prays for relief and judgment as follows:

- a) For an Order certifying this action as a Class Action on behalf of the Class described above;
- b) For an Order appointing undersigned counsel and their firms as counsel for the Class;
- c) For an Order appointing Plaintiffs as Class Representatives;
- d) For an award of compensatory damages in amounts owed under the Policies;
- e) For declaratory relief to be entered for Plaintiffs and the Class that the Defendant is required to pay Tax, Title, and Registration Fees to Plaintiffs and the Class;
- f) For all other damages according to proof;
- g) For an award of attorney's fees and expenses as appropriate pursuant to applicable law;
- h) For costs of suit incurred herein;
- i) For pre and post judgment interests on any amounts awarded;
- j) For other and further forms of relief as this Court deems just and proper.

Dated: July 18, 2022

Respectfully submitted,

/s/ E. Powell Miller

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Exhibit A

ANGELA PERRY
27850 COLERIDGE ST UNIT 115W
HARRISON TOWNSHIP, MI 48045

Policy Number: 952075984

Underwritten by:
Progressive Michigan Ins Company
January 31, 2022
Policy Period: Sep 3, 2021 - Mar 3, 2022
Page 1 of 2

progressiveagent.com

Online Service
Make payments, check billing activity, update
policy information or check status of a claim.

1-800-876-5581

For customer service and claims service,
24 hours a day, 7 days a week.

Auto Insurance Coverage Summary

This is your Declarations Page Your policy information has changed

Your coverage began on September 3, 2021 at the later of 12:01 a.m. or the effective time shown on your application. This policy period ends on March 3, 2022 at 12:01 a.m.

This coverage summary replaces your prior one. Your insurance policy and any policy endorsements contain a full explanation of your coverage. The policy contract is form 9611A MI (09/19). The contract is modified by forms Z035 MI (02/04), A245 MI (10/17) and A298 MI (01/21).

Policy changes effective January 31, 2022

| | |
|-----------------------|---|
| Changes requested on: | Jan 31, 2022 11:06 a.m. |
| Requested by: | ANGELA CARTER |
| Premium change: | \$0.00 |
| Changes: | The Named Insured information has changed. The education or occupation information for ANGELA Perry has changed. |

The changes take effect as of the date and time requested shown above.

Drivers and resident relatives

| | Additional information |
|--|------------------------|
| ANGELA Perry | Named insured |
| Eligible for PIP Medical Expense Coverage: Yes | |

Opted out of \$250,000 PIP Medical Expense coverage

| Name | Date of birth |
|---------------|---------------|
| Angela Carter | May 8, 1974 |

Warning – One or more of the insureds under this policy have been excluded from personal injury protection benefits based on the availability of qualified health coverage. If your available qualified health coverage changes, you must advise us within 30 days.

Premium reduction for those who have opted out of \$250,000 PIP Medical Expense coverage: \$907.00

Total residents: 01

The total number of resident relatives and other drivers currently residing in your household. This count should include individuals listed in the Driver section above, and any other relatives, like young children, living in the home for 60 days or more during the next 12 months.

Outline of coverage

| General policy coverage | Limits | Deductible | Premium |
|--|--|------------|-----------------|
| Accidental Death | \$10,000 each accident | | included |
| Total general policy coverage | | | |
| 2009 PONTIAC G6 4 DOOR SEDAN | | | |
| VIN: 1G2ZG57B894153582 | | | |
| Garaging ZIP Code: 48045 | | | |
| Rating city: Harrison Township | | | |
| Primary use of the vehicle: Commute | | | |
| Length of vehicle ownership when policy started or vehicle added: At least 3 years but less than 5 years | | | |
| | Limits | Deductible | Premium |
| Liability To Others | | | \$149 |
| Bodily Injury Liability | \$50,000 each person/\$100,000 each accident | | |
| Property Damage Liability | \$25,000 each accident | | |
| Personal Protection Insurance (PIP) | \$250,000 per person/per accident | | |
| Medical Expense | | | |
| Work Loss and Replacement Services | Selected | | 64 |
| Property Protection Insurance | \$1,000,000 | \$0 | 12 |
| Comprehensive | Actual Cash Value | \$100 | 77 |
| Standard Collision | Actual Cash Value | \$100 | 252 |
| Total premium for 2009 PONTIAC | | | \$554 |
| Subtotal policy premium | | | \$554.00 |
| Statutory assessment recoupment | | | 21.00 |
| MCCA Deficiency Recoupment Fee | | | \$0 |
| Total 6 month policy premium and fees | | | \$575.00 |

Premium discounts

| | |
|--------------------|---|
| Policy | |
| 952075984 | Five-Year Accident Free, Automatic Card Payments (ACP), Continuous Insurance: Gold, Paperless and Three-Year Safe Driving |
| Vehicle | |
| 2009 PONTIAC G6 | Driver and Passenger-side Airbag and Anti-Theft Device |

Lienholder information

| Vehicle | Lienholder |
|--------------------------------------|---|
| 2009 PONTIAC G6 1G2ZG57B894153582 | CAPITAL ONE AUTO FIN MINNEAPOLIS, MN 55439 |



MICHIGAN

AUTO POLICY

Progressive Michigan Insurance Company
Progressive Marathon Insurance Company

Form 9611D MI (11/15)
version 2.0

PROGRESSIVE[®]
DIRECT Auto

CONTENTS

| | |
|---|----|
| INSURING AGREEMENT | 1 |
| GENERAL DEFINITIONS | 1 |
| PART I—LIABILITY TO OTHERS | |
| Insuring Agreement—Bodily Injury and Property Damage Liability Coverage | 3 |
| Insuring Agreement—Limited Property Damage Coverage | 3 |
| Additional Definition | 3 |
| Additional Payments..... | 4 |
| Exclusions | 4 |
| Limits of Liability..... | 6 |
| Financial Responsibility Laws | 7 |
| Other Insurance | 7 |
| Out-of-State Coverage | 7 |
| PART II—PERSONAL PROTECTION INSURANCE AND PROPERTY PROTECTION INSURANCE COVERAGE | |
| Insuring Agreement—Personal Protection Insurance Coverage (PIP) | 7 |
| Insuring Agreement—Property Protection Insurance Coverage (PPI) | 8 |
| Additional Definitions..... | 8 |
| Exclusions | 9 |
| Limits of Liability..... | 12 |
| Excess Coverage Option..... | 12 |
| Work Loss Benefits Waiver | 13 |
| Other Insurance | 13 |
| Coordination of Benefits..... | 13 |
| PART III—UNINSURED/UNDERINSURED MOTORIST COVERAGE | |
| Insuring Agreement | 13 |
| Additional Definitions..... | 14 |
| Exclusions | 15 |
| Limits of Liability..... | 16 |
| Other Insurance | 17 |
| Arbitration..... | 17 |
| PART IV—DAMAGE TO A VEHICLE | |
| Insuring Agreement— Standard Collision Coverage and Broad Form Collision Coverage | 17 |
| Insuring Agreement—Limited Collision Coverage | 18 |
| Insuring Agreement—Comprehensive Coverage | 18 |

| | |
|---|----|
| Insuring Agreement—Additional Custom Parts or Equipment Coverage | 19 |
| Insuring Agreement—Comprehensive Window Glass Coverage | 19 |
| Insuring Agreement—Rental Reimbursement Coverage..... | 19 |
| Insuring Agreement—Loan/Lease Payoff Coverage | 20 |
| Insuring Agreement—Pet Injury Coverage | 21 |
| Additional Definitions..... | 21 |
| Exclusions | 21 |
| Limits of Liability..... | 23 |
| Collision Arbitration | 25 |
| Payment of Loss..... | 25 |
| No Benefit to Bailee | 25 |
| Loss Payable Clause..... | 26 |
| Other Sources of Recovery | 26 |
| Appraisal | 26 |

PART V—ROADSIDE ASSISTANCE COVERAGE

| | |
|------------------------------------|----|
| Insuring Agreement | 27 |
| Additional Definitions..... | 27 |
| Exclusions | 27 |
| Unauthorized Service Provider..... | 28 |
| Other Insurance | 28 |

PART VI—DUTIES IN CASE OF AN ACCIDENT OR LOSS.....28

PART VII—GENERAL PROVISIONS

| | |
|---|----|
| Policy Period and Territory..... | 29 |
| Changes..... | 29 |
| Duty to Report Changes | 30 |
| Settlement of Claims | 30 |
| Terms of Policy Conformed to Statutes | 30 |
| Transfer of Interest | 31 |
| Fraud or Misrepresentation | 31 |
| Payment of Premium and Fees | 31 |
| Cancellation | 32 |
| Cancellation Refund..... | 32 |
| Nonrenewal | 33 |
| Automatic Termination..... | 33 |
| Legal Action Against Us..... | 33 |
| Our Rights to Recover Payment..... | 33 |
| Joint and Individual Interests..... | 34 |
| Bankruptcy | 34 |

MICHIGAN AUTO POLICY

INSURING AGREEMENT

In return for **your** payment of the premium, **we** agree to insure **you** subject to all the terms, conditions and limitations of this policy. **We** will insure **you** for the coverages and the limits of liability shown on this policy's **declarations page**. **Your** policy consists of the policy contract, **your** insurance application, the **declarations page**, and all endorsements to this policy.

GENERAL DEFINITIONS

The following definitions apply throughout the policy. Defined terms are printed in bold-face type and have the same meaning whether in the singular, plural, or any other form.

1. **"Additional auto"** means an **auto you** become the owner of during the policy period that does not permanently replace an **auto** shown on the **declarations page** if:
 - a. **we** insure all other **autos you** own;
 - b. the **additional auto** is not covered by any other insurance policy;
 - c. **you** notify **us** within 30 days of becoming the owner of the **additional auto**; and
 - d. **you** pay any additional premium due.

An **additional auto** will have the broadest coverage **we** provide for any **auto** shown on the **declarations page**. If **you** ask **us** to insure an **additional auto** more than 30 days after **you** become the owner, any coverage **we** provide will begin at the time **you** request coverage.

2. **"Auto"** means a land motor vehicle:
 - a. of the private passenger, pickup body, or cargo van type;
 - b. designed for operation principally upon public roads;
 - c. with at least four wheels; and
 - d. with a gross vehicle weight rating of 12,000 pounds or less, according to the manufacturer's specifications.

However, **"auto"** does not include step-vans, parcel delivery vans, or cargo cutaway vans or other vans with cabs separate from the cargo area.

3. **"Auto business"** means the business of selling, leasing, repairing, parking, storing, servicing, delivering or testing vehicles.
4. **"Bodily injury"** means bodily harm, sickness, or disease, including death that results from bodily harm, sickness, or disease.
5. **"Covered auto"** means:
 - a. any **auto** or **trailer** shown on the **declarations page** for the coverages applicable to that **auto** or **trailer**;
 - b. any **additional auto**;
 - c. any **replacement auto**; or
 - d. a **trailer** owned by **you**.

6. **"Declarations page"** means the document showing **your** coverages, limits of liability, **covered autos**, premium, and other policy-related information. The **declarations page** may also be referred to as the Auto Insurance Coverage Summary.

7. **“Occupying”** means in, on, entering or exiting.
8. **“Personal vehicle sharing program”** means a system or process, operated by a business, organization, network, group, or individual, that facilitates the sharing of private passenger motor vehicles for use by individuals, businesses, or other entities.
9. **“Property damage”** means physical damage to, destruction of, or loss of use of, tangible property.
10. **“Rated resident”** means a person residing in the same household as **you** at the time of the loss who is not a **relative**, but only if that person is both:
 - a. listed in the “Drivers and household residents” section on the **declarations page**; and
 - b. not designated as either an “Excluded” or a “List Only” driver.
11. **“Relative”** means a person residing in the same household as **you**, and related to **you** by blood, marriage or adoption, and includes a ward, stepchild, or foster child. **Your** unmarried dependent children temporarily away from home will qualify as a **relative** if they intend to continue to reside in **your** household.
12. **“Replacement auto”** means an **auto** that permanently replaces an **auto** shown on the **declarations page**. A **replacement auto** will have the same coverage as the **auto** it replaces if the **replacement auto** is not covered by any other insurance policy. However, if the **auto** being replaced had coverage under Part IV—Damage To A Vehicle, such coverage will apply to the **replacement auto** only during the first 30 days after **you** become the owner unless **you** notify **us** within that 30-day period that **you** want **us** to extend coverage beyond the initial 30 days. If the **auto** being replaced did not have coverage under Part IV—Damage To A Vehicle, such coverage may be added, but the **replacement auto** will have no coverage under Part IV until **you** notify **us** of the **replacement auto** and ask **us** to add the coverage.
13. **“Ride-sharing activity”** means the use of any vehicle to provide transportation of persons or property in connection with a **transportation network company** from the time a user logs on to, or signs in to, any online-enabled application, software, website or system until the time the user logs out of, or signs off of, any such online-enabled application, software, website or system, whether or not the user has accepted any passenger(s) or delivery assignment, including the time the user is on the way to pick up any passenger(s) or property, or is transporting any passenger(s) or property.
14. **“Trailer”** means a non-motorized trailer, including a farm wagon or farm implement, designed to be towed on public roads by an **auto** and not being used:
 - a. for commercial purposes;
 - b. as an office, store, or for display purposes; or
 - c. as a passenger conveyance.
15. **“Transportation network company”** means a corporation, partnership, sole proprietorship, or other entity that uses any online-enabled application, software, website or system to connect drivers with clients or passengers to facilitate and/or provide transportation or delivery services for compensation or a fee.
16. **“We,” “us”** and **“our”** mean the underwriting company providing the insurance, as shown on the **declarations page**.
17. **“You”** and **“your”** mean:
 - a. a person shown as a named insured on the **declarations page**; and

- b. the spouse of a named insured if residing in the same household at the time of the loss. The spouse is considered to be a resident of the household when there is a legitimate marital covenant, shared economic and non-economic burdens, and legitimate reasons for the spouse to be staying in another home or location. If the spouse ceases to be a resident of the same household during the policy period or prior to the inception of this policy, the spouse will be considered **you** and **your** under this policy, but only until the earliest of:
- (i) the end of 90 days following the spouse's change of residency;
 - (ii) the effective date of another policy listing the spouse as a named insured;
or
 - (iii) the end of the policy period.

PART I—LIABILITY TO OTHERS

INSURING AGREEMENT—BODILY INJURY AND PROPERTY DAMAGE LIABILITY COVERAGE

If **you** pay the premium for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which an **insured person** becomes legally responsible because of an accident.

Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** option, any claim for damages covered by this Part I.

INSURING AGREEMENT—LIMITED PROPERTY DAMAGE COVERAGE

If **you** pay the premium for this coverage, **we** will pay for damage to a motor vehicle, up to the limits of liability shown on the **declarations page**, for which an **insured person** becomes legally responsible because of an accident occurring within the State of Michigan, which arises out of the ownership, maintenance, or use of an **auto**, to the extent that such damage is not otherwise covered by insurance.

ADDITIONAL DEFINITION

When used in this Part I:

"Insured person" means:

- a. **you**, a **relative**, or a **rated resident** with respect to an accident arising out of the ownership, maintenance or use of an **auto** or a **trailer**;
- b. any person with respect to an accident arising out of that person's use of a **covered auto** with the permission of **you**, a **relative**, or a **rated resident**;
- c. any person or organization with respect only to vicarious liability for the acts or omissions of a person described in a. or b. above; and
- d. any "Additional Interest" shown on the **declarations page** with respect only to its liability for the acts or omissions of a person described in a. or b. above.

ADDITIONAL PAYMENTS

In addition to **our** limit of liability, **we** will pay for an **insured person**:

1. all expenses **we** incur in the settlement of any claim or defense of any lawsuit;
2. interest accruing after entry of judgment, until **we** have paid, offered to pay, or deposited in court, that portion of the judgment which does not exceed **our** limit of liability. This does not apply if **we** have not been given notice of suit or the opportunity to defend an **insured person**. **You** are permitted to file a lawsuit against **us** within the statute of limitations to have any dispute settled by a court of proper jurisdiction when **you** believe **we** have not appropriately responded to **your** requests concerning such proceedings or **you** believe **we** have acted inappropriately in handling **your** claim;
3. the premium on any appeal bond or attachment bond required in any lawsuit **we** defend. **We** have no duty to purchase a bond in an amount exceeding **our** limit of liability, and **we** have no duty to apply for or furnish these bonds;
4. up to \$250 for a bail bond required because of an accident resulting in **bodily injury** or **property damage** covered under this Part I. **We** have no duty to apply for or furnish this bond; and
5. reasonable expenses, including loss of earnings up to \$200 per day, incurred at **our** request.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART I.

Coverage under this Part I, including **our** duty to defend, will not apply to any **insured person** for:

1. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle or trailer while being used:
 - a. to carry persons or property for compensation or a fee;
 - b. for retail or wholesale delivery, including, but not limited to, the pickup, transport or delivery of magazines, newspapers, mail or food; or
 - c. for **ride-sharing activity**.

This exclusion does not apply to shared-expense car pools or to the use of a **covered auto** for volunteer or charitable purposes or for which reimbursement for normal operating expenses is received;

2. any liability assumed under any contract or agreement by **you**, a **relative**, or a **rated resident**;
3. **bodily injury** to an employee of that **insured person** arising out of or within the course of employment. This exclusion does not apply to domestic employees if benefits are neither paid nor required to be provided under workers' compensation, disability benefits, or similar laws;
4. **bodily injury** or **property damage** arising out of an accident involving any vehicle while being maintained or used by a person while employed or engaged in any **auto business**. This exclusion does not apply to **you**, a **relative**, a **rated resident**, or an agent or employee of **you**, a **relative**, or a **rated resident**, when using a **covered auto**;

5. **bodily injury or property damage** resulting from, or sustained during practice or preparation for:
 - a. any pre-arranged or organized racing, stunting, speed or demolition contest or activity; or
 - b. any driving activity conducted on a permanent or temporary racetrack or race-course;
6. **bodily injury or property damage** due to a nuclear reaction or radiation;
7. **bodily injury or property damage** for which insurance:
 - a. is afforded under a nuclear energy liability insurance contract; or
 - b. would be afforded under a nuclear energy liability insurance contract but for its termination upon exhaustion of its limit of liability;
8. any obligation for which the United States Government is liable under the Federal Tort Claims Act;
9. **bodily injury or property damage** which is intended or reasonably expected by an **insured person**, even if the actual injury or damage is different than that which was intended or expected. This exclusion applies only to damages in excess of the minimum limit mandated by the motor vehicle financial responsibility law of Michigan;
10. **property damage** to any property owned by, rented to, being transported by, used by, or in the charge of that **insured person**. This exclusion does not apply to a rented residence or a rented garage;
11. **bodily injury to you**, a **relative**, or a **rated resident**. This exclusion applies only to damages in excess of the minimum limit mandated by the motor vehicle financial responsibility law of Michigan;
12. **bodily injury to you**, a **relative**, or a **rated resident** arising out of the operation of an **auto** that is not owned by or furnished or available for the regular use of **you**, a **relative**, or a **rated resident** while in the custody of or being operated by **you**, a **relative**, or a **rated resident** with the permission of the owner of the **auto** or the person in lawful possession of the **auto**;
13. **bodily injury or property damage** arising out of the ownership, maintenance or use of any vehicle owned by **you** or furnished or available for **your** regular use, other than a **covered auto** for which this coverage has been purchased;
14. **bodily injury or property damage** arising out of the ownership, maintenance or use of any vehicle owned by a **relative** or a **rated resident** or furnished or available for the regular use of a **relative** or a **rated resident**, other than a **covered auto** for which this coverage has been purchased. This exclusion does not apply to **your** maintenance or use of such vehicle;
15. **bodily injury or property damage** arising out of **your**, a **relative's**, or a **rated resident's** use of a vehicle, other than a **covered auto**, without the permission of the owner of the vehicle or the person in lawful possession of the vehicle;
16. **bodily injury or property damage** arising out of the use of a **covered auto** while leased or rented to others or given in exchange for any compensation, including while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of a **covered auto** by **you**, a **relative**, or a **rated resident**;
17. punitive damages; or
18. **bodily injury or property damage** caused by, or reasonably expected to result from, a criminal act or omission of that **insured person**. This exclusion applies

regardless of whether that **insured person** is actually charged with, or convicted of, a crime. However, for **us** to establish a criminal act or omission for purposes of this exclusion by other than a criminal conviction, **we** must independently prove beyond a reasonable doubt that the **insured person** committed such a criminal act or omission. For purposes of this exclusion, criminal acts or omissions do not include traffic violations. This exclusion applies only to damages in excess of the minimum limit mandated by the motor vehicle financial responsibility law of Michigan.

LIMITS OF LIABILITY

The limit of liability shown on the **declarations page** for Bodily Injury and Property Damage Liability Coverage is the most **we** will pay regardless of the number of:

1. claims made;
2. **covered autos**;
3. **insured persons**;
4. lawsuits brought;
5. vehicles involved in the accident; or
6. premiums paid.

If **your declarations page** shows a split limit:

1. the amount shown for “each person” is the most **we** will pay for all damages due to **bodily injury** to one person resulting from any one accident;
2. subject to the “each person” limit, the amount shown for “each accident” is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one accident; and
3. the amount shown for “property damage” is the most **we** will pay for the total of all **property damage** resulting from any one accident.

The “each person” limit of liability applies to the total of all claims made for **bodily injury** to a person and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

If the **declarations page** shows that “combined single limit” or “CSL” applies, the amount shown is the most **we** will pay for the total of all damages resulting from any one accident. However, without changing this limit of liability, **we** will comply with any law that requires **us** to provide any separate limits.

No one is entitled to duplicate payments for the same elements of damages.

Any payment to a person under this Part I will be reduced by any payment to that person under Part III—Uninsured/Underinsured Motorist Coverage.

If multiple auto policies issued by **us** are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

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

FINANCIAL RESPONSIBILITY LAWS

When **we** certify this policy as proof of financial responsibility, this policy will comply with the law to the extent required. The **insured person** must reimburse **us** if **we** make a payment that **we** would not have made if this policy was not certified as proof of financial responsibility.

OTHER INSURANCE

If there is any other applicable liability insurance or bond, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide for a vehicle or trailer, other than a **covered auto**, will be excess over any other collectible insurance, self-insurance, or bond.

Limited Property Damage Coverage provided under this policy will be excess over any other collectible insurance, self-insurance or bond, including, but not limited to, coverage on the damaged motor vehicle. For Limited Property Damage Coverage provided under this policy, **we** will share on a pro rata basis with other valid and collectible insurance purchased on a primary basis. **Our** share will be the proportion that **our** limit of liability bears to the total of all applicable limits.

OUT-OF-STATE COVERAGE

If an accident to which this Part I applies occurs in any state, territory or possession of the United States of America or any province or territory of Canada, other than the one in which a **covered auto** is principally garaged, and the state, province, territory or possession has:

1. a financial responsibility or similar law requiring limits of liability for **bodily injury** or **property damage** higher than the limits shown on the **declarations page**, this policy will provide the higher limits; or
2. a compulsory insurance or similar law requiring a non-resident to maintain insurance whenever the non-resident uses an **auto** in that state, province, territory or possession, this policy will provide the greater of:
 - a. the required minimum amounts and types of coverage; or
 - b. the limits of liability under this policy.

PART II—PERSONAL PROTECTION INSURANCE AND PROPERTY PROTECTION INSURANCE COVERAGE

INSURING AGREEMENT—PERSONAL PROTECTION INSURANCE COVERAGE (PIP)

If **you** pay the premium for this coverage, **we** will pay Personal Protection Insurance Benefits required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance

Code, as amended, for accidental **bodily injury** to an **eligible injured person** arising out of the ownership, operation, maintenance or use of a **motor vehicle** as a **motor vehicle**, subject to the exceptions, exclusions and limitations specified herein and as additionally provided by the law of the State of Michigan.

Personal Protection Insurance Benefits consist of:

1. **allowable expenses**;
2. **replacement services** sustained during the three years after the date of the accident;
3. **work loss** sustained during the three years after the date of the accident; and
4. **survivors' loss** sustained during the three years after the date of the accident.

INSURING AGREEMENT—PROPERTY PROTECTION INSURANCE COVERAGE (PPI)

If **you** pay the premium for this coverage, **we** will pay Property Protection Insurance Benefits in accordance with the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended, for accidental damage to tangible property arising out of the ownership, operation, maintenance or use of a **motor vehicle** as a **motor vehicle** by **you** or a **relative**.

ADDITIONAL DEFINITIONS

When used in this Part II:

1. **“Allowable expenses”** means all reasonable charges incurred for reasonably necessary products, services and accommodations for an **eligible injured person’s** care, recovery, or rehabilitation. However, **“allowable expenses”** shall not include:
 - a. charges for a hospital room in excess of a reasonable and customary charge for semiprivate accommodations except when the **eligible injured person** requires special or intensive care; or
 - b. charges for total funeral and burial expenses in excess of \$1,750.
2. **“Eligible injured person”** means:
 - a. **you** or any **relative** who sustains accidental **bodily injury** in an accident involving a **motor vehicle**;
 - b. any other person who meets the statutory requirements of the Michigan No-Fault Act, Chapter 31 of the Michigan Insurance Code, as amended; and
 - c. any person who, while not occupying a **motor vehicle**, sustains accidental **bodily injury** as a result of an accident involving:
 - (i) a **covered auto**; or
 - (ii) a **motor vehicle** owned by, registered to or operated by **you**, if the person injured in the accident is not entitled to personal protection insurance under any policy described in Section 500.3114(1) of the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended.
3. **“Motor vehicle”** means a vehicle, including a trailer, operated or designed for operation upon a public highway, by power other than muscular power, which has more than two wheels. However, **“motor vehicle”** does not include:
 - a. motorcycles;
 - b. mopeds;

- c. off-road vehicles (ORVs);
 - d. golf carts;
 - e. power driven mobility devices;
 - f. commercial quadricycles; or
 - g. farm tractors or implements of husbandry which are not required to be registered pursuant to Section 216 of the Michigan Vehicle Code, as amended.
4. **“Replacement services”** means expenses, not exceeding \$20.00 per day, the **eligible injured person** or dependents of the **eligible injured person** reasonably incur in obtaining the benefit of ordinary and necessary services in lieu of those that the **eligible injured person** would have performed if the **eligible injured person** had not been injured.
 5. **“Survivors’ loss”** means loss sustained by dependent survivors because of the death of an **eligible injured person**, limited to:
 - a. net lost wages and contributions of tangible things of economic value, subject to the statutory maximum limit, not including services, that such dependent survivors would have received for support during their dependency from the deceased if the deceased had not suffered the injury which caused death; and
 - b. expenses, not exceeding \$20.00 per day, reasonably incurred by dependent survivors during their dependency in obtaining ordinary and necessary services in lieu of those that the deceased person would have performed for their benefit if the deceased person had not suffered the injury which caused death.
 6. **“Work loss”** means actual loss of income from work an **eligible injured person** would have performed if the **eligible injured person** had not been injured, subject to the statutory maximum limit and not more than 85 percent of gross income.

However, **“work loss”** does not include any loss of income after the date on which the **eligible injured person** dies.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART II.

Coverage under Personal Protection Insurance does not apply to accidental **bodily injury**:

1. sustained by a person who has intentionally caused the **bodily injury**;
2. arising out of the use of a **motor vehicle** as a residence or premises;
3. sustained by any person willingly using a **motor vehicle** or motorcycle that was taken unlawfully, and the person knew or should have known that the **motor vehicle** or motorcycle was taken unlawfully;
4. arising out of the ownership, operation or use of a parked **motor vehicle**, unless:
 - a. the **motor vehicle** was parked in such a way as to cause unreasonable risk of the accidental **bodily injury** which occurred;
 - b. the accidental **bodily injury** was a direct result of physical contact with equipment permanently mounted on the vehicle, while the equipment was being operated or used;
 - c. the accidental **bodily injury** was a direct result of physical contact with property being lifted onto or lowered from the vehicle in the loading or unloading process; or

- d. the accidental **bodily injury** was sustained by the **eligible injured person** while occupying, entering into, or alighting from the **motor vehicle**;
- 5. arising out of the ownership, operation, maintenance or use of a parked **motor vehicle** while the **eligible injured person** is loading, unloading, doing mechanical work on, or entering into or alighting from the parked **motor vehicle**, if:
 - a. the accidental **bodily injury** was sustained in the course of employment; and
 - b. benefits are available under the Michigan Workers' Disability Compensation Act, as amended, or under a similar law of another state or under a similar federal law;
- 6. sustained while an operator or passenger of a **motor vehicle** operated in the business of transporting passengers which is:
 - a. not **your covered auto**; and
 - b. insured as required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;

However, this exclusion does not apply to a passenger in the following:

- (i) a school bus providing transportation not prohibited by law;
 - (ii) a bus operated by a common carrier of passengers certified by the department of transportation;
 - (iii) a bus operated under a government sponsored transportation program;
 - (iv) a bus operated by or servicing a nonprofit organization;
 - (v) a taxi cab insured as prescribed in Section 500.3101 or 500.3102; or
 - (vi) a bus operated by a canoe or other watercraft, bicycle, or horse livery used only to transport passengers to or from a destination point;
- 7. to any person, other than **you** or a **relative**, who is:
 - a. injured when struck by a **motor vehicle** or trailer outside the State of Michigan, while not occupying a **motor vehicle**;
 - b. entitled to benefits as a named insured or **relative** under any other policy providing benefits under the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;
 - c. occupying a **motor vehicle**, or struck as a pedestrian by a **motor vehicle**, which is:
 - (i) not a **covered auto**;
 - (ii) operated by **you** or a **relative**; and
 - (iii) covered by security as required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended; or
 - d. occupying a **motor vehicle** which is:
 - (i) not a **covered auto**;
 - (ii) operated outside the State of Michigan by **you** or any **relative**; and
 - (iii) not required to be covered by security under the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;
 - 8. sustained by the owner or registrant of a **motor vehicle** or motorcycle involved in an accident which is not covered by security as required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;
 - 9. sustained by a person who resides outside the State of Michigan, when occupying a **motor vehicle** or motorcycle not registered in Michigan. This exclusion does not apply if such **motor vehicle** or motorcycle is insured by a company which has filed

- a certification in compliance with Section 500.3163, as amended, and the accident occurs in Michigan;
10. sustained by **you** while occupying or when struck as a pedestrian by a **motor vehicle**, other than a **covered auto**, which is owned by or registered to **you**;
 11. sustained by a **relative** while occupying or when struck as a pedestrian by a **motor vehicle**, other than a **covered auto**, which is:
 - a. owned or registered by that **relative**; and
 - b. not covered by security as required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;
 12. sustained by **you** or a **relative** while occupying a **motor vehicle**, other than a **covered auto**, which is:
 - a. owned or registered by the employer of **you** or a **relative**; and
 - b. covered by the security required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;
 13. sustained by a **relative** who is entitled to No-Fault benefits under another policy as a named insured;
 14. any **covered auto** while being used in connection with **ride-sharing activity**;
 15. any **covered auto** while being used in connection with a **personal vehicle sharing program**;
 16. sustained by **you** or a **relative** which is a result of an intentional physical attack that occurs while occupying a **motor vehicle**, which does not arise out of the ownership, operation, maintenance or use of a **motor vehicle** as a **motor vehicle**; or
 17. excluded by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended, or the law of the State of Michigan.

Coverage under Property Protection Insurance does not apply to accidental damage to tangible property:

1. sustained by any person who has intentionally caused the **property damage**;
2. arising out of the use of a **motor vehicle** as a residence or premises;
3. to **motor vehicles** and their contents, including trailers, unless the **motor vehicle** is parked in a manner so as not to cause unreasonable risk of the damage which occurred;
4. sustained by **you** or a **relative** if a **motor vehicle** owned by **you** or a **relative** is involved in the accident;
5. sustained in an accident occurring outside the State of Michigan;
6. to utility transmission lines, wires, or cables, which have not been located and erected as required by Michigan law;
7. other than to a **covered auto**, arising out of an accident involving a **motor vehicle** while being used by a person in the course of a business of repairing, servicing, or otherwise maintaining **motor vehicles**. However, this exclusion does not apply to **you** or a **relative** when using a **covered auto**;
8. any covered vehicle while being used in connection with **ride sharing activity**;
9. any covered vehicle while being used in connection with a **personal vehicle sharing program**;
10. owned by **you** or a **relative** if **you** or a **relative** were the owner, operator, or registrant of a vehicle involved in the **motor vehicle** accident out of which the accidental damage to tangible property arose; or

11. excluded by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended, and the law of the State of Michigan.

LIMITS OF LIABILITY

Personal Protection Insurance Benefits otherwise payable shall be reduced by any benefits provided or required to be provided under the laws of any state or federal government, including, but not limited to:

1. Social Security Survivor Benefits;
2. Social Security Disability Benefits;
3. Workers' Compensation Benefits; and
4. Social Security Dependent Benefits.

No coverage will be provided under this Part II except as required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended.

Personal Protection Insurance Benefits otherwise payable shall also be reduced by any applicable deductible shown on the **declarations page**.

EXCESS COVERAGE OPTION

1. If **you** have elected Personal Protection Insurance Benefits for **allowable expenses** as excess coverage, it is agreed that the primary source of protection will be all other medical insurance, health care benefit plans, or similar benefit insurance, self-insurance or plans available to **you** and **relatives**, including, but not limited to:
 - a. individual, blanket or group accident disability or hospitalization insurance, self-insurance, or plans;
 - b. medical or surgical reimbursement insurance or plans;
 - c. automobile or premises insurance affording medical expense benefits; and
 - d. Health Maintenance Organization (HMO) service plans.

You and **relatives** seeking benefits under this Part II as excess coverage must first obtain benefits from all other available medical insurance, health care benefit plans, or similar benefit plans.

Coverage under this Part II is excluded to the extent that any elements of **allowable expenses** are paid, payable or required to be provided to, or on behalf of, **you** or a **relative** under the provisions of any medical insurance, health care benefit plans, or similar benefit insurance, self-insurance or plan. **We** will pay **allowable expenses** in excess of any valid limitations as to amount or duration of benefits which are not paid or payable under any other insurance, self-insurance or plans.

2. If **you** have elected Personal Protection Insurance Benefits for **work loss** as excess coverage, it is agreed that **your** primary source of protection will be all other valid and collectible:
 - a. individual, blanket or group accident, sickness and accident, or disability insurance, or plans; and

- b. insurance or plans covering mortgage or **motor vehicle** loans which provide for direct payment to the lender.

Coverage under this Part II is excluded to the extent that any elements of loss covered under Personal Protection Insurance **work loss** benefits are paid, payable or required to be provided to, or on behalf of, **you** or a **relative** under the provisions of any other insurance, benefit plan, or similar plan.

3. If **you** have elected Personal Protection Insurance Benefits as excess coverage, **allowable expenses** and **work loss** benefits payable to **you** or a **relative** who sustains **bodily injury** in a **motor vehicle** accident shall be reduced by the deductible shown on the **declarations page**. However, this deductible shall be reduced by any benefits paid by a primary carrier for similar benefits.

WORK LOSS BENEFITS WAIVER

Any **eligible injured person** 60 years of age or older who has elected the Work Loss Benefits Waiver will not be eligible to receive **work loss** benefits under Personal Protection Insurance.

OTHER INSURANCE

If there is other applicable Personal Protection Insurance or **motor vehicle** medical payments insurance, **we** will pay in accordance with the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended, and as specified therein at M.C.L.A. Sections 500.3114, 500.3115, and 500.3171 as amended.

COORDINATION OF BENEFITS

If there is any other insurance, self-insurance, or insurance plan providing coverage for expenses or loss covered under this Part II, the coverage provided under this Part II shall be coordinated with the coverage available under all such policies and plans so that up to, but no more than, 100 percent of any such expenses or loss shall be recoverable under this and all such policies and plans combined.

PART III—UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT

If **you** pay the premium for this coverage, **we** will pay for damages that an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury**:

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

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

Any judgment or settlement for damages against an owner or operator of an **uninsured motor vehicle** that arises out of a lawsuit brought without **our** written consent is not binding on **us**. **You** are permitted to file a lawsuit against **us** within the statute of limitations to have any dispute settled by a court of proper jurisdiction when **you** believe **we** have not appropriately responded to **your** requests concerning such proceedings or **you** believe **we** have acted inappropriately in handling **your** claim.

ADDITIONAL DEFINITIONS

When used in this Part III:

1. **“Insured person”** means:
 - a. **you**, a **relative**, or a **rated resident**;
 - b. any person who is not an insured for Uninsured/Underinsured Motorist or similar coverage by any other insurance policy while operating a **covered auto** with the permission of **you**, a **relative**, or a **rated resident**; and
 - c. any person who is not an insured for Uninsured/Underinsured Motorist or similar coverage by any other insurance policy **occupying**, but not operating, a **covered auto**; and
 - d. any person who is entitled to recover damages covered by this Part III because of **bodily injury** sustained by a person described in a., b. or c. above.
2. **“Uninsured motor vehicle”** means a land motor vehicle or trailer of any type:
 - a. to which no bodily injury liability bond or policy applies at the time of the accident;
 - b. to which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:
 - (i) denies coverage; or
 - (ii) is or becomes insolvent;
 - c. to which a bodily injury liability bond or policy applies at the time of the accident, but its limit of liability for bodily injury is less than the minimum limit of liability for bodily injury specified by the financial responsibility law of the state in which the **covered auto** is principally garaged;
 - d. that is a hit-and-run vehicle whose owner or operator cannot be identified and which strikes:
 - (i) **you**, a **relative**, or a **rated resident**;
 - (ii) a vehicle that **you**, a **relative**, or a **rated resident** are **occupying**; or
 - (iii) a **covered auto**;provided that the **insured person**, or someone on his or her behalf, reports the accident to the police or civil authority within 24 hours and to **us** within 30 days. But if it is shown that it was not reasonably possible to report the accident within this time period, then the **insured person**, or someone on his or her behalf, must report the accident to both the police and **us** as soon as reasonably possible; or
 - e. to which a bodily injury liability bond or policy applies at the time of the acci-

dent, but the sum of all applicable limits of liability for bodily injury is less than the coverage limit for Uninsured/Underinsured Motorist Coverage shown on the **declarations page**.

An “**uninsured motor vehicle**” does not include any vehicle or equipment:

- a. owned by **you**, a **relative**, or a **rated resident** or furnished or available for the regular use of **you**, a **relative**, or a **rated resident**;
- b. owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer that is or becomes insolvent;
- c. owned by any governmental unit or agency;
- d. operated on rails or crawler treads;
- e. designed mainly for use off public roads, while not on public roads;
- f. while located for use as a residence or premises; or
- g. that is a **covered auto**.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART III.

Coverage under this Part III will not apply:

1. to **bodily injury** sustained by any person while using or **occupying**:
 - a. a **covered auto** while being used:
 - (i) to carry persons or property for compensation or a fee;
 - (ii) for retail or wholesale delivery, including, but not limited to, the pickup, transport or delivery of magazines, newspapers, mail or food; or
 - (iii) for **ride-sharing activity**.
This exclusion does not apply to shared-expense car pools or to the use of a **covered auto** for volunteer or charitable purposes or for which reimbursement for normal operating expenses is received; or
 - b. any vehicle that is owned by or available for the regular use of **you**, a **relative**, or a **rated resident**. This exclusion does not apply to a **covered auto** that is insured under this Part III;
2. to **bodily injury** sustained by **you**, a **relative**, or a **rated resident** while using any vehicle, other than a **covered auto**, without the permission of the owner of the vehicle or the person in lawful possession of the vehicle;
3. directly or indirectly to benefit any insurer or self-insurer under any of the following or similar laws:
 - a. workers’ compensation law; or
 - b. disability benefits law;
4. to any punitive or exemplary damages;
5. to **bodily injury** sustained by any person if that person or the legal representative of that person settles without **our** written consent. **You** are permitted to file a lawsuit against **us** within the statute of limitations to have any dispute settled by a court of proper jurisdiction when **you** believe **we** have not appropriately responded to **your** requests concerning such proceedings or **you** believe **we** have acted inappropriately in handling **your** claim; or
6. to **bodily injury** arising out of the use of a **covered auto** while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of a **covered auto** by **you**, a **relative**, or a **rated resident**.

LIMITS OF LIABILITY

The limit of liability shown on the **declarations page** for Uninsured/Underinsured Motorist Coverage is the most **we** will pay regardless of the number of:

1. claims made;
2. **covered autos**;
3. **insured persons**;
4. lawsuits brought;
5. vehicles involved in the accident; or
6. premiums paid.

If **your declarations page** shows a split limit:

1. the amount shown for “each person” is the most **we** will pay for all damages due to **bodily injury** to one person; and
2. subject to the “each person” limit, the amount shown for “each accident” is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one accident.

The “each person” limit of liability includes the total of all claims made for **bodily injury** to an **insured person** and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

If the **declarations page** shows that “combined single limit” or “CSL” applies, the amount shown is the most **we** will pay for the total of all damages resulting from any one accident. However, without changing this total limit of liability, **we** will comply with any law that requires **us** to provide any separate limits.

The limits of liability under this Part III will be reduced by all sums:

1. paid because of **bodily injury** by or on behalf of any persons or organizations that may be legally responsible;
2. paid under Part I—Liability To Others; and
3. paid or payable because of **bodily injury** under any of the following or similar laws:
 - a. workers’ compensation law; or
 - b. disability benefits law.

We will not pay under this Part III any expenses paid or payable under Part II—Personal Protection Insurance and Property Protection Insurance Coverage.

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

If multiple auto policies issued by **us** are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

OTHER INSURANCE

If there is other applicable uninsured or underinsured motorist coverage, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all available coverage limits. However, any insurance **we** provide with respect to a vehicle that is not a **covered auto** will be excess over any other uninsured or underinsured motorist coverage.

ARBITRATION

If **we** and an **insured person** cannot agree on:

1. the legal liability of the operator or owner of an **uninsured motor vehicle**; or
2. the amount of the damages sustained by the **insured person**;

this will be determined by arbitration if **we** and the **insured person** mutually agree to arbitration prior to the expiration of the bodily injury statute of limitations in the state in which the accident occurred. If **we** and the **insured person** do not agree to arbitration, the disagreement may be resolved in a court of competent jurisdiction. Any lawsuit against **us** by an **insured person** for benefits under this Part III must be commenced prior to the expiration of the bodily injury statute of limitations in the state in which the accident occurred.

If **we** and an **insured person** have agreed to arbitration, the decision shall be made by an arbitrator agreed to by the parties. If the parties cannot agree on an arbitrator within 30 days, then on joint application by the **insured person** and **us**, the arbitrator will be appointed by a court having jurisdiction.

Each party will pay the expenses it incurs. The costs and fees of the arbitrator will be shared equally by both parties.

Unless both parties agree otherwise, arbitration will take place in the county in which the **insured person** resides. Local rules of procedure and evidence will apply.

A decision by the arbitrator will be binding with respect to a determination of:

1. the legal liability of the operator or owner of an **uninsured motor vehicle**; and
2. the amount of the damages sustained by the **insured person**.

The arbitrator will have no authority to award an amount in excess of the limit of liability.

We and an **insured person** may agree to an alternate form of arbitration.

PART IV—DAMAGE TO A VEHICLE

INSURING AGREEMENT—STANDARD COLLISION COVERAGE AND BROAD FORM COLLISION COVERAGE

If **you** pay the premium for this coverage, **we** will pay for sudden, direct and accidental loss to a:

1. **covered auto**, including an attached **trailer**; or

2. **non-owned auto;**
and its **custom parts or equipment**, resulting from **collision**.

In addition, **we** will pay the reasonable cost to replace any child safety seat damaged in an accident to which this coverage applies.

INSURING AGREEMENT—LIMITED COLLISION COVERAGE

If **you** pay the premium for this coverage, **we** will pay for sudden, direct and accidental loss to a:

1. **covered auto**, including an attached **trailer**; or
2. **non-owned auto;**
and its **custom parts or equipment**, resulting from **collision**, if the operator of the **covered auto** or **non-owned auto** is not **substantially at-fault** in the accident from which the loss arose.

Determination of whether the operator of the **covered auto** or **non-owned auto** is **substantially at-fault**, and the amount of the loss, will be made by agreement between **you** and **us**. **We** may require **you** to provide reasonable proof that the operator of the **covered auto** or **non-owned auto** was not **substantially at-fault** for the accident. If no agreement is reached as to whether an operator was **substantially at-fault**, the decision will be determined by arbitration in accordance with the Collision Arbitration provision specified in this Part IV.

In addition, **we** will pay the reasonable cost to replace any child safety seat damaged in an accident to which this coverage applies.

INSURING AGREEMENT—COMPREHENSIVE COVERAGE

If **you** pay the premium for this coverage, **we** will pay for sudden, direct, and accidental loss to a:

1. **covered auto**, including an attached **trailer**; or
2. **non-owned auto;**
and its **custom parts or equipment**, that is not caused by **collision**.

A loss not caused by **collision** includes:

1. contact with an animal (including a bird);
2. explosion or earthquake;
3. fire;
4. malicious mischief or vandalism;
5. missiles or falling objects;
6. riot or civil commotion;
7. theft or larceny;
8. windstorm, hail, water or flood; or
9. breakage of glass not caused by **collision**.

In addition, **we** will pay for:

1. reasonable transportation expenses incurred by **you** if a **covered auto** is stolen; and
 2. loss of use damages that **you** are legally liable to pay if a **non-owned auto** is stolen.
- A combined maximum of \$900, not exceeding \$30 per day, will apply to these additional benefits. The additional benefit for transportation expenses will not apply if **you** purchased Rental Reimbursement Coverage for the stolen **covered auto**.

Coverage for transportation expenses and loss of use damages begins 48 hours after **you** report the theft to **us** and ends the earliest of:

1. when the **auto** has been recovered and returned to **you** or its owner;
2. when the **auto** has been recovered and repaired;
3. when the **auto** has been replaced; or
4. 72 hours after **we** make an offer to settle the loss if the **auto** is deemed by **us** to be a total loss.

We must receive written proof of transportation expenses and loss of use damages.

INSURING AGREEMENT—ADDITIONAL CUSTOM PARTS OR EQUIPMENT COVERAGE

We will pay for sudden, direct and accidental loss to **custom parts or equipment** on a **covered auto** for which this coverage has been purchased. This coverage applies only if **you** have purchased both Comprehensive Coverage and Collision Coverage for that **covered auto** and the loss is covered under one of those coverages. This coverage applies in addition to any coverage automatically provided for **custom parts or equipment** under Comprehensive Coverage or Collision Coverage.

INSURING AGREEMENT—COMPREHENSIVE WINDOW GLASS COVERAGE

If **your declarations page** shows that this coverage applies to **your** policy, **we** will pay under Comprehensive Coverage for loss, not caused by **collision**, to glass or plastic used in the windshield, backglass, windows, moonroof, or sunroof of a **covered auto**.

This coverage is subject to the deductible shown on **your declarations page**.

INSURING AGREEMENT—RENTAL REIMBURSEMENT COVERAGE

We will reimburse rental charges incurred when **you** rent an **auto** from a rental agency or auto repair shop due to a loss to a **covered auto** for which Rental Reimbursement Coverage has been purchased. This coverage applies only if **you** have purchased both Comprehensive Coverage and Collision Coverage for that **covered auto** and the loss is covered under one of those coverages.

Additional fees or charges for insurance, damage waivers, optional equipment, fuel, or accessories are not covered.

This coverage is limited to the each day limit shown on the **declarations page** for a maximum of 30 days.

If Rental Reimbursement Coverage applies, no other coverage under this policy for rental expenses will apply.

Rental charges will be reimbursed beginning:

1. when the **covered auto** cannot be driven due to a loss; or
2. if the **covered auto** can be driven, when **you** deliver the **covered auto** to an auto repair shop or one of **our** Service Centers for repairs due to the loss;

and ending the earliest of:

1. when the **covered auto** has been returned to **you**;
2. when the **covered auto** has been repaired;
3. when the **covered auto** has been replaced;
4. 72 hours after **we** make an offer to settle the loss if the **covered auto** is deemed by **us** to be a total loss; or
5. when **you** incur 30 days worth of rental charges.

You must provide **us** written proof of **your** rental charges to be reimbursed.

INSURING AGREEMENT—LOAN/LEASE PAYOFF COVERAGE

If **you** pay the premium for this coverage, and the **covered auto** for which this coverage was purchased is deemed by **us** to be a total loss, **we** will pay, in addition to any amounts otherwise payable under this Part IV, the difference between:

1. the actual cash value of the **covered auto** at the time of the total loss; and
2. any greater amount the owner of the **covered auto** is legally obligated to pay under a written loan or lease agreement to which the **covered auto** is subject at the time of the total loss, reduced by:
 - a. unpaid finance charges or refunds due to the owner for such charges;
 - b. excess mileage charges or charges for wear and tear;
 - c. charges for extended warranties or refunds due to the owner for extended warranties;
 - d. charges for credit insurance or refunds due to the owner for credit insurance;
 - e. past due payments and charges for past due payments; and
 - f. collection or repossession expenses.

However, **our** payment under this coverage shall not exceed the limit of liability shown on the **declarations page**. The limit of liability is a percentage of the actual cash value of the **covered auto** at the time of the loss.

This coverage applies only if **you** have purchased both Comprehensive Coverage and Collision Coverage for that **covered auto** and the loss is covered under one of those coverages.

INSURING AGREEMENT—PET INJURY COVERAGE

If **you** have purchased Collision coverage for at least one **covered auto** under **your** policy, and if **your pet** sustains injury or death while inside a **covered auto** or **non-owned auto** at the time of a loss covered under Collision or Comprehensive coverage, **we** will provide:

1. up to \$1,000 for reasonable and customary veterinary fees incurred by **you**, a **relative**, or a **rated resident** if **your pet** is injured in, or as a direct result of, the covered loss; or
2. a \$1,000 death benefit if **your pet** dies in, or as a direct result of, the covered loss, less any payment **we** made toward veterinary expenses for **your pet**.

In the event of a covered loss due to the theft of a **covered auto** or **non-owned auto**, **we** will provide the death benefit provided **your pet** is inside that auto at the time of the theft and **your pet** is not recovered.

ADDITIONAL DEFINITIONS

When used in this Part IV:

1. **“Collision”** means the upset of a vehicle or its impact with another vehicle or object.
2. **“Custom parts or equipment”** means equipment, devices, accessories, enhancements and changes, other than those that are offered by the manufacturer specifically for that **auto** model, or that are installed by the auto dealership as part of the original sale of a new **auto**, that:
 - a. are permanently installed or attached; and
 - b. alter the appearance or performance of the **auto**.
3. **“Mechanical parts”** means operational parts on a vehicle that wear out over time or have a finite useful life or duration typically shorter than the life of the vehicle as a whole. **Mechanical parts** do not include external crash parts, wheels, paint, or windshields and other glass.
4. **“Non-owned auto”** means an **auto** that is not owned by or furnished or available for the regular use of **you**, a **relative**, or a **rated resident** while in the custody of or being operated by **you**, a **relative**, or a **rated resident** with the permission of the owner of the **auto** or the person in lawful possession of the **auto**.
5. **“Substantially at-fault”** means that the proportionate share of fault or liability for the accident is more than 50 percent.
6. **“Your pet”** means any dog or cat owned by **you**, a **relative**, or a **rated resident**.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART IV.

Coverage under this Part IV will not apply for loss:

1. to any vehicle while being used:
 - a. to carry persons or property for compensation or a fee;
 - b. for retail or wholesale delivery, including, but not limited to, the pickup, transport or delivery of magazines, newspapers, mail or food; or
 - c. for **ride-sharing activity**.

This exclusion does not apply to shared-expense car pools or to the use of a **covered auto** for volunteer or charitable purposes or for which reimbursement for normal operating expenses is received.

2. to a **non-owned auto** while being maintained or used by a person while employed or engaged in any **auto business**;
3. to any vehicle resulting from, or sustained during practice or preparation for:
 - a. any pre-arranged or organized racing, stunting, speed or demolition contest or activity; or
 - b. any driving activity conducted on a permanent or temporary racetrack or race-course;
4. to any vehicle for which insurance:
 - a. is afforded under a nuclear energy liability insurance contract; or
 - b. would be afforded under a nuclear energy liability insurance contract but for its termination upon exhaustion of its limit of liability;
5. to any vehicle caused by an intentional act committed by or at the direction of **you**, a **relative**, a **rated resident**, or the owner of a **non-owned auto**, even if the actual damage is different than that which was intended or expected;
6. to a **covered auto** while it is leased or rented to others or given in exchange for compensation, including while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of a **covered auto** by **you**, a **relative**, or a **rated resident**;
7. due to destruction or confiscation by governmental or civil authorities of any vehicle because **you**, any **relative**, or any **rated resident** engaged in illegal activities;
8. to any vehicle that is due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical, electrical or electronic breakdown or failure; or
 - d. road damage to tires.

This exclusion does not apply if the damage results from the theft of a vehicle;
9. to portable equipment, devices, accessories, and any other personal effects that are not permanently installed. This includes, but is not limited to:
 - a. tapes, compact discs, cassettes, DVDs, and other recording or recorded media;
 - b. any case or other container designed for use in storing or carrying tapes, compact discs, cassettes, DVDs, or other recording or recorded media;
 - c. any device used for the detection or location of radar, laser, or other speed measuring equipment or its transmissions; and
 - d. CB radios, telephones, two-way mobile radios, DVD players, personal computers, personal digital assistants, or televisions;
10. to any vehicle for diminution of value;
11. to any vehicle caused directly or indirectly by:
 - a. war (declared or undeclared) or civil war;
 - b. warlike action by any military force of any government, sovereign, or other authority using military personnel or agents. This includes any action taken to hinder or defend against an actual or expected attack; or
 - c. insurrection, rebellion, revolution, usurped power, or any action taken by a governmental authority to hinder or defend against any of these acts;

12. to any vehicle caused directly or indirectly by:
 - a. any accidental or intentional discharge, dispersal or release of radioactive, nuclear, pathogenic or poisonous biological material; or
 - b. any intentional discharge, dispersal or release of chemical or hazardous material for any purpose other than its safe and useful purpose; or
13. to any vehicle caused by, or reasonably expected to result from, a criminal act or omission of **you**, a **relative**, a **rated resident**, or the owner of a **non-owned auto**. This exclusion applies regardless of whether **you**, the **relative**, the **rated resident**, or the owner of the **non-owned auto** is actually charged with, or convicted of, a crime. However, for **us** to establish a criminal act or omission for purposes of this exclusion by other than a criminal conviction, **we** must independently prove beyond a reasonable doubt that **you**, the **relative**, the **rated resident**, or the owner of the **non-owned auto** committed such a criminal act or omission. For purposes of this exclusion, criminal acts or omissions do not include traffic violations.
14. to any vehicle while being sold or offered for sale by a person while engaged in any **auto business**.

LIMITS OF LIABILITY

1. The limit of liability for loss to a **covered auto**, **non-owned auto**, or **custom parts or equipment** is the lowest of:
 - a. the actual cash value of the stolen or damaged property at the time of the loss reduced by the applicable deductible;
 - b. the amount necessary to replace the stolen or damaged property reduced by the applicable deductible;
 - c. the amount necessary to repair the damaged property to its pre-loss condition reduced by the applicable deductible; or
 - d. the Stated Amount shown on the **declarations page** for that **covered auto**.However, the most **we** will pay for loss to:
 - a. **custom parts or equipment** is \$1,000 unless **you** purchased Additional Custom Parts or Equipment Coverage ("ACPE"). If **you** purchased ACPE, the most **we** will pay is \$1,000 plus the amount of ACPE **you** purchased.
 - b. a **trailer** is the limit of liability shown on the **declarations page** for that **trailer**. If the **trailer** is not shown on the **declarations page**, the limit of liability is \$500.
2. Payments for loss to a **covered auto**, **non-owned auto**, or **custom parts or equipment** are subject to the following provisions:
 - a. If coverage applies to a **non-owned auto**, **we** will provide the broadest coverage applicable to any **covered auto** shown on the **declarations page**.
 - b. If **you** have elected a Stated Amount for a **covered auto**, the Stated Amount is the most **we** will pay for all loss to that **covered auto**, including its **custom parts or equipment**.
 - c. Coverage for **custom parts or equipment** will not cause **our** limit of liability for loss to an **auto** under this Part IV to be increased to an amount in excess of the actual cash value of the **auto**, including its **custom parts or equipment**.
 - d. In determining the amount necessary to repair damaged property to its pre-loss condition, the amount to be paid by **us**:
 - (i) will not exceed the prevailing competitive labor rates charged in the area

- where the property is to be repaired and the cost of repair or replacement parts and equipment, as reasonably determined by **us**; and
- (ii) will be based on the cost of repair or replacement parts and equipment which may be new, reconditioned, remanufactured or used, including, but not limited to:
 - (a) original manufacturer parts or equipment; and
 - (b) nonoriginal manufacturer parts or equipment.
- e. To determine the amount necessary to repair or replace the damaged property as referred to in subsection 1., the total cost of necessary repair or replacement may be reduced by unrepaired prior damage. Unrepaired prior damage includes broken, cracked or missing parts; rust; dents; scrapes; gouges; and peeling paint. The reduction for unrepaired prior damage is the cost of labor, parts and materials necessary to repair or replace damage, deterioration, defects, or wear and tear on exterior body parts, windshields and other glass, wheels, and paint, that existed prior to the accident and that is eliminated as a result of the repair or replacement of property damaged in the loss.
 - f. To determine the amount necessary to repair or replace the damaged property as referred to in subsection 1., an adjustment may be made for betterment or depreciation and physical condition on:
 - (i) batteries;
 - (ii) tires;
 - (iii) engines and transmissions, if the engine has greater than 80,000 miles; and
 - (iv) any other **mechanical parts** that are nonfunctioning or inoperative.

We will not make an adjustment for the labor costs associated with the replacement or repair of these parts.
 - g. The actual cash value is determined by the market value, age, and condition of the vehicle at the time the loss occurs.
 - h. The limits of liability under this Part IV shall be reduced by any amount of a loss which has been paid under any Property Protection Insurance.
3. No deductible will apply to a loss to window glass when the glass is repaired instead of replaced.
 4. Duplicate recovery for the same elements of damages is not permitted.
 5. Payments for loss under Broad Form Collision Coverage are also subject to the following provisions:
 - a. notwithstanding any other provision contained in this policy, no deductible will apply to Broad Form Collision Coverage for loss to a **covered auto** when the operator of the **covered auto** is not **substantially at-fault** for the accident from which the loss arose; and
 - b. if no agreement is reached as to whether an operator was **substantially at-fault**, the decision will be determined by arbitration in accordance with the Collision Arbitration provision specified in this Part IV.
 6. The following additional limits of liability apply to Pet Injury coverage:
 - a. The most **we** will pay for all damages in any one loss is a total of \$1,000 regardless of the number of dogs or cats involved.

- b. If **your pet** dies in, or as a direct result of, a covered loss, **we** will provide a death benefit of \$1,000, less any payment **we** made toward veterinary expenses for **your pet**.
- c. No deductible shall apply to this coverage.

COLLISION ARBITRATION

If **you** pay the premium for Limited Collision Coverage or Broad Form Collision Coverage, any disagreement **you** have with **us** as to whether an operator was **substantially at-fault** will be determined by arbitration. **We** will notify **you** in writing of **our** determination as to whether an operator was **substantially at-fault**. **Your** demand for arbitration must be in writing and must be made within 30 days after receiving **our** written determination.

If a written demand for arbitration has been made, then each party shall select an arbitrator. The two arbitrators will select a third. If the two arbitrators cannot agree on a third arbitrator within 30 days, then on joint application by **us** and the insured person, the third arbitrator will be appointed by a court having jurisdiction.

Each party will pay the costs and fees of its arbitrator as well as any other expenses it incurs. The costs and fees of the third arbitrator will be shared equally by the parties.

Unless both parties agree otherwise, arbitration will take place in the county in which the insured person resides. Local rules of procedure and evidence will apply.

A decision agreed to by two of the arbitrators will be binding as to whether an operator was **substantially at-fault**.

Any dispute as to the amount of damages may be joined in the arbitration by **us** in lieu of appraisal.

PAYMENT OF LOSS

We may, at **our** option:

1. pay for the loss in money; or
2. repair or replace the damaged or stolen property.

At **our** expense, **we** may return any recovered stolen property to **you** or to the address shown on the **declarations page**, with payment for any damage resulting from the theft. **We** may keep all or part of the property at the agreed or appraised value.

We may settle any loss with **you** or the owner or lienholder of the property.

NO BENEFIT TO BAILEE

Coverage under this Part IV will not directly or indirectly benefit any carrier or other bailee for hire.

LOSS PAYABLE CLAUSE

Payment under this Part IV for a loss to a **covered auto** will be made according to **your** interest and the interest of any lienholder shown on the **declarations page** or designated by **you**. At **our** option, payment may be made to both jointly, or to either separately. However, if the **covered auto** is not a total loss, **we** may make payment to **you** and the repairer of the **auto**.

The lienholder's interest will not be protected:

1. where fraud, misrepresentation, material omission, or intentional damage resulting in a denial of coverage by **us** has been committed by or at the direction of **you** or any person seeking coverage; or
2. where the loss is otherwise not covered under the terms of this policy.

If this policy is cancelled, nonrenewed or voided, the interest of any lienholder under this agreement will also terminate.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover 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. However, any insurance **we** provide for a **non-owned auto**, or **trailer** not shown on the **declarations page**, will be excess over any other collectible source of recovery including, but not limited to:

1. any coverage provided by the owner of the **non-owned auto** or **trailer**;
2. any other applicable physical damage insurance; and
3. any other source of recovery applicable to the loss.

APPRAISAL

If **we** cannot agree with **you** on the amount of a loss, then **we** or **you** may demand an appraisal of the loss. Within 30 days of any demand for an appraisal, each party shall appoint a competent appraiser and shall notify the other party of that appraiser's identity. The appraisers will determine the amount of loss. If they fail to agree, the disagreement will be submitted to a qualified umpire chosen by the appraisers. If the two appraisers are unable to agree upon an umpire within 15 days, **we** or **you** may request that a judge of a court of record, in the county where **you** reside, select an umpire. The appraisers and umpire will determine the amount of loss. The amount of loss agreed to by both appraisers, or by one appraiser and the umpire, will be binding. **You** will pay **your** appraiser's fees and expenses. **We** will pay **our** appraiser's fees and expenses. All other expenses of the appraisal, including payment of the umpire if one is selected, will be shared equally between **us** and **you**. Neither **we** nor **you** waive any rights under this policy by agreeing to an appraisal.

PART V—ROADSIDE ASSISTANCE COVERAGE

INSURING AGREEMENT

If **you** pay the premium for this coverage, **we** will pay for **our** authorized service representative to provide the following services when necessary due to a **covered emergency**:

1. towing of a **covered disabled auto** to the nearest qualified repair facility; and
2. labor on a **covered disabled auto** at the place of disablement.

If a **covered disabled auto** is towed to any place other than the nearest qualified repair facility, **you** will be responsible for any additional charges incurred.

ADDITIONAL DEFINITIONS

When used in this Part V:

1. **“Covered disabled auto”** means a **covered auto** for which this coverage has been purchased that sustains a **covered emergency**.
2. **“Covered emergency”** means a disablement that is a result of:
 - a. mechanical or electrical breakdown;
 - b. battery failure;
 - c. insufficient supply of fuel, oil, water, or other fluid;
 - d. flat tire;
 - e. lock-out; or
 - f. entrapment in snow, mud, water or sand within 100 feet of a road or highway.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART V.

Coverage under this Part V will not apply to:

1. more than three **covered emergencies** for any single **covered auto** in a six-month period;
2. the cost of purchasing parts, fluid, lubricants, fuel, or replacement keys, or the labor to make replacement keys;
3. installation of products or material not related to the disablement;
4. labor not related to the disablement;
5. labor on a **covered disabled auto** for any time period in excess of 60 minutes per disablement;
6. towing or storage related to impoundment, abandonment, illegal parking, or other violations of law;
7. assistance with jacks, levelers, airbags or awnings;
8. labor or repair work performed at a service station, garage, or repair shop;
9. auto storage charges;
10. disablement that occurs on roads not regularly maintained, sand beaches, open fields, or areas designated as not passable due to construction, weather, or earth movement;
11. mounting or removing of snow tires or chains;

12. tire repair;
13. disablement that results from an intentional or willful act or action by **you**, a **relative**, or the operator of a **covered disabled auto**;
14. any **covered auto** while being used in connection with **ride-sharing activity**;
15. any **covered auto** while being used in connection with a **personal vehicle sharing program**; or
16. a trailer.

UNAUTHORIZED SERVICE PROVIDER

When service is rendered by a provider in the business of providing roadside assistance and towing services, other than one of **our** authorized service representatives, **we** will pay only reasonable charges, as determined by **us**, for:

1. towing of a **covered disabled auto** to the nearest qualified repair facility; and
2. labor on a **covered disabled auto** at the place of disablement; which is necessary due to a **covered emergency**.

OTHER INSURANCE

Any coverage provided under this Part V for service rendered by an unauthorized service provider will be excess over any other collectible insurance or towing protection coverage.

PART VI—DUTIES IN CASE OF AN ACCIDENT OR LOSS

For coverage to apply under this policy, **you** or the person seeking coverage must promptly report each accident or loss even if **you** or the person seeking coverage is not at fault. **You** or the person seeking coverage must provide **us** with all accident or loss information, including time, place, and how the accident or loss happened. **You** or the person seeking coverage must also obtain and provide **us** the names and addresses of all persons involved in the accident or loss, the names and addresses of any witnesses, and the license plate numbers of the vehicles involved.

If **you** or the person seeking coverage cannot identify the owner or operator of a vehicle involved in the accident, or if theft or vandalism has occurred, **you** or the person seeking coverage must notify the police within 24 and **us** within 30 days hours or as soon as reasonably possible. Notification to **our** authorized agent shall be deemed to be notice to **us**.

Coverage will not be denied due to lack of timely notice if:

1. **you** or an insured person can show that it was not reasonably possible to provide notice within the required time; and
2. notice is provided as soon as reasonably possible.

A person seeking coverage must:

1. cooperate with **us** in any matter concerning a claim or lawsuit;

2. provide any written proof of loss **we** may reasonably require;
3. allow **us** or **our** representative to take signed and recorded statements, including sworn statements and examinations under oath, which **we** may conduct outside the presence of **you** or any other person seeking coverage, and answer all reasonable questions **we** may ask as often as **we** may reasonably require;
4. promptly call to notify **us** about any claim or lawsuit and send **us** any and all legal papers relating to the claim or suit;
5. attend hearings and trials as **we** require;
6. take reasonable steps after a loss to protect the **covered auto**, or any other vehicle for which coverage is sought, from further loss. **We** will pay reasonable expenses incurred in providing that protection. If failure to provide such protection results in further loss, any additional damages will not be covered under this policy;
7. allow **us** to have the damaged **covered auto**, or any other damaged vehicle for which coverage is sought, inspected and appraised before its repair or disposal;
8. submit to medical examinations at **our** expense by doctors **we** select as often as **we** may reasonably require; and
9. authorize **us** to obtain medical and other records.

PART VII—GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

This policy applies only to accidents and losses occurring during the policy period shown on the **declarations page** and that occur within a state, territory or possession of the United States of America, or a province or territory of Canada, or while a **covered auto** is being transported between their ports.

CHANGES

This policy contract, **your** insurance application (which is made a part of this policy as if attached hereto), the **declarations page**, and all endorsements to this policy issued by **us**, contain all the agreements between **you** and **us**. Subject to the following, the terms of this policy may not be changed or waived except by an endorsement issued by **us**.

The premium for this policy is based on information **we** received from **you** and other sources. **You** agree to cooperate with **us** in determining if this information is correct and complete, and to promptly notify **us** if it changes during the policy period. If this information is determined by **us** to be incorrect, incomplete, or if it changes during the policy period, **you** agree that **we** may adjust **your** policy information and premium accordingly. Changes that may result in a premium adjustment are contained in **our** rates and rules. These include, but are not limited to, **you**, a **relative**, or a **rated resident** obtaining a driver's license or operator's permit, or changes in:

1. the number, type or use classification of **covered autos**;

2. the persons who regularly operate a **covered auto**;
3. the persons of legal driving age residing in **your** household;
4. the residents in **your** household;
5. an operator's marital status;
6. **your** mailing address and **your** residence address;
7. the principal garaging address of any **covered auto**;
8. coverage, deductibles, or limits of liability; or
9. rating territory or discount eligibility.

The coverage provided in **your** policy may be changed only by the issuance of a new policy or an endorsement by **us**. However, if during the policy period **we** broaden any coverage afforded under the current edition of **your** policy without additional premium charge, that change will automatically apply to **your** policy as of the date the coverage change is implemented in **your** state.

If **you** ask **us** to delete a vehicle from this policy, no coverage will apply to that vehicle as of the date and time **you** ask **us** to delete it.

DUTY TO REPORT CHANGES

You must promptly report to **us** all changes, including additions and deletions, in policy information. This includes, but is not limited to, changes in:

1. **your** mailing address or **your** residence address;
2. the principal garaging address of any **covered auto**;
3. the residents in **your** household;
4. the persons of legal driving age residing in **your** household;
5. the persons who regularly operate a **covered auto**;
6. an operator's marital status; or
7. the driver's license or operator's permit status of **you**, a **relative**, or a **rated resident**.

SETTLEMENT OF CLAIMS

We may use estimating, appraisal, or injury evaluation systems to assist **us** in adjusting claims under this policy and to assist **us** in determining the amount of damages, expenses, or loss payable under this policy. Such systems may be developed by **us** or a third party and may include computer software, databases, and specialized technology.

TERMS OF POLICY CONFORMED TO STATUTES

If any provision of this policy fails to conform to the statutes of the state listed on **your** application as **your** residence, the provision shall be deemed amended to conform to such statutes. All other provisions shall be given full force and effect. Any disputes as to the coverages provided or the provisions of this policy shall be governed by the law of the state listed on **your** application as **your** residence.

TRANSFER OF INTEREST

The rights and duties under this policy may not be transferred to another person without **our** written consent. However, if a named insured shown on the **declarations page** dies, this policy will provide coverage until the end of the policy period for the legal representative of the named insured, while acting as such, and for persons covered under this policy on the date of the named insured's death.

FRAUD OR MISREPRESENTATION

This policy was issued in reliance upon the information provided on **your** insurance application. **We** may void this policy at any time, including after the occurrence of an accident or loss, if **you**:

1. made incorrect statements or representations to **us** with regard to any material fact or circumstance;
2. concealed or misrepresented any material fact or circumstance; or
3. engaged in fraudulent conduct;

at the time of application. This means that **we** will not be liable for any claims or damages that would otherwise be covered.

Any changes **we** make at **your** request to this policy after inception will be made in reliance upon information **you** provide. If **you**:

1. make incorrect statements or representations to **us** with regard to any material fact or circumstance;
2. conceal or misrepresent any material fact or circumstance; or
3. engage in fraudulent conduct;

in connection with a requested change **we** may void the policy or reform it as it existed immediately prior to the requested change. **We** may do this at any time, including after the occurrence of an accident or loss.

When **we** have not voided or reformed the policy, **we** may still deny coverage for an accident or loss if **you**, in connection with the policy application, in connection with any requested change, or at any time during the policy period, have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct and that concealment, misrepresentation, or fraudulent conduct was material to a risk **we** assumed.

We may deny coverage for an accident or loss if **you** or a person seeking coverage has concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

PAYMENT OF PREMIUM AND FEES

If **your** initial premium payment is by check, draft, electronic funds transfer, or similar form of remittance, coverage under this policy is conditioned on payment to **us** by the financial institution. If the financial institution upon presentment does not honor the check, draft, electronic funds transfer, or similar form of remittance, this policy may, at

our option, be deemed void from its inception. This means **we** will not be liable under this policy for any claims or damages that would otherwise be covered if the check, draft, electronic funds transfer, or similar form of remittance had been honored by the financial institution. Any action by **us** to present the remittance for payment more than once shall not affect **our** right to void this policy.

In addition to premium, fees may be charged on **your** policy. **We** may charge fees for installment payments, late payments, and other transactions. Payments made on **your** policy will be applied first to fees, then to premium due.

CANCELLATION

You may cancel this policy by notifying **us** of cancellation on or before the date of cancellation.

We may cancel this policy during the policy period by mailing a notice of cancellation to the named insured shown on the **declarations page** at the last known address appearing in **our** records.

We will give at least 10 days notice of cancellation if the policy is cancelled for nonpayment of premium. If **we** cancel this policy for any reason other than nonpayment of premium within the first 55 days following the initial issuance of this policy, notice will be mailed at least 20 days before the effective date of cancellation.

We will give at least 30 days notice of cancellation in all other cases.

We may cancel this policy for any reason if the notice is mailed within the first 55 days of the initial policy period.

After this policy is in effect for more than 55 days, or if this is a renewal or continuation policy, **we** may cancel only for one or more of the following reasons:

1. nonpayment of premium;
2. material misrepresentation or fraud in the submission of any claim under this policy;
3. loss of driving privileges through suspension, or revocation of an operator's license issued to **you**, any driver in **your** household, or any regular operator of a **covered auto**;
4. **we** have agreed to issue a new policy within the same or an affiliated company; or
5. any other reason permitted by law.

Proof of mailing will be sufficient proof of notice. If this policy is cancelled, coverage will not be provided as of the effective date and time shown in the notice of cancellation. For purposes of cancellation, this policy is neither severable nor divisible. Any cancellation will be effective for all coverages for all persons and all vehicles.

CANCELLATION REFUND

Upon cancellation, **you** may be entitled to a premium refund. However, **our** making or offering of a refund is not a condition of cancellation.

If this policy is cancelled, any refund due will be computed on a daily pro rata basis. However, **we** are entitled to retain **our** minimum earned premium.

NONRENEWAL

If neither **we** nor one of **our** affiliates offers to renew or continue this policy, **we** will mail notice of nonrenewal to the named insured shown on the **declarations page** at the last known address appearing in **our** records. Proof of mailing will be sufficient proof of notice. Notice will be mailed at least 30 days before the end of the policy period.

AUTOMATIC TERMINATION

If **we** or an affiliate offers to renew or continue this policy and **you** or **your** representative does 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 will mean that **you** have not accepted **our** offer.

For coverage under this policy, **we** will share on a pro rata basis with other valid and collectible insurance purchased on a primary basis. **Our** share will be the proportion that **our** limit of liability bears to the total of all applicable limits.

LEGAL ACTION AGAINST US

We may not be sued unless there is full compliance with all the terms of this policy.

We may not be sued for payment under Part I—Liability To Others until the obligation of an insured person under Part I to pay is finally determined either by judgment after trial against that person or by written agreement of the insured person, the claimant, and **us**. No one will have any right to make **us** a party to a lawsuit to determine the liability of an insured person. **You** are permitted to file a lawsuit against **us** within the statute of limitations to have any dispute settled by a court of proper jurisdiction when **you** believe **we** have not appropriately responded to **your** requests concerning such proceedings or **you** believe **we** have acted inappropriately in handling **your** claim.

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

OUR RIGHTS TO RECOVER PAYMENT

We are entitled to the rights of recovery that the insured person to whom payment was made has against another, to the extent of **our** payment. That insured person may be required to sign documents related to the recovery and must do whatever else **we** require to help **us** exercise those recovery rights, and do nothing after an accident or loss to prejudice those rights.

When an insured person has been paid by **us** and also recovers from another, the amount recovered will be held by the insured person in trust for **us** and reimbursed to **us** to the extent of **our** payment. If **we** are not reimbursed, **we** may pursue recovery of that amount directly against that insured person.

If an insured person recovers from another without **our** written consent, the insured person's right to payment under any affected coverage will no longer exist. **You** are permitted to file a lawsuit against **us** within the statute of limitations to have any dispute settled by a court of proper jurisdiction when **you** believe **we** have not appropriately responded to **your** requests concerning such proceedings or **you** believe **we** have acted inappropriately in handling **your** claim.

If **we** elect to exercise **our** rights of recovery against another, **we** will also attempt to recover any deductible incurred by an insured person under this policy unless **we** are specifically instructed by that person not to pursue the deductible. **We** have no obligation to pursue recovery against another for any loss not covered by this policy.

We reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. **We** also reserve the right to incur reasonable expenses and attorney fees in pursuit of the recovery.

If the total recovery is less than the total of **our** payment and the deductible, **we** will reduce reimbursement of the deductible based on the proportion that the actual recovery bears to the total of **our** payment and the deductible. A proportionate share of collection expenses and attorney fees incurred in connection with these recovery efforts will also reduce reimbursement of the deductible.

These provisions will be applied in accordance with state law.

JOINT AND INDIVIDUAL INTERESTS

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

BANKRUPTCY

The bankruptcy or insolvency of an insured person will not relieve **us** of any obligations under this policy.

PROGRESSIVE[®]
DIRECT Auto

9611D MI 1115



Exhibit B

Vehicle Valuation Report

Prepared For Progressive Group of Insurance Companies (800) 321-9843



Claim Information

| | | | | |
|---------------|---------------|-----------------------|--|----------------|
| Claim Number | Policy Number | Loss Type | Owner | |
| 22-4311575-01 | | COLLISION | ANGELA PERRY 27850 COLERIDGE ST UNIT 115W HARRISON TOWNSHIP, MI 48045 +1-313-7424786 | |
| Loss Date | Reported Date | Valuation Report Date | Valuation Report ID | Version Number |
| 02/13/2022 | 02/13/2022 | 02/17/2022 | 1014374746 | 1 |

Vehicle Information

| | | | | |
|--------------|-------------------|---|---------------|--------------|
| Year | Make | Model | Location | Mileage |
| 2009 | Pontiac | G6 4 Door Sedan 2.4L 4 Cyl Gas A FWD | MI 48045 | 98,762 miles |
| Ext Color | License | VIN | Title History | |
| Summit White | DVL1429, Michigan | 1G2ZG57B894153582 | No | |

Valuation Summary

Loss Vehicle Adjustments

Adjustments specific to your vehicle

| | |
|---------------------|------------|
| Base Value = | \$4,731.35 |
| Condition - | \$321.13 |
| Prior Damage | \$0.00 |
| Aftermarket Parts + | \$85.00 |
| Refurbishment | \$0.00 |
| Market Value = | \$4,495.22 |

Settlement Value:
\$4,395.22

Settlement Adjustments

Adjustments specific to your policy

| | |
|--------------------|------------|
| Deductible - | \$100.00 |
| Settlement Value = | \$4,395.22 |

Loss Vehicle Detail

Loss vehicle: 2009 Pontiac G6 | 4 Door Sedan | 2.4L 4 Cyl Gas A FWD

Standard Equipment

Exterior

| | |
|---|---|
| Glass, Solar-Ray light-tinted, heat rejecting | Headlamps, halogen composite with reflector optics, automatic exterior lamp control and 20-second delay off feature |
| Mirrors, outside power-adjustable, Satin Black | Tires, 17" (43.2 cm) touring, blackwall |
| Wheels, 17" (43.2 cm) custom 5-spoke, high-vent | Wipers, front intermittent, speed-sensitive, controlled-cycle |

Interior

| | |
|---|--|
| Air conditioning, single-zone manual | Audio system AM/FM stereo with CD player, seek-and-scan, Radio Data System (RDS), speed-compensated volume, TheftLock, equalizer, Driver Information Center and auxiliary input jack for iPod/MP3 player |
| Audio system feature, 6-speaker system | Console, floor with floor shifter, integral armrest, lighted shift indicator, parking brake and storage compartment |
| Defogger, rear-window, electric | Door locks, power programmable with lockout protection and delayed locking |
| Instrumentation, analog with speedometer, temperature, fuel, tachometer and trip odometer | Lighting, interior with illuminated entry and theater dimming |
| Map pocket, driver seatback | Map pocket, front passenger seatback |
| Mirror, inside rearview manual day/night | Seat adjuster, driver 4-way manual with power height adjustment and ratcheting lumbar |
| Seat, rear 60/40 split-folding | Seats, 45/45 front bucket |
| Steering column, Tilt-Wheel, adjustable | Steering wheel, 3-spoke |
| Theft-deterrent system, vehicle, PASS-Key III+ | Trunk release, power |
| Windows, power with driver express-down | XM Radio. XM Radio includes 3 trial months of service. XM turns your world on with commercial-free music channels from Rock to Jazz, Country to Classical, Latin Pop to Hip Hop, and virtually everything in between, all in amazing digital sound. Turn on your favorite Sports with every Major League Baseball game from Opening Day until the World Series, NHL Hockey, the PGA TOUR and college football and basketball. Plus XM brings you the biggest names in news and talk, outrageous comedy, award-winning family programming -- wherever you go from coast to coast. Exclusive live concerts, Oprah and Friends, Radio Disney, and so much more. Find what turns you on. (Available only in the 48 contiguous United States. Required \$12.95 monthly subscription sold separately after 3 trial months. Visit gm.xmradio.com for more details.) |

Mechanical

| | |
|---|---|
| Axle, 3.91 ratio | Brakes, 4-wheel antilock, 4-wheel disc, includes Traction Control |
| Exhaust outlet, stainless steel | Front wheel drive |
| Steering, Electric Power Steering (EPS) | Suspension, touring |

Safety

| | |
|---|---|
| Air bags, dual-stage frontal and side-impact, driver and right-front passenger and head curtain side-impact, front and rear outboard seating positions with Passenger Sensing System (Head curtain side air bags are designed to help reduce the risk of head and neck injuries to front and rear seat occupants on the near side of certain side-impact collisions. Always use safety belts and the correct child restraints for your child's age and size. Even in vehicles equipped with air bags and the Passenger Sensing System, children are safer when properly secured in a rear seat. Never place a rear-facing infant restraint in the front seat of any vehicle equipped with an active frontal air bag. See the vehicle's Owners Manual and child safety seat instructions for more safety information.) | Daytime running lamps |
| Door locks, rear child security | LATCH system (Lower Anchors and Top tethers for CHildren), for child safety seats |

OnStar 1-year of Safe and Sound plan. Includes Automatic Crash Notification, Automatic Notification of Air Bag Deployment, Stolen Vehicle Location Assistance, a link to all Emergency Services, Roadside Assistance, Remote Door Unlock (if equipped), Hands-Free Calling and Remote Horn & Lights (OnStar services require vehicle electrical system (including battery), wireless service and GPS satellite signals to be available and operating for features to function properly. OnStar acts as a link to existing emergency service providers. Stolen Vehicle Location Assistance and Remote Door Unlock success varies with conditions. OnStar Vehicle Diagnostics available on most 2004 MY and newer GM vehicles. Diagnostic capability varies by model. Visit onstar.com or call 1-888-466-7827 for system limitations and details. For a list of vehicles with Automatic Crash Notification visit onstar.com.

Safety belts, 3-point, driver and right-front passenger, height-adjustable

Safety belts, 3-point, rear, all seating positions

Traction control, Traction Control System (TCS), full-function

Packages

PREFERRED PACKAGE

includes (K34) cruise control, (AP3) Remote vehicle starter system, (JA7) leather-wrapped brake handle, (VY7) leather-wrapped shift knob, (UK3) steering-wheel mounted audio controls and (N34) leather-wrapped steering wheel

Optional Equipment

CARGO NETS, TRUNK

FLOOR MATS, CARPETED FRONT AND REAR

MOLDINGS, BODY-COLOR BODYSIDE

*DIO/PIO = Dealer/Port Installed Options

Loss Vehicle Base Value

Loss vehicle: 2009 Pontiac G6 | 4 Door Sedan | 2.4L 4 Cyl Gas A FWD

Comparable Vehicle Information

Search Radius used for this valuation: 75 miles from loss vehicle zip/postal code.

Typical Mileage for this vehicle: 126,000 miles

| # | Vehicle Description | Mileage | Location | Distance From Loss Vehicle | Price | Adjusted Value |
|--------------------|---|---------|----------|----------------------------|--------------------------|-------------------|
| 1 | 2009 PONTIAC G6 BASE 4D SDN 4 2.4NORMAL GAS A 2WD | 145,025 | 48439 | 48 miles | \$3,900.00 Sold Price | \$4,556.88 |
| 2 | 2009 PONTIAC G6 BASE 4D SDN 4 2.4NORMAL GAS A 2WD | 116,645 | 48083 | 15 miles | \$5,299.00 List Price | \$5,075.91 |
| 3 | 2009 PONTIAC G6 BASE 4D SDN 4 2.4NORMAL GAS A 2WD | 41,054 | 48307 | 16 miles | \$7,900.00 List Price | \$5,821.28 |
| 4 | 2009 PONTIAC G6 BASE 4D SDN 4 2.4NORMAL GAS A 2WD | 107,647 | 48185 | 33 miles | \$4,999.00 List Price | \$4,891.31 |
| 5 | 2009 PONTIAC G6 BASE 4D SDN 4 2.4NORMAL GAS A 2WD | 128,190 | 48184 | 37 miles | \$3,995.00 List Price | \$4,207.80 |
| 6 | 2009 PONTIAC G6 BASE 4D SDN 4 2.4NORMAL GAS A 2WD | 102,409 | 48439 | 48 miles | \$5,000.00 List Price | \$4,526.69 |
| 7 | 2009 PONTIAC G6 BASE 4D SDN 4 2.4NORMAL GAS A 2WD | 132,220 | 48471 | 58 miles | \$3,995.00 List Price | \$4,039.56 |
| Base Value: | | | | | | \$4,731.35 |

Loss Vehicle Adjustments

Loss vehicle: 2009 Pontiac G6 | 4 Door Sedan | 2.4L 4 Cyl Gas A FWD

Condition Adjustments

Condition Adjustment: **-\$321.13**

Overall Condition: **2.42-Fair**

Typical Vehicle Condition: **3.00**

| Category | Condition | Condition \$ | Comments |
|-----------------------|-----------|--------------|-------------------------------|
| Interior | | | |
| DASH/CONSOLE | 3 Good | \$0.00 | |
| HEADLINER | 3 Good | \$0.00 | |
| DOORS/INTERIOR PANELS | 3 Good | \$0.00 | |
| CARPET | 3 Good | \$0.00 | |
| GLASS | 3 Good | \$0.00 | |
| SEATS | 3 Good | \$0.00 | |
| Exterior | | | |
| TRIM | 3 Good | \$0.00 | |
| PAINT | 3 Good | \$0.00 | |
| VINYL/CONVERTIBLE TOP | Typical | \$0.00 | |
| BODY | 2 Fair | -\$115.28 | Penetrating rust single panel |
| Mechanical | | | |
| TRANSMISSION | 3 Good | \$0.00 | |
| ENGINE | 1 Poor | -\$205.85 | obvious leak |
| Tire | 3 Good | \$0.00 | |

Typical Vehicle Condition reflects a condition similar to the same year, make and model. Amount of wear and tear/ damage consistent with its age.

Comments:

After Market Parts and OEM Equipment Adjustments

| Category | Description | Adjustment Type | Purchase Date | Amount Paid | Adjustment Amount |
|--------------|--|-----------------|---------------|-------------|-------------------|
| SAFETY/OTHER | ALARM / REMOTE START / KEYLESS ENTRY | INSTANT QUOTE | | | \$65.00 |
| INTERIOR | WINDOW TINT- SEDAN / 5 DOOR HB / WAGON | INSTANT QUOTE | | | \$20.00 |

Comparable Vehicles

Loss vehicle: 2009 Pontiac G6 | 4 Door Sedan | 2.4L 4 Cyl Gas A FWD

1 2009 PONTIAC G6 BASE 4D SDN 4 2.4 NORMAL GAS A2WD **Sold Price: \$3,900.00**

| | | | | |
|-------------------|----------|--------------|-----------------|----------------------------|
| VIN | Stock No | Listing Date | ZIP/Postal Code | Distance from Loss Vehicle |
| 1G2ZG57B794XXXXXX | | 01/05/2022 | 48439 | 48 miles |

| | | | | |
|---------------------------------------|-------------|--------------|---------------------------|-------------------|
| Source | Adjustments | Loss Vehicle | This Vehicle | Amount |
| DEALER SALE - BUILDSHEET - J.D. POWER | Mileage | 98,762 | 145,025 | \$656.88 |
| | | | Total Adjustments: | \$656.88 |
| | | | Adjusted Price: | \$4,556.88 |

Comparable Vehicle Package Details:

PREFERRED PACKAGE

Comparable Vehicle Option Details:

CARGO NETS, TRUNK, FLOOR MATS, CARPETED FRONT AND REAR, MOLDINGS, BODY-COLOR BODYSIDE

2 2009 PONTIAC G6 BASE 4D SDN 4 2.4 NORMAL GAS A2WD **List Price: \$5,299.00**

| | | | | |
|-------------------|----------|--------------|-----------------|----------------------------|
| VIN | Stock No | Listing Date | ZIP/Postal Code | Distance from Loss Vehicle |
| 1G2ZG57B294188215 | 36284 | 11/20/2021 | 48083 | 15 miles |

| | | | | |
|--|-------------------------------|--------------|---------------------------|-------------------|
| Source | Adjustments | Loss Vehicle | This Vehicle | Amount |
| DEALER WEB LISTING - BUILDSHEET - CARS.COM | Projected Sold Adjustment | | | -\$244.00 |
| ELDER FORD | Mileage | 98,762 | 116,645 | \$303.39 |
| 777 JOHN R ROAD | Equipment | | | |
| TROY MI 48083 | SPORT PACKAGE 1 | No | Yes | -\$307.15 |
| 248-494-4808 | MOLDINGS, BODY-COLOR BODYSIDE | Yes | No | \$24.67 |
| | | | Total Adjustments: | -\$223.09 |
| | | | Adjusted Price: | \$5,075.91 |

Comparable Vehicle Package Details:

PREFERRED PACKAGE

SPORT PACKAGE 1

Comparable Vehicle Option Details:

CARGO NETS, TRUNK, FLOOR MATS, CARPETED FRONT AND REAR

3 2009 PONTIAC G6 BASE 4D SDN 4 2.4 NORMAL GAS A2WD

List Price: \$7,900.00

| | | | | |
|-------------------|----------|--------------|-----------------|----------------------------|
| VIN | Stock No | Listing Date | ZIP/Postal Code | Distance from Loss Vehicle |
| 1G2ZG57BX94136279 | 211494T | 01/19/2022 | 48307 | 16 miles |

| | | | | |
|--|-------------------------------------|--------------|--------------|-------------------|
| Source | Adjustments | Loss Vehicle | This Vehicle | Amount |
| DEALER WEB LISTING - BUILDSHEET - CARS.COM | Projected Sold Adjustment | | | -\$364.00 |
| ROCHESTER HILLS CHRYSLER DODGE JEEP RAM | Mileage | 98,762 | 41,054 | -\$900.07 |
| 1301 ROCHESTER RD | Equipment | | | |
| ROCHESTER HILLS MI 48307 | PREMIUM PACKAGE | No | Yes | -\$439.51 |
| 248-652-9650 | SPORT PACKAGE 1 | No | Yes | -\$457.89 |
| | CARGO NETS, TRUNK | Yes | No | \$16.55 |
| | FLOOR MATS, CARPETED FRONT AND REAR | Yes | No | \$29.42 |
| | MOLDINGS, BODY-COLOR BODYSIDE | Yes | No | \$36.78 |
| | Total Adjustments: | | | -\$2,078.72 |
| | Adjusted Price: | | | \$5,821.28 |

Comparable Vehicle Package Details:

PREFERRED PACKAGE

PREMIUM PACKAGE

SPORT PACKAGE 1

4 2009 PONTIAC G6 BASE 4D SDN 4 2.4 NORMAL GAS A2WD

List Price: \$4,999.00

| | | | | |
|-------------------|----------|--------------|-----------------|----------------------------|
| VIN | Stock No | Listing Date | ZIP/Postal Code | Distance from Loss Vehicle |
| 1G2ZG57B894133395 | PW91104A | 01/15/2022 | 48185 | 33 miles |

| | | | | |
|--|---------------------------|--------------|--------------|-------------------|
| Source | Adjustments | Loss Vehicle | This Vehicle | Amount |
| DEALER WEB LISTING - BUILDSHEET - AUTOTRADER.COM | Projected Sold Adjustment | | | -\$230.00 |
| TODD WENZEL BUICK GMC OF WESTLAND | Mileage | 98,762 | 107,647 | \$122.31 |
| 35100 FORD RD | Total Adjustments: | | | -\$107.69 |
| WESTLAND MI 48185 | Adjusted Price: | | | \$4,891.31 |
| 734-721-1144 | | | | |

Comparable Vehicle Package Details:

PREFERRED PACKAGE

Comparable Vehicle Option Details:

CARGO NETS, TRUNK, FLOOR MATS, CARPETED FRONT AND REAR, MOLDINGS, BODY-COLOR BODYSIDE

5 2009 PONTIAC G6 BASE 4D SDN 4 2.4 NORMAL GAS A2WD **List Price: \$3,995.00**

| | | | | |
|-------------------|----------|--------------|-----------------|----------------------------|
| VIN | Stock No | Listing Date | ZIP/Postal Code | Distance from Loss Vehicle |
| 1G2ZG57B594121138 | 8797 | 12/30/2021 | 48184 | 37 miles |

| | | | | |
|--|---------------------------|--------------|------------------------|-------------------|
| Source | Adjustments | Loss Vehicle | This Vehicle | Amount |
| DEALER WEB LISTING - BUILDSHEET - CARS.COM | Projected Sold Adjustment | | | -\$184.00 |
| ROAD RUNNER AUTO SALES OF WAYNE | Mileage | 98,762 | 128,190 | \$396.80 |
| 31731 MICHIGAN AVE | | | Total Adjustments: | \$212.80 |
| WAYNE MI 48184 | | | Adjusted Price: | \$4,207.80 |
| 734-947-4667 | | | | |

Comparable Vehicle Package Details:

PREFERRED PACKAGE

Comparable Vehicle Option Details:

CARGO NETS, TRUNK, FLOOR MATS, CARPETED FRONT AND REAR, MOLDINGS, BODY-COLOR BODYSIDE

6 2009 PONTIAC G6 BASE 4D SDN 4 2.4 NORMAL GAS A2WD **List Price: \$5,000.00**

| | | | | |
|-------------------|----------|--------------|-----------------|----------------------------|
| VIN | Stock No | Listing Date | ZIP/Postal Code | Distance from Loss Vehicle |
| 1G2ZG57B194179053 | 2200158C | 12/07/2021 | 48439 | 48 miles |

| | | | | |
|--|---------------------------|--------------|------------------------|-------------------|
| Source | Adjustments | Loss Vehicle | This Vehicle | Amount |
| DEALER WEB LISTING - BUILDSHEET - CARS.COM | Projected Sold Adjustment | | | -\$230.00 |
| AL SERRA AUTO PLAZA | Mileage | 98,762 | 102,409 | \$46.52 |
| 6201 S SAGINAW RD | Equipment | | | |
| GRAND BLANC CHARTER TOWNSHIP MI 48439 | SPORT PACKAGE 1 | No | Yes | -\$289.83 |
| 810-694-5600 | | | Total Adjustments: | -\$473.31 |
| | | | Adjusted Price: | \$4,526.69 |

Comparable Vehicle Package Details:

PREFERRED PACKAGE

SPORT PACKAGE 1

Comparable Vehicle Option Details:

CARGO NETS, TRUNK, FLOOR MATS, CARPETED FRONT AND REAR, MOLDINGS, BODY-COLOR BODYSIDE

7 2009 PONTIAC G6 BASE 4D SDN 4 2.4 NORMAL GAS A2WD

List Price: \$3,995.00

| | | | | |
|-------------------|----------|--------------|-----------------|----------------------------|
| VIN | Stock No | Listing Date | ZIP/Postal Code | Distance from Loss Vehicle |
| 1G2ZG57B194185970 | 50-3207A | 02/16/2022 | 48471 | 58 miles |

| Source | Adjustments | Loss Vehicle | This Vehicle | Amount |
|--|-------------------------------|--------------|---------------------------|-------------------|
| DEALER WEB LISTING - BUILDSHEET - CARS.COM | Projected Sold Adjustment | | | -\$184.00 |
| GRAFF CHEVROLET BUICK INC. | Mileage | 98,762 | 132,220 | \$455.47 |
| 495 W SANILAC RD | Equipment | | | |
| SANDUSKY MI 48471 | SPORT PACKAGE 1 | No | Yes | -\$231.56 |
| 810-648-9850 | MOLDINGS, BODY-COLOR BODYSIDE | Yes | No | \$18.60 |
| | ENGINE BLOCK HEATER | No | Yes | -\$13.95 |
| | | | Total Adjustments: | \$44.56 |
| | | | Adjusted Price: | \$4,039.56 |

Comparable Vehicle Package Details:

PREFERRED PACKAGE

SPORT PACKAGE 1

Comparable Vehicle Option Details:

CARGO NETS, TRUNK, FLOOR MATS, CARPETED FRONT AND REAR, ENGINE BLOCK HEATER

Sub-Model Comparison

| Sub-Model Description | Configuration | Original MSRP |
|-----------------------|---------------------------------|---------------|
| 2009 Pontiac G6 | 4 Door Sedan 2.4L 4 Cyl Gas FWD | \$20,490.00 |

Vehicle Valuation Methodology Explanation

WorkCenter Total Loss was designed and built in conjunction with J.D. Powers, experts in data analysis and vehicle pricing and a highly trusted name among consumers. With years of experience in vehicle pricing, J.D. Power is a credible, third-party expert whose name provides consumer recognition and confidence. WCTL provides a consistent methodology across all vehicles and it includes valid comparable vehicles that most closely resemble the totaled vehicle and are similar to the vehicles a consumer would find in their own research.

WorkCenter Total Loss produces accurate and easy-to-understand vehicle valuations via this five step process:

Step 1 - Locate Comparable Vehicles

Locate vehicles that are the closest match to the loss vehicle in the same market area. WorkCenter Total Loss utilizes consumer-based vehicle sources along with inventory directly from Dealerships. When available WCTL also provides sold vehicle records from sources such as J.D. Powers.

Step 2 - Adjust Comparable Vehicles

Make adjustments to the prices of the comparable vehicles. The comparable vehicles are identical to the loss vehicle except where adjustments are itemized. There are several types of comparable vehicle adjustments

- Projected Sold Adjustment - an adjustment to reflect consumer purchasing behavior (negotiating a different price than the listed price).
- Mileage Adjustment - an adjustment for differences in mileage between the comparable vehicle and the loss vehicle.
- Equipment- adjustments for differences in equipment between the comparable vehicle (e.g. equipment packages and options) and the loss vehicle.

Step 3 - Calculate Base Vehicle Value

The base vehicle value is calculated by averaging the adjusted prices of the comparable vehicles.

Step 4 - Calculate Loss Vehicle Adjustments

There are four types of loss vehicle adjustments:

- Condition Adjustment:
Adjustments to account for the condition of the loss vehicle prior to the loss.
- Prior Damage Adjustment:
Adjustments to account for any prior damage present on the loss vehicle prior to the loss.
- After Market Part Adjustment:
Adjustments to account for any after market parts present on the loss vehicle prior to the loss.
- Refurbishment Adjustment:
Adjustments to account for any refurbishment performed on the loss vehicle prior to the loss.

Step 5 - Calculate the Market Value

The Market Value is calculated by applying the loss vehicle adjustments to the base value.

Exhibit C

MICHAEL PETERSON
608 COLBY ST
BESSEMER, MI 49911

Policy Number: 950713497

Underwritten by:
Progressive Marathon Insurance Co
December 16, 2021
Policy Period: Jan 12, 2022 - Jul 12, 2022
Page 1 of 2

progressive.com

Online Service

Make payments, check billing activity, update policy information or check status of a claim.

1-800-776-4737

For customer service and claims service,
24 hours a day, 7 days a week.

Auto Insurance Coverage Summary

This is your Renewal Declarations Page

The coverages, limits and policy period shown apply only if you pay for this policy to renew.

Your coverage begins on January 12, 2022 at 12:01 a.m. This policy expires on July 12, 2022 at 12:01 a.m.

Your insurance policy and any policy endorsements contain a full explanation of your coverage. The policy contract is form 9611D MI (09/19). The contract is modified by forms A245 MI (10/17) and A298 MI (01/21).

Drivers and resident relatives

Additional information

Michael Peterson

Named insured

Eligible for PIP Medical Expense Coverage: Yes

Total residents: 01

The total number of resident relatives and other drivers currently residing in your household. This count should include individuals listed in the Driver section above, and any other relatives, like young children, living in the home for 60 days or more during the next 12 months.

Outline of coverage

2008 TOYOTA TUNDRA CREW PICKUP

VIN: **5TFDV54158X068431**

Garaging ZIP Code: 49911

Rating city: Bessemer

Primary use of the vehicle: Commute

Length of vehicle ownership when policy started or vehicle added: At least 1 year but less than 3 years

Information regarding your vehicle history (prior damage, theft or title issues) has impacted how we determine your premium.

| | Limits | Deductible | Premium |
|--|---|------------|-----------------|
| Liability To Others | | | \$190 |
| Bodily Injury Liability | \$250,000 each person/\$500,000 each accident | | |
| Property Damage Liability | \$100,000 each accident | | |
| Limited Property Damage | \$3,000 | | 7 |
| Personal Protection Insurance (PIP) | Unlimited | | 125 |
| Medical Expense | | | |
| Work Loss and Replacement Services | Selected | | 9 |
| Property Protection Insurance | \$1,000,000 | \$0 | 21 |
| Uninsured/Underinsured Motorist | \$250,000 each person/\$500,000 each accident | | 24 |
| Comprehensive | Actual Cash Value | \$500 | 79 |
| Broad Form Collision | Actual Cash Value | \$500 | 128 |
| Rental Reimbursement | up to \$40 each day/maximum 30 days | | 39 |
| Roadside Assistance | | | 12 |
| Subtotal policy premium | | | \$634.00 |
| MCCA Full Recoupment Fee | | | 43.00 |
| Statutory assessment recoupment | | | 21.00 |
| MCCA Deficiency Recoupment Fee | | | \$0 |
| Total 6 month policy premium and fees | | | \$698.00 |

Premium discounts

| Policy | |
|-----------------------|--|
| 950713497 | Electronic Funds Transfer (EFT), Online Quote, Continuous Insurance: Diamond and Paperless |
| Vehicle | |
| 2008 TOYOTA TUNDRA | Driver and Passenger-side Airbag and Anti-Theft Device |



MICHIGAN

AUTO POLICY

Progressive Michigan Insurance Company
Progressive Marathon Insurance Company

Form 9611D MI (11/15)
version 2.0

PROGRESSIVE[®]
DIRECT Auto

CONTENTS

| | |
|---|----|
| INSURING AGREEMENT | 1 |
| GENERAL DEFINITIONS | 1 |
| PART I—LIABILITY TO OTHERS | |
| Insuring Agreement—Bodily Injury and Property Damage Liability Coverage | 3 |
| Insuring Agreement—Limited Property Damage Coverage | 3 |
| Additional Definition | 3 |
| Additional Payments..... | 4 |
| Exclusions | 4 |
| Limits of Liability..... | 6 |
| Financial Responsibility Laws | 7 |
| Other Insurance | 7 |
| Out-of-State Coverage | 7 |
| PART II—PERSONAL PROTECTION INSURANCE AND PROPERTY PROTECTION INSURANCE COVERAGE | |
| Insuring Agreement—Personal Protection Insurance Coverage (PIP) | 7 |
| Insuring Agreement—Property Protection Insurance Coverage (PPI) | 8 |
| Additional Definitions..... | 8 |
| Exclusions | 9 |
| Limits of Liability..... | 12 |
| Excess Coverage Option..... | 12 |
| Work Loss Benefits Waiver | 13 |
| Other Insurance | 13 |
| Coordination of Benefits..... | 13 |
| PART III—UNINSURED/UNDERINSURED MOTORIST COVERAGE | |
| Insuring Agreement | 13 |
| Additional Definitions..... | 14 |
| Exclusions | 15 |
| Limits of Liability..... | 16 |
| Other Insurance | 17 |
| Arbitration..... | 17 |
| PART IV—DAMAGE TO A VEHICLE | |
| Insuring Agreement— Standard Collision Coverage and Broad Form Collision Coverage | 17 |
| Insuring Agreement—Limited Collision Coverage | 18 |
| Insuring Agreement—Comprehensive Coverage | 18 |

| | |
|---|----|
| Insuring Agreement—Additional Custom Parts or Equipment Coverage | 19 |
| Insuring Agreement—Comprehensive Window Glass Coverage | 19 |
| Insuring Agreement—Rental Reimbursement Coverage..... | 19 |
| Insuring Agreement—Loan/Lease Payoff Coverage | 20 |
| Insuring Agreement—Pet Injury Coverage | 21 |
| Additional Definitions..... | 21 |
| Exclusions | 21 |
| Limits of Liability..... | 23 |
| Collision Arbitration | 25 |
| Payment of Loss..... | 25 |
| No Benefit to Bailee | 25 |
| Loss Payable Clause..... | 26 |
| Other Sources of Recovery | 26 |
| Appraisal | 26 |

PART V—ROADSIDE ASSISTANCE COVERAGE

| | |
|------------------------------------|----|
| Insuring Agreement | 27 |
| Additional Definitions..... | 27 |
| Exclusions | 27 |
| Unauthorized Service Provider..... | 28 |
| Other Insurance | 28 |

PART VI—DUTIES IN CASE OF AN ACCIDENT OR LOSS.....28

PART VII—GENERAL PROVISIONS

| | |
|---|----|
| Policy Period and Territory..... | 29 |
| Changes..... | 29 |
| Duty to Report Changes | 30 |
| Settlement of Claims | 30 |
| Terms of Policy Conformed to Statutes | 30 |
| Transfer of Interest | 31 |
| Fraud or Misrepresentation | 31 |
| Payment of Premium and Fees | 31 |
| Cancellation | 32 |
| Cancellation Refund..... | 32 |
| Nonrenewal | 33 |
| Automatic Termination..... | 33 |
| Legal Action Against Us..... | 33 |
| Our Rights to Recover Payment..... | 33 |
| Joint and Individual Interests..... | 34 |
| Bankruptcy | 34 |

MICHIGAN AUTO POLICY

INSURING AGREEMENT

In return for **your** payment of the premium, **we** agree to insure **you** subject to all the terms, conditions and limitations of this policy. **We** will insure **you** for the coverages and the limits of liability shown on this policy's **declarations page**. **Your** policy consists of the policy contract, **your** insurance application, the **declarations page**, and all endorsements to this policy.

GENERAL DEFINITIONS

The following definitions apply throughout the policy. Defined terms are printed in bold-face type and have the same meaning whether in the singular, plural, or any other form.

1. **"Additional auto"** means an **auto you** become the owner of during the policy period that does not permanently replace an **auto** shown on the **declarations page** if:
 - a. **we** insure all other **autos you** own;
 - b. the **additional auto** is not covered by any other insurance policy;
 - c. **you** notify **us** within 30 days of becoming the owner of the **additional auto**; and
 - d. **you** pay any additional premium due.

An **additional auto** will have the broadest coverage **we** provide for any **auto** shown on the **declarations page**. If **you** ask **us** to insure an **additional auto** more than 30 days after **you** become the owner, any coverage **we** provide will begin at the time **you** request coverage.

2. **"Auto"** means a land motor vehicle:
 - a. of the private passenger, pickup body, or cargo van type;
 - b. designed for operation principally upon public roads;
 - c. with at least four wheels; and
 - d. with a gross vehicle weight rating of 12,000 pounds or less, according to the manufacturer's specifications.

However, **"auto"** does not include step-vans, parcel delivery vans, or cargo cutaway vans or other vans with cabs separate from the cargo area.

3. **"Auto business"** means the business of selling, leasing, repairing, parking, storing, servicing, delivering or testing vehicles.
4. **"Bodily injury"** means bodily harm, sickness, or disease, including death that results from bodily harm, sickness, or disease.
5. **"Covered auto"** means:
 - a. any **auto** or **trailer** shown on the **declarations page** for the coverages applicable to that **auto** or **trailer**;
 - b. any **additional auto**;
 - c. any **replacement auto**; or
 - d. a **trailer** owned by **you**.

6. **"Declarations page"** means the document showing **your** coverages, limits of liability, **covered autos**, premium, and other policy-related information. The **declarations page** may also be referred to as the Auto Insurance Coverage Summary.

7. **“Occupying”** means in, on, entering or exiting.
8. **“Personal vehicle sharing program”** means a system or process, operated by a business, organization, network, group, or individual, that facilitates the sharing of private passenger motor vehicles for use by individuals, businesses, or other entities.
9. **“Property damage”** means physical damage to, destruction of, or loss of use of, tangible property.
10. **“Rated resident”** means a person residing in the same household as **you** at the time of the loss who is not a **relative**, but only if that person is both:
 - a. listed in the “Drivers and household residents” section on the **declarations page**; and
 - b. not designated as either an “Excluded” or a “List Only” driver.
11. **“Relative”** means a person residing in the same household as **you**, and related to **you** by blood, marriage or adoption, and includes a ward, stepchild, or foster child. **Your** unmarried dependent children temporarily away from home will qualify as a **relative** if they intend to continue to reside in **your** household.
12. **“Replacement auto”** means an **auto** that permanently replaces an **auto** shown on the **declarations page**. A **replacement auto** will have the same coverage as the **auto** it replaces if the **replacement auto** is not covered by any other insurance policy. However, if the **auto** being replaced had coverage under Part IV—Damage To A Vehicle, such coverage will apply to the **replacement auto** only during the first 30 days after **you** become the owner unless **you** notify **us** within that 30-day period that **you** want **us** to extend coverage beyond the initial 30 days. If the **auto** being replaced did not have coverage under Part IV—Damage To A Vehicle, such coverage may be added, but the **replacement auto** will have no coverage under Part IV until **you** notify **us** of the **replacement auto** and ask **us** to add the coverage.
13. **“Ride-sharing activity”** means the use of any vehicle to provide transportation of persons or property in connection with a **transportation network company** from the time a user logs on to, or signs in to, any online-enabled application, software, website or system until the time the user logs out of, or signs off of, any such online-enabled application, software, website or system, whether or not the user has accepted any passenger(s) or delivery assignment, including the time the user is on the way to pick up any passenger(s) or property, or is transporting any passenger(s) or property.
14. **“Trailer”** means a non-motorized trailer, including a farm wagon or farm implement, designed to be towed on public roads by an **auto** and not being used:
 - a. for commercial purposes;
 - b. as an office, store, or for display purposes; or
 - c. as a passenger conveyance.
15. **“Transportation network company”** means a corporation, partnership, sole proprietorship, or other entity that uses any online-enabled application, software, website or system to connect drivers with clients or passengers to facilitate and/or provide transportation or delivery services for compensation or a fee.
16. **“We,” “us”** and **“our”** mean the underwriting company providing the insurance, as shown on the **declarations page**.
17. **“You”** and **“your”** mean:
 - a. a person shown as a named insured on the **declarations page**; and

- b. the spouse of a named insured if residing in the same household at the time of the loss. The spouse is considered to be a resident of the household when there is a legitimate marital covenant, shared economic and non-economic burdens, and legitimate reasons for the spouse to be staying in another home or location. If the spouse ceases to be a resident of the same household during the policy period or prior to the inception of this policy, the spouse will be considered **you** and **your** under this policy, but only until the earliest of:
- (i) the end of 90 days following the spouse's change of residency;
 - (ii) the effective date of another policy listing the spouse as a named insured;
 - or
 - (iii) the end of the policy period.

PART I—LIABILITY TO OTHERS

INSURING AGREEMENT—BODILY INJURY AND PROPERTY DAMAGE LIABILITY COVERAGE

If **you** pay the premium for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which an **insured person** becomes legally responsible because of an accident.

Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** option, any claim for damages covered by this Part I.

INSURING AGREEMENT—LIMITED PROPERTY DAMAGE COVERAGE

If **you** pay the premium for this coverage, **we** will pay for damage to a motor vehicle, up to the limits of liability shown on the **declarations page**, for which an **insured person** becomes legally responsible because of an accident occurring within the State of Michigan, which arises out of the ownership, maintenance, or use of an **auto**, to the extent that such damage is not otherwise covered by insurance.

ADDITIONAL DEFINITION

When used in this Part I:

"Insured person" means:

- a. **you**, a **relative**, or a **rated resident** with respect to an accident arising out of the ownership, maintenance or use of an **auto** or a **trailer**;
- b. any person with respect to an accident arising out of that person's use of a **covered auto** with the permission of **you**, a **relative**, or a **rated resident**;
- c. any person or organization with respect only to vicarious liability for the acts or omissions of a person described in a. or b. above; and
- d. any "Additional Interest" shown on the **declarations page** with respect only to its liability for the acts or omissions of a person described in a. or b. above.

ADDITIONAL PAYMENTS

In addition to **our** limit of liability, **we** will pay for an **insured person**:

1. all expenses **we** incur in the settlement of any claim or defense of any lawsuit;
2. interest accruing after entry of judgment, until **we** have paid, offered to pay, or deposited in court, that portion of the judgment which does not exceed **our** limit of liability. This does not apply if **we** have not been given notice of suit or the opportunity to defend an **insured person**. **You** are permitted to file a lawsuit against **us** within the statute of limitations to have any dispute settled by a court of proper jurisdiction when **you** believe **we** have not appropriately responded to **your** requests concerning such proceedings or **you** believe **we** have acted inappropriately in handling **your** claim;
3. the premium on any appeal bond or attachment bond required in any lawsuit **we** defend. **We** have no duty to purchase a bond in an amount exceeding **our** limit of liability, and **we** have no duty to apply for or furnish these bonds;
4. up to \$250 for a bail bond required because of an accident resulting in **bodily injury** or **property damage** covered under this Part I. **We** have no duty to apply for or furnish this bond; and
5. reasonable expenses, including loss of earnings up to \$200 per day, incurred at **our** request.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART I.

Coverage under this Part I, including **our** duty to defend, will not apply to any **insured person** for:

1. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle or trailer while being used:
 - a. to carry persons or property for compensation or a fee;
 - b. for retail or wholesale delivery, including, but not limited to, the pickup, transport or delivery of magazines, newspapers, mail or food; or
 - c. for **ride-sharing activity**.

This exclusion does not apply to shared-expense car pools or to the use of a **covered auto** for volunteer or charitable purposes or for which reimbursement for normal operating expenses is received;

2. any liability assumed under any contract or agreement by **you**, a **relative**, or a **rated resident**;
3. **bodily injury** to an employee of that **insured person** arising out of or within the course of employment. This exclusion does not apply to domestic employees if benefits are neither paid nor required to be provided under workers' compensation, disability benefits, or similar laws;
4. **bodily injury** or **property damage** arising out of an accident involving any vehicle while being maintained or used by a person while employed or engaged in any **auto business**. This exclusion does not apply to **you**, a **relative**, a **rated resident**, or an agent or employee of **you**, a **relative**, or a **rated resident**, when using a **covered auto**;

5. **bodily injury or property damage** resulting from, or sustained during practice or preparation for:
 - a. any pre-arranged or organized racing, stunting, speed or demolition contest or activity; or
 - b. any driving activity conducted on a permanent or temporary racetrack or race-course;
6. **bodily injury or property damage** due to a nuclear reaction or radiation;
7. **bodily injury or property damage** for which insurance:
 - a. is afforded under a nuclear energy liability insurance contract; or
 - b. would be afforded under a nuclear energy liability insurance contract but for its termination upon exhaustion of its limit of liability;
8. any obligation for which the United States Government is liable under the Federal Tort Claims Act;
9. **bodily injury or property damage** which is intended or reasonably expected by an **insured person**, even if the actual injury or damage is different than that which was intended or expected. This exclusion applies only to damages in excess of the minimum limit mandated by the motor vehicle financial responsibility law of Michigan;
10. **property damage** to any property owned by, rented to, being transported by, used by, or in the charge of that **insured person**. This exclusion does not apply to a rented residence or a rented garage;
11. **bodily injury to you**, a **relative**, or a **rated resident**. This exclusion applies only to damages in excess of the minimum limit mandated by the motor vehicle financial responsibility law of Michigan;
12. **bodily injury to you**, a **relative**, or a **rated resident** arising out of the operation of an **auto** that is not owned by or furnished or available for the regular use of **you**, a **relative**, or a **rated resident** while in the custody of or being operated by **you**, a **relative**, or a **rated resident** with the permission of the owner of the **auto** or the person in lawful possession of the **auto**;
13. **bodily injury or property damage** arising out of the ownership, maintenance or use of any vehicle owned by **you** or furnished or available for **your** regular use, other than a **covered auto** for which this coverage has been purchased;
14. **bodily injury or property damage** arising out of the ownership, maintenance or use of any vehicle owned by a **relative** or a **rated resident** or furnished or available for the regular use of a **relative** or a **rated resident**, other than a **covered auto** for which this coverage has been purchased. This exclusion does not apply to **your** maintenance or use of such vehicle;
15. **bodily injury or property damage** arising out of **your**, a **relative's**, or a **rated resident's** use of a vehicle, other than a **covered auto**, without the permission of the owner of the vehicle or the person in lawful possession of the vehicle;
16. **bodily injury or property damage** arising out of the use of a **covered auto** while leased or rented to others or given in exchange for any compensation, including while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of a **covered auto** by **you**, a **relative**, or a **rated resident**;
17. punitive damages; or
18. **bodily injury or property damage** caused by, or reasonably expected to result from, a criminal act or omission of that **insured person**. This exclusion applies

regardless of whether that **insured person** is actually charged with, or convicted of, a crime. However, for **us** to establish a criminal act or omission for purposes of this exclusion by other than a criminal conviction, **we** must independently prove beyond a reasonable doubt that the **insured person** committed such a criminal act or omission. For purposes of this exclusion, criminal acts or omissions do not include traffic violations. This exclusion applies only to damages in excess of the minimum limit mandated by the motor vehicle financial responsibility law of Michigan.

LIMITS OF LIABILITY

The limit of liability shown on the **declarations page** for Bodily Injury and Property Damage Liability Coverage is the most **we** will pay regardless of the number of:

1. claims made;
2. **covered autos**;
3. **insured persons**;
4. lawsuits brought;
5. vehicles involved in the accident; or
6. premiums paid.

If **your declarations page** shows a split limit:

1. the amount shown for “each person” is the most **we** will pay for all damages due to **bodily injury** to one person resulting from any one accident;
2. subject to the “each person” limit, the amount shown for “each accident” is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one accident; and
3. the amount shown for “property damage” is the most **we** will pay for the total of all **property damage** resulting from any one accident.

The “each person” limit of liability applies to the total of all claims made for **bodily injury** to a person and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

If the **declarations page** shows that “combined single limit” or “CSL” applies, the amount shown is the most **we** will pay for the total of all damages resulting from any one accident. However, without changing this limit of liability, **we** will comply with any law that requires **us** to provide any separate limits.

No one is entitled to duplicate payments for the same elements of damages.

Any payment to a person under this Part I will be reduced by any payment to that person under Part III—Uninsured/Underinsured Motorist Coverage.

If multiple auto policies issued by **us** are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

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

FINANCIAL RESPONSIBILITY LAWS

When **we** certify this policy as proof of financial responsibility, this policy will comply with the law to the extent required. The **insured person** must reimburse **us** if **we** make a payment that **we** would not have made if this policy was not certified as proof of financial responsibility.

OTHER INSURANCE

If there is any other applicable liability insurance or bond, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide for a vehicle or trailer, other than a **covered auto**, will be excess over any other collectible insurance, self-insurance, or bond.

Limited Property Damage Coverage provided under this policy will be excess over any other collectible insurance, self-insurance or bond, including, but not limited to, coverage on the damaged motor vehicle. For Limited Property Damage Coverage provided under this policy, **we** will share on a pro rata basis with other valid and collectible insurance purchased on a primary basis. **Our** share will be the proportion that **our** limit of liability bears to the total of all applicable limits.

OUT-OF-STATE COVERAGE

If an accident to which this Part I applies occurs in any state, territory or possession of the United States of America or any province or territory of Canada, other than the one in which a **covered auto** is principally garaged, and the state, province, territory or possession has:

1. a financial responsibility or similar law requiring limits of liability for **bodily injury** or **property damage** higher than the limits shown on the **declarations page**, this policy will provide the higher limits; or
2. a compulsory insurance or similar law requiring a non-resident to maintain insurance whenever the non-resident uses an **auto** in that state, province, territory or possession, this policy will provide the greater of:
 - a. the required minimum amounts and types of coverage; or
 - b. the limits of liability under this policy.

PART II—PERSONAL PROTECTION INSURANCE AND PROPERTY PROTECTION INSURANCE COVERAGE

INSURING AGREEMENT—PERSONAL PROTECTION INSURANCE COVERAGE (PIP)

If **you** pay the premium for this coverage, **we** will pay Personal Protection Insurance Benefits required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance

Code, as amended, for accidental **bodily injury** to an **eligible injured person** arising out of the ownership, operation, maintenance or use of a **motor vehicle** as a **motor vehicle**, subject to the exceptions, exclusions and limitations specified herein and as additionally provided by the law of the State of Michigan.

Personal Protection Insurance Benefits consist of:

1. **allowable expenses**;
2. **replacement services** sustained during the three years after the date of the accident;
3. **work loss** sustained during the three years after the date of the accident; and
4. **survivors' loss** sustained during the three years after the date of the accident.

INSURING AGREEMENT—PROPERTY PROTECTION INSURANCE COVERAGE (PPI)

If **you** pay the premium for this coverage, **we** will pay Property Protection Insurance Benefits in accordance with the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended, for accidental damage to tangible property arising out of the ownership, operation, maintenance or use of a **motor vehicle** as a **motor vehicle** by **you** or a **relative**.

ADDITIONAL DEFINITIONS

When used in this Part II:

1. **“Allowable expenses”** means all reasonable charges incurred for reasonably necessary products, services and accommodations for an **eligible injured person’s** care, recovery, or rehabilitation. However, **“allowable expenses”** shall not include:
 - a. charges for a hospital room in excess of a reasonable and customary charge for semiprivate accommodations except when the **eligible injured person** requires special or intensive care; or
 - b. charges for total funeral and burial expenses in excess of \$1,750.
2. **“Eligible injured person”** means:
 - a. **you** or any **relative** who sustains accidental **bodily injury** in an accident involving a **motor vehicle**;
 - b. any other person who meets the statutory requirements of the Michigan No-Fault Act, Chapter 31 of the Michigan Insurance Code, as amended; and
 - c. any person who, while not occupying a **motor vehicle**, sustains accidental **bodily injury** as a result of an accident involving:
 - (i) a **covered auto**; or
 - (ii) a **motor vehicle** owned by, registered to or operated by **you**, if the person injured in the accident is not entitled to personal protection insurance under any policy described in Section 500.3114(1) of the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended.
3. **“Motor vehicle”** means a vehicle, including a trailer, operated or designed for operation upon a public highway, by power other than muscular power, which has more than two wheels. However, **“motor vehicle”** does not include:
 - a. motorcycles;
 - b. mopeds;

- c. off-road vehicles (ORVs);
 - d. golf carts;
 - e. power driven mobility devices;
 - f. commercial quadricycles; or
 - g. farm tractors or implements of husbandry which are not required to be registered pursuant to Section 216 of the Michigan Vehicle Code, as amended.
4. **“Replacement services”** means expenses, not exceeding \$20.00 per day, the **eligible injured person** or dependents of the **eligible injured person** reasonably incur in obtaining the benefit of ordinary and necessary services in lieu of those that the **eligible injured person** would have performed if the **eligible injured person** had not been injured.
 5. **“Survivors’ loss”** means loss sustained by dependent survivors because of the death of an **eligible injured person**, limited to:
 - a. net lost wages and contributions of tangible things of economic value, subject to the statutory maximum limit, not including services, that such dependent survivors would have received for support during their dependency from the deceased if the deceased had not suffered the injury which caused death; and
 - b. expenses, not exceeding \$20.00 per day, reasonably incurred by dependent survivors during their dependency in obtaining ordinary and necessary services in lieu of those that the deceased person would have performed for their benefit if the deceased person had not suffered the injury which caused death.
 6. **“Work loss”** means actual loss of income from work an **eligible injured person** would have performed if the **eligible injured person** had not been injured, subject to the statutory maximum limit and not more than 85 percent of gross income.

However, **“work loss”** does not include any loss of income after the date on which the **eligible injured person** dies.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART II.

Coverage under Personal Protection Insurance does not apply to accidental **bodily injury**:

1. sustained by a person who has intentionally caused the **bodily injury**;
2. arising out of the use of a **motor vehicle** as a residence or premises;
3. sustained by any person willingly using a **motor vehicle** or motorcycle that was taken unlawfully, and the person knew or should have known that the **motor vehicle** or motorcycle was taken unlawfully;
4. arising out of the ownership, operation or use of a parked **motor vehicle**, unless:
 - a. the **motor vehicle** was parked in such a way as to cause unreasonable risk of the accidental **bodily injury** which occurred;
 - b. the accidental **bodily injury** was a direct result of physical contact with equipment permanently mounted on the vehicle, while the equipment was being operated or used;
 - c. the accidental **bodily injury** was a direct result of physical contact with property being lifted onto or lowered from the vehicle in the loading or unloading process; or

- d. the accidental **bodily injury** was sustained by the **eligible injured person** while occupying, entering into, or alighting from the **motor vehicle**;
- 5. arising out of the ownership, operation, maintenance or use of a parked **motor vehicle** while the **eligible injured person** is loading, unloading, doing mechanical work on, or entering into or alighting from the parked **motor vehicle**, if:
 - a. the accidental **bodily injury** was sustained in the course of employment; and
 - b. benefits are available under the Michigan Workers' Disability Compensation Act, as amended, or under a similar law of another state or under a similar federal law;
- 6. sustained while an operator or passenger of a **motor vehicle** operated in the business of transporting passengers which is:
 - a. not **your covered auto**; and
 - b. insured as required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;

However, this exclusion does not apply to a passenger in the following:

- (i) a school bus providing transportation not prohibited by law;
 - (ii) a bus operated by a common carrier of passengers certified by the department of transportation;
 - (iii) a bus operated under a government sponsored transportation program;
 - (iv) a bus operated by or servicing a nonprofit organization;
 - (v) a taxi cab insured as prescribed in Section 500.3101 or 500.3102; or
 - (vi) a bus operated by a canoe or other watercraft, bicycle, or horse livery used only to transport passengers to or from a destination point;
- 7. to any person, other than **you** or a **relative**, who is:
 - a. injured when struck by a **motor vehicle** or trailer outside the State of Michigan, while not occupying a **motor vehicle**;
 - b. entitled to benefits as a named insured or **relative** under any other policy providing benefits under the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;
 - c. occupying a **motor vehicle**, or struck as a pedestrian by a **motor vehicle**, which is:
 - (i) not a **covered auto**;
 - (ii) operated by **you** or a **relative**; and
 - (iii) covered by security as required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended; or
 - d. occupying a **motor vehicle** which is:
 - (i) not a **covered auto**;
 - (ii) operated outside the State of Michigan by **you** or any **relative**; and
 - (iii) not required to be covered by security under the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;
 - 8. sustained by the owner or registrant of a **motor vehicle** or motorcycle involved in an accident which is not covered by security as required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;
 - 9. sustained by a person who resides outside the State of Michigan, when occupying a **motor vehicle** or motorcycle not registered in Michigan. This exclusion does not apply if such **motor vehicle** or motorcycle is insured by a company which has filed

- a certification in compliance with Section 500.3163, as amended, and the accident occurs in Michigan;
10. sustained by **you** while occupying or when struck as a pedestrian by a **motor vehicle**, other than a **covered auto**, which is owned by or registered to **you**;
 11. sustained by a **relative** while occupying or when struck as a pedestrian by a **motor vehicle**, other than a **covered auto**, which is:
 - a. owned or registered by that **relative**; and
 - b. not covered by security as required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;
 12. sustained by **you** or a **relative** while occupying a **motor vehicle**, other than a **covered auto**, which is:
 - a. owned or registered by the employer of **you** or a **relative**; and
 - b. covered by the security required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended;
 13. sustained by a **relative** who is entitled to No-Fault benefits under another policy as a named insured;
 14. any **covered auto** while being used in connection with **ride-sharing activity**;
 15. any **covered auto** while being used in connection with a **personal vehicle sharing program**;
 16. sustained by **you** or a **relative** which is a result of an intentional physical attack that occurs while occupying a **motor vehicle**, which does not arise out of the ownership, operation, maintenance or use of a **motor vehicle** as a **motor vehicle**; or
 17. excluded by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended, or the law of the State of Michigan.

Coverage under Property Protection Insurance does not apply to accidental damage to tangible property:

1. sustained by any person who has intentionally caused the **property damage**;
2. arising out of the use of a **motor vehicle** as a residence or premises;
3. to **motor vehicles** and their contents, including trailers, unless the **motor vehicle** is parked in a manner so as not to cause unreasonable risk of the damage which occurred;
4. sustained by **you** or a **relative** if a **motor vehicle** owned by **you** or a **relative** is involved in the accident;
5. sustained in an accident occurring outside the State of Michigan;
6. to utility transmission lines, wires, or cables, which have not been located and erected as required by Michigan law;
7. other than to a **covered auto**, arising out of an accident involving a **motor vehicle** while being used by a person in the course of a business of repairing, servicing, or otherwise maintaining **motor vehicles**. However, this exclusion does not apply to **you** or a **relative** when using a **covered auto**;
8. any covered vehicle while being used in connection with **ride sharing activity**;
9. any covered vehicle while being used in connection with a **personal vehicle sharing program**;
10. owned by **you** or a **relative** if **you** or a **relative** were the owner, operator, or registrant of a vehicle involved in the **motor vehicle** accident out of which the accidental damage to tangible property arose; or

11. excluded by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended, and the law of the State of Michigan.

LIMITS OF LIABILITY

Personal Protection Insurance Benefits otherwise payable shall be reduced by any benefits provided or required to be provided under the laws of any state or federal government, including, but not limited to:

1. Social Security Survivor Benefits;
2. Social Security Disability Benefits;
3. Workers' Compensation Benefits; and
4. Social Security Dependent Benefits.

No coverage will be provided under this Part II except as required by the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended.

Personal Protection Insurance Benefits otherwise payable shall also be reduced by any applicable deductible shown on the **declarations page**.

EXCESS COVERAGE OPTION

1. If **you** have elected Personal Protection Insurance Benefits for **allowable expenses** as excess coverage, it is agreed that the primary source of protection will be all other medical insurance, health care benefit plans, or similar benefit insurance, self-insurance or plans available to **you** and **relatives**, including, but not limited to:
 - a. individual, blanket or group accident disability or hospitalization insurance, self-insurance, or plans;
 - b. medical or surgical reimbursement insurance or plans;
 - c. automobile or premises insurance affording medical expense benefits; and
 - d. Health Maintenance Organization (HMO) service plans.

You and **relatives** seeking benefits under this Part II as excess coverage must first obtain benefits from all other available medical insurance, health care benefit plans, or similar benefit plans.

Coverage under this Part II is excluded to the extent that any elements of **allowable expenses** are paid, payable or required to be provided to, or on behalf of, **you** or a **relative** under the provisions of any medical insurance, health care benefit plans, or similar benefit insurance, self-insurance or plan. **We** will pay **allowable expenses** in excess of any valid limitations as to amount or duration of benefits which are not paid or payable under any other insurance, self-insurance or plans.

2. If **you** have elected Personal Protection Insurance Benefits for **work loss** as excess coverage, it is agreed that **your** primary source of protection will be all other valid and collectible:
 - a. individual, blanket or group accident, sickness and accident, or disability insurance, or plans; and

- b. insurance or plans covering mortgage or **motor vehicle** loans which provide for direct payment to the lender.

Coverage under this Part II is excluded to the extent that any elements of loss covered under Personal Protection Insurance **work loss** benefits are paid, payable or required to be provided to, or on behalf of, **you** or a **relative** under the provisions of any other insurance, benefit plan, or similar plan.

3. If **you** have elected Personal Protection Insurance Benefits as excess coverage, **allowable expenses** and **work loss** benefits payable to **you** or a **relative** who sustains **bodily injury** in a **motor vehicle** accident shall be reduced by the deductible shown on the **declarations page**. However, this deductible shall be reduced by any benefits paid by a primary carrier for similar benefits.

WORK LOSS BENEFITS WAIVER

Any **eligible injured person** 60 years of age or older who has elected the Work Loss Benefits Waiver will not be eligible to receive **work loss** benefits under Personal Protection Insurance.

OTHER INSURANCE

If there is other applicable Personal Protection Insurance or **motor vehicle** medical payments insurance, **we** will pay in accordance with the Michigan No-Fault Law, Chapter 31 of the Michigan Insurance Code, as amended, and as specified therein at M.C.L.A. Sections 500.3114, 500.3115, and 500.3171 as amended.

COORDINATION OF BENEFITS

If there is any other insurance, self-insurance, or insurance plan providing coverage for expenses or loss covered under this Part II, the coverage provided under this Part II shall be coordinated with the coverage available under all such policies and plans so that up to, but no more than, 100 percent of any such expenses or loss shall be recoverable under this and all such policies and plans combined.

PART III—UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT

If **you** pay the premium for this coverage, **we** will pay for damages that an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury**:

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

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

Any judgment or settlement for damages against an owner or operator of an **uninsured motor vehicle** that arises out of a lawsuit brought without **our** written consent is not binding on **us**. **You** are permitted to file a lawsuit against **us** within the statute of limitations to have any dispute settled by a court of proper jurisdiction when **you** believe **we** have not appropriately responded to **your** requests concerning such proceedings or **you** believe **we** have acted inappropriately in handling **your** claim.

ADDITIONAL DEFINITIONS

When used in this Part III:

1. **“Insured person”** means:
 - a. **you**, a **relative**, or a **rated resident**;
 - b. any person who is not an insured for Uninsured/Underinsured Motorist or similar coverage by any other insurance policy while operating a **covered auto** with the permission of **you**, a **relative**, or a **rated resident**; and
 - c. any person who is not an insured for Uninsured/Underinsured Motorist or similar coverage by any other insurance policy **occupying**, but not operating, a **covered auto**; and
 - d. any person who is entitled to recover damages covered by this Part III because of **bodily injury** sustained by a person described in a., b. or c. above.
2. **“Uninsured motor vehicle”** means a land motor vehicle or trailer of any type:
 - a. to which no bodily injury liability bond or policy applies at the time of the accident;
 - b. to which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:
 - (i) denies coverage; or
 - (ii) is or becomes insolvent;
 - c. to which a bodily injury liability bond or policy applies at the time of the accident, but its limit of liability for bodily injury is less than the minimum limit of liability for bodily injury specified by the financial responsibility law of the state in which the **covered auto** is principally garaged;
 - d. that is a hit-and-run vehicle whose owner or operator cannot be identified and which strikes:
 - (i) **you**, a **relative**, or a **rated resident**;
 - (ii) a vehicle that **you**, a **relative**, or a **rated resident** are **occupying**; or
 - (iii) a **covered auto**;provided that the **insured person**, or someone on his or her behalf, reports the accident to the police or civil authority within 24 hours and to **us** within 30 days. But if it is shown that it was not reasonably possible to report the accident within this time period, then the **insured person**, or someone on his or her behalf, must report the accident to both the police and **us** as soon as reasonably possible; or
 - e. to which a bodily injury liability bond or policy applies at the time of the acci-

dent, but the sum of all applicable limits of liability for bodily injury is less than the coverage limit for Uninsured/Underinsured Motorist Coverage shown on the **declarations page**.

An “**uninsured motor vehicle**” does not include any vehicle or equipment:

- a. owned by **you**, a **relative**, or a **rated resident** or furnished or available for the regular use of **you**, a **relative**, or a **rated resident**;
- b. owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer that is or becomes insolvent;
- c. owned by any governmental unit or agency;
- d. operated on rails or crawler treads;
- e. designed mainly for use off public roads, while not on public roads;
- f. while located for use as a residence or premises; or
- g. that is a **covered auto**.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART III.

Coverage under this Part III will not apply:

1. to **bodily injury** sustained by any person while using or **occupying**:
 - a. a **covered auto** while being used:
 - (i) to carry persons or property for compensation or a fee;
 - (ii) for retail or wholesale delivery, including, but not limited to, the pickup, transport or delivery of magazines, newspapers, mail or food; or
 - (iii) for **ride-sharing activity**.
This exclusion does not apply to shared-expense car pools or to the use of a **covered auto** for volunteer or charitable purposes or for which reimbursement for normal operating expenses is received; or
 - b. any vehicle that is owned by or available for the regular use of **you**, a **relative**, or a **rated resident**. This exclusion does not apply to a **covered auto** that is insured under this Part III;
2. to **bodily injury** sustained by **you**, a **relative**, or a **rated resident** while using any vehicle, other than a **covered auto**, without the permission of the owner of the vehicle or the person in lawful possession of the vehicle;
3. directly or indirectly to benefit any insurer or self-insurer under any of the following or similar laws:
 - a. workers’ compensation law; or
 - b. disability benefits law;
4. to any punitive or exemplary damages;
5. to **bodily injury** sustained by any person if that person or the legal representative of that person settles without **our** written consent. **You** are permitted to file a lawsuit against **us** within the statute of limitations to have any dispute settled by a court of proper jurisdiction when **you** believe **we** have not appropriately responded to **your** requests concerning such proceedings or **you** believe **we** have acted inappropriately in handling **your** claim; or
6. to **bodily injury** arising out of the use of a **covered auto** while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of a **covered auto** by **you**, a **relative**, or a **rated resident**.

LIMITS OF LIABILITY

The limit of liability shown on the **declarations page** for Uninsured/Underinsured Motorist Coverage is the most **we** will pay regardless of the number of:

1. claims made;
2. **covered autos**;
3. **insured persons**;
4. lawsuits brought;
5. vehicles involved in the accident; or
6. premiums paid.

If **your declarations page** shows a split limit:

1. the amount shown for “each person” is the most **we** will pay for all damages due to **bodily injury** to one person; and
2. subject to the “each person” limit, the amount shown for “each accident” is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one accident.

The “each person” limit of liability includes the total of all claims made for **bodily injury** to an **insured person** and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

If the **declarations page** shows that “combined single limit” or “CSL” applies, the amount shown is the most **we** will pay for the total of all damages resulting from any one accident. However, without changing this total limit of liability, **we** will comply with any law that requires **us** to provide any separate limits.

The limits of liability under this Part III will be reduced by all sums:

1. paid because of **bodily injury** by or on behalf of any persons or organizations that may be legally responsible;
2. paid under Part I—Liability To Others; and
3. paid or payable because of **bodily injury** under any of the following or similar laws:
 - a. workers’ compensation law; or
 - b. disability benefits law.

We will not pay under this Part III any expenses paid or payable under Part II—Personal Protection Insurance and Property Protection Insurance Coverage.

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

If multiple auto policies issued by **us** are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

OTHER INSURANCE

If there is other applicable uninsured or underinsured motorist coverage, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all available coverage limits. However, any insurance **we** provide with respect to a vehicle that is not a **covered auto** will be excess over any other uninsured or underinsured motorist coverage.

ARBITRATION

If **we** and an **insured person** cannot agree on:

1. the legal liability of the operator or owner of an **uninsured motor vehicle**; or
2. the amount of the damages sustained by the **insured person**;

this will be determined by arbitration if **we** and the **insured person** mutually agree to arbitration prior to the expiration of the bodily injury statute of limitations in the state in which the accident occurred. If **we** and the **insured person** do not agree to arbitration, the disagreement may be resolved in a court of competent jurisdiction. Any lawsuit against **us** by an **insured person** for benefits under this Part III must be commenced prior to the expiration of the bodily injury statute of limitations in the state in which the accident occurred.

If **we** and an **insured person** have agreed to arbitration, the decision shall be made by an arbitrator agreed to by the parties. If the parties cannot agree on an arbitrator within 30 days, then on joint application by the **insured person** and **us**, the arbitrator will be appointed by a court having jurisdiction.

Each party will pay the expenses it incurs. The costs and fees of the arbitrator will be shared equally by both parties.

Unless both parties agree otherwise, arbitration will take place in the county in which the **insured person** resides. Local rules of procedure and evidence will apply.

A decision by the arbitrator will be binding with respect to a determination of:

1. the legal liability of the operator or owner of an **uninsured motor vehicle**; and
2. the amount of the damages sustained by the **insured person**.

The arbitrator will have no authority to award an amount in excess of the limit of liability.

We and an **insured person** may agree to an alternate form of arbitration.

PART IV—DAMAGE TO A VEHICLE

INSURING AGREEMENT—STANDARD COLLISION COVERAGE AND BROAD FORM COLLISION COVERAGE

If **you** pay the premium for this coverage, **we** will pay for sudden, direct and accidental loss to a:

1. **covered auto**, including an attached **trailer**; or

2. **non-owned auto;**
and its **custom parts or equipment**, resulting from **collision**.

In addition, **we** will pay the reasonable cost to replace any child safety seat damaged in an accident to which this coverage applies.

INSURING AGREEMENT—LIMITED COLLISION COVERAGE

If **you** pay the premium for this coverage, **we** will pay for sudden, direct and accidental loss to a:

1. **covered auto**, including an attached **trailer**; or
2. **non-owned auto;**

and its **custom parts or equipment**, resulting from **collision**, if the operator of the **covered auto** or **non-owned auto** is not **substantially at-fault** in the accident from which the loss arose.

Determination of whether the operator of the **covered auto** or **non-owned auto** is **substantially at-fault**, and the amount of the loss, will be made by agreement between **you** and **us**. **We** may require **you** to provide reasonable proof that the operator of the **covered auto** or **non-owned auto** was not **substantially at-fault** for the accident. If no agreement is reached as to whether an operator was **substantially at-fault**, the decision will be determined by arbitration in accordance with the Collision Arbitration provision specified in this Part IV.

In addition, **we** will pay the reasonable cost to replace any child safety seat damaged in an accident to which this coverage applies.

INSURING AGREEMENT—COMPREHENSIVE COVERAGE

If **you** pay the premium for this coverage, **we** will pay for sudden, direct, and accidental loss to a:

1. **covered auto**, including an attached **trailer**; or
2. **non-owned auto;**
and its **custom parts or equipment**, that is not caused by **collision**.

A loss not caused by **collision** includes:

1. contact with an animal (including a bird);
2. explosion or earthquake;
3. fire;
4. malicious mischief or vandalism;
5. missiles or falling objects;
6. riot or civil commotion;
7. theft or larceny;
8. windstorm, hail, water or flood; or
9. breakage of glass not caused by **collision**.

In addition, **we** will pay for:

1. reasonable transportation expenses incurred by **you** if a **covered auto** is stolen; and
 2. loss of use damages that **you** are legally liable to pay if a **non-owned auto** is stolen.
- A combined maximum of \$900, not exceeding \$30 per day, will apply to these additional benefits. The additional benefit for transportation expenses will not apply if **you** purchased Rental Reimbursement Coverage for the stolen **covered auto**.

Coverage for transportation expenses and loss of use damages begins 48 hours after **you** report the theft to **us** and ends the earliest of:

1. when the **auto** has been recovered and returned to **you** or its owner;
2. when the **auto** has been recovered and repaired;
3. when the **auto** has been replaced; or
4. 72 hours after **we** make an offer to settle the loss if the **auto** is deemed by **us** to be a total loss.

We must receive written proof of transportation expenses and loss of use damages.

INSURING AGREEMENT—ADDITIONAL CUSTOM PARTS OR EQUIPMENT COVERAGE

We will pay for sudden, direct and accidental loss to **custom parts or equipment** on a **covered auto** for which this coverage has been purchased. This coverage applies only if **you** have purchased both Comprehensive Coverage and Collision Coverage for that **covered auto** and the loss is covered under one of those coverages. This coverage applies in addition to any coverage automatically provided for **custom parts or equipment** under Comprehensive Coverage or Collision Coverage.

INSURING AGREEMENT—COMPREHENSIVE WINDOW GLASS COVERAGE

If **your declarations page** shows that this coverage applies to **your** policy, **we** will pay under Comprehensive Coverage for loss, not caused by **collision**, to glass or plastic used in the windshield, backglass, windows, moonroof, or sunroof of a **covered auto**.

This coverage is subject to the deductible shown on **your declarations page**.

INSURING AGREEMENT—RENTAL REIMBURSEMENT COVERAGE

We will reimburse rental charges incurred when **you** rent an **auto** from a rental agency or auto repair shop due to a loss to a **covered auto** for which Rental Reimbursement Coverage has been purchased. This coverage applies only if **you** have purchased both Comprehensive Coverage and Collision Coverage for that **covered auto** and the loss is covered under one of those coverages.

Additional fees or charges for insurance, damage waivers, optional equipment, fuel, or accessories are not covered.

This coverage is limited to the each day limit shown on the **declarations page** for a maximum of 30 days.

If Rental Reimbursement Coverage applies, no other coverage under this policy for rental expenses will apply.

Rental charges will be reimbursed beginning:

1. when the **covered auto** cannot be driven due to a loss; or
2. if the **covered auto** can be driven, when **you** deliver the **covered auto** to an auto repair shop or one of **our** Service Centers for repairs due to the loss;

and ending the earliest of:

1. when the **covered auto** has been returned to **you**;
2. when the **covered auto** has been repaired;
3. when the **covered auto** has been replaced;
4. 72 hours after **we** make an offer to settle the loss if the **covered auto** is deemed by **us** to be a total loss; or
5. when **you** incur 30 days worth of rental charges.

You must provide **us** written proof of **your** rental charges to be reimbursed.

INSURING AGREEMENT—LOAN/LEASE PAYOFF COVERAGE

If **you** pay the premium for this coverage, and the **covered auto** for which this coverage was purchased is deemed by **us** to be a total loss, **we** will pay, in addition to any amounts otherwise payable under this Part IV, the difference between:

1. the actual cash value of the **covered auto** at the time of the total loss; and
2. any greater amount the owner of the **covered auto** is legally obligated to pay under a written loan or lease agreement to which the **covered auto** is subject at the time of the total loss, reduced by:
 - a. unpaid finance charges or refunds due to the owner for such charges;
 - b. excess mileage charges or charges for wear and tear;
 - c. charges for extended warranties or refunds due to the owner for extended warranties;
 - d. charges for credit insurance or refunds due to the owner for credit insurance;
 - e. past due payments and charges for past due payments; and
 - f. collection or repossession expenses.

However, **our** payment under this coverage shall not exceed the limit of liability shown on the **declarations page**. The limit of liability is a percentage of the actual cash value of the **covered auto** at the time of the loss.

This coverage applies only if **you** have purchased both Comprehensive Coverage and Collision Coverage for that **covered auto** and the loss is covered under one of those coverages.

INSURING AGREEMENT—PET INJURY COVERAGE

If **you** have purchased Collision coverage for at least one **covered auto** under **your** policy, and if **your pet** sustains injury or death while inside a **covered auto** or **non-owned auto** at the time of a loss covered under Collision or Comprehensive coverage, **we** will provide:

1. up to \$1,000 for reasonable and customary veterinary fees incurred by **you**, a **relative**, or a **rated resident** if **your pet** is injured in, or as a direct result of, the covered loss; or
2. a \$1,000 death benefit if **your pet** dies in, or as a direct result of, the covered loss, less any payment **we** made toward veterinary expenses for **your pet**.

In the event of a covered loss due to the theft of a **covered auto** or **non-owned auto**, **we** will provide the death benefit provided **your pet** is inside that auto at the time of the theft and **your pet** is not recovered.

ADDITIONAL DEFINITIONS

When used in this Part IV:

1. **“Collision”** means the upset of a vehicle or its impact with another vehicle or object.
2. **“Custom parts or equipment”** means equipment, devices, accessories, enhancements and changes, other than those that are offered by the manufacturer specifically for that **auto** model, or that are installed by the auto dealership as part of the original sale of a new **auto**, that:
 - a. are permanently installed or attached; and
 - b. alter the appearance or performance of the **auto**.
3. **“Mechanical parts”** means operational parts on a vehicle that wear out over time or have a finite useful life or duration typically shorter than the life of the vehicle as a whole. **Mechanical parts** do not include external crash parts, wheels, paint, or windshields and other glass.
4. **“Non-owned auto”** means an **auto** that is not owned by or furnished or available for the regular use of **you**, a **relative**, or a **rated resident** while in the custody of or being operated by **you**, a **relative**, or a **rated resident** with the permission of the owner of the **auto** or the person in lawful possession of the **auto**.
5. **“Substantially at-fault”** means that the proportionate share of fault or liability for the accident is more than 50 percent.
6. **“Your pet”** means any dog or cat owned by **you**, a **relative**, or a **rated resident**.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART IV.

Coverage under this Part IV will not apply for loss:

1. to any vehicle while being used:
 - a. to carry persons or property for compensation or a fee;
 - b. for retail or wholesale delivery, including, but not limited to, the pickup, transport or delivery of magazines, newspapers, mail or food; or
 - c. for **ride-sharing activity**.

This exclusion does not apply to shared-expense car pools or to the use of a **covered auto** for volunteer or charitable purposes or for which reimbursement for normal operating expenses is received.

2. to a **non-owned auto** while being maintained or used by a person while employed or engaged in any **auto business**;
3. to any vehicle resulting from, or sustained during practice or preparation for:
 - a. any pre-arranged or organized racing, stunting, speed or demolition contest or activity; or
 - b. any driving activity conducted on a permanent or temporary racetrack or race-course;
4. to any vehicle for which insurance:
 - a. is afforded under a nuclear energy liability insurance contract; or
 - b. would be afforded under a nuclear energy liability insurance contract but for its termination upon exhaustion of its limit of liability;
5. to any vehicle caused by an intentional act committed by or at the direction of **you**, a **relative**, a **rated resident**, or the owner of a **non-owned auto**, even if the actual damage is different than that which was intended or expected;
6. to a **covered auto** while it is leased or rented to others or given in exchange for compensation, including while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of a **covered auto** by **you**, a **relative**, or a **rated resident**;
7. due to destruction or confiscation by governmental or civil authorities of any vehicle because **you**, any **relative**, or any **rated resident** engaged in illegal activities;
8. to any vehicle that is due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical, electrical or electronic breakdown or failure; or
 - d. road damage to tires.

This exclusion does not apply if the damage results from the theft of a vehicle;
9. to portable equipment, devices, accessories, and any other personal effects that are not permanently installed. This includes, but is not limited to:
 - a. tapes, compact discs, cassettes, DVDs, and other recording or recorded media;
 - b. any case or other container designed for use in storing or carrying tapes, compact discs, cassettes, DVDs, or other recording or recorded media;
 - c. any device used for the detection or location of radar, laser, or other speed measuring equipment or its transmissions; and
 - d. CB radios, telephones, two-way mobile radios, DVD players, personal computers, personal digital assistants, or televisions;
10. to any vehicle for diminution of value;
11. to any vehicle caused directly or indirectly by:
 - a. war (declared or undeclared) or civil war;
 - b. warlike action by any military force of any government, sovereign, or other authority using military personnel or agents. This includes any action taken to hinder or defend against an actual or expected attack; or
 - c. insurrection, rebellion, revolution, usurped power, or any action taken by a governmental authority to hinder or defend against any of these acts;

12. to any vehicle caused directly or indirectly by:
 - a. any accidental or intentional discharge, dispersal or release of radioactive, nuclear, pathogenic or poisonous biological material; or
 - b. any intentional discharge, dispersal or release of chemical or hazardous material for any purpose other than its safe and useful purpose; or
13. to any vehicle caused by, or reasonably expected to result from, a criminal act or omission of **you**, a **relative**, a **rated resident**, or the owner of a **non-owned auto**. This exclusion applies regardless of whether **you**, the **relative**, the **rated resident**, or the owner of the **non-owned auto** is actually charged with, or convicted of, a crime. However, for **us** to establish a criminal act or omission for purposes of this exclusion by other than a criminal conviction, **we** must independently prove beyond a reasonable doubt that **you**, the **relative**, the **rated resident**, or the owner of the **non-owned auto** committed such a criminal act or omission. For purposes of this exclusion, criminal acts or omissions do not include traffic violations.
14. to any vehicle while being sold or offered for sale by a person while engaged in any **auto business**.

LIMITS OF LIABILITY

1. The limit of liability for loss to a **covered auto**, **non-owned auto**, or **custom parts or equipment** is the lowest of:
 - a. the actual cash value of the stolen or damaged property at the time of the loss reduced by the applicable deductible;
 - b. the amount necessary to replace the stolen or damaged property reduced by the applicable deductible;
 - c. the amount necessary to repair the damaged property to its pre-loss condition reduced by the applicable deductible; or
 - d. the Stated Amount shown on the **declarations page** for that **covered auto**.
 However, the most **we** will pay for loss to:
 - a. **custom parts or equipment** is \$1,000 unless **you** purchased Additional Custom Parts or Equipment Coverage ("ACPE"). If **you** purchased ACPE, the most **we** will pay is \$1,000 plus the amount of ACPE **you** purchased.
 - b. a **trailer** is the limit of liability shown on the **declarations page** for that **trailer**. If the **trailer** is not shown on the **declarations page**, the limit of liability is \$500.
2. Payments for loss to a **covered auto**, **non-owned auto**, or **custom parts or equipment** are subject to the following provisions:
 - a. If coverage applies to a **non-owned auto**, **we** will provide the broadest coverage applicable to any **covered auto** shown on the **declarations page**.
 - b. If **you** have elected a Stated Amount for a **covered auto**, the Stated Amount is the most **we** will pay for all loss to that **covered auto**, including its **custom parts or equipment**.
 - c. Coverage for **custom parts or equipment** will not cause **our** limit of liability for loss to an **auto** under this Part IV to be increased to an amount in excess of the actual cash value of the **auto**, including its **custom parts or equipment**.
 - d. In determining the amount necessary to repair damaged property to its pre-loss condition, the amount to be paid by **us**:
 - (i) will not exceed the prevailing competitive labor rates charged in the area

- where the property is to be repaired and the cost of repair or replacement parts and equipment, as reasonably determined by **us**; and
- (ii) will be based on the cost of repair or replacement parts and equipment which may be new, reconditioned, remanufactured or used, including, but not limited to:
 - (a) original manufacturer parts or equipment; and
 - (b) nonoriginal manufacturer parts or equipment.
- e. To determine the amount necessary to repair or replace the damaged property as referred to in subsection 1., the total cost of necessary repair or replacement may be reduced by unrepaired prior damage. Unrepaired prior damage includes broken, cracked or missing parts; rust; dents; scrapes; gouges; and peeling paint. The reduction for unrepaired prior damage is the cost of labor, parts and materials necessary to repair or replace damage, deterioration, defects, or wear and tear on exterior body parts, windshields and other glass, wheels, and paint, that existed prior to the accident and that is eliminated as a result of the repair or replacement of property damaged in the loss.
 - f. To determine the amount necessary to repair or replace the damaged property as referred to in subsection 1., an adjustment may be made for betterment or depreciation and physical condition on:
 - (i) batteries;
 - (ii) tires;
 - (iii) engines and transmissions, if the engine has greater than 80,000 miles; and
 - (iv) any other **mechanical parts** that are nonfunctioning or inoperative.

We will not make an adjustment for the labor costs associated with the replacement or repair of these parts.
 - g. The actual cash value is determined by the market value, age, and condition of the vehicle at the time the loss occurs.
 - h. The limits of liability under this Part IV shall be reduced by any amount of a loss which has been paid under any Property Protection Insurance.
3. No deductible will apply to a loss to window glass when the glass is repaired instead of replaced.
 4. Duplicate recovery for the same elements of damages is not permitted.
 5. Payments for loss under Broad Form Collision Coverage are also subject to the following provisions:
 - a. notwithstanding any other provision contained in this policy, no deductible will apply to Broad Form Collision Coverage for loss to a **covered auto** when the operator of the **covered auto** is not **substantially at-fault** for the accident from which the loss arose; and
 - b. if no agreement is reached as to whether an operator was **substantially at-fault**, the decision will be determined by arbitration in accordance with the Collision Arbitration provision specified in this Part IV.
 6. The following additional limits of liability apply to Pet Injury coverage:
 - a. The most **we** will pay for all damages in any one loss is a total of \$1,000 regardless of the number of dogs or cats involved.

- b. If **your pet** dies in, or as a direct result of, a covered loss, **we** will provide a death benefit of \$1,000, less any payment **we** made toward veterinary expenses for **your pet**.
- c. No deductible shall apply to this coverage.

COLLISION ARBITRATION

If **you** pay the premium for Limited Collision Coverage or Broad Form Collision Coverage, any disagreement **you** have with **us** as to whether an operator was **substantially at-fault** will be determined by arbitration. **We** will notify **you** in writing of **our** determination as to whether an operator was **substantially at-fault**. **Your** demand for arbitration must be in writing and must be made within 30 days after receiving **our** written determination.

If a written demand for arbitration has been made, then each party shall select an arbitrator. The two arbitrators will select a third. If the two arbitrators cannot agree on a third arbitrator within 30 days, then on joint application by **us** and the insured person, the third arbitrator will be appointed by a court having jurisdiction.

Each party will pay the costs and fees of its arbitrator as well as any other expenses it incurs. The costs and fees of the third arbitrator will be shared equally by the parties.

Unless both parties agree otherwise, arbitration will take place in the county in which the insured person resides. Local rules of procedure and evidence will apply.

A decision agreed to by two of the arbitrators will be binding as to whether an operator was **substantially at-fault**.

Any dispute as to the amount of damages may be joined in the arbitration by **us** in lieu of appraisal.

PAYMENT OF LOSS

We may, at **our** option:

1. pay for the loss in money; or
2. repair or replace the damaged or stolen property.

At **our** expense, **we** may return any recovered stolen property to **you** or to the address shown on the **declarations page**, with payment for any damage resulting from the theft. **We** may keep all or part of the property at the agreed or appraised value.

We may settle any loss with **you** or the owner or lienholder of the property.

NO BENEFIT TO BAILEE

Coverage under this Part IV will not directly or indirectly benefit any carrier or other bailee for hire.

LOSS PAYABLE CLAUSE

Payment under this Part IV for a loss to a **covered auto** will be made according to **your** interest and the interest of any lienholder shown on the **declarations page** or designated by **you**. At **our** option, payment may be made to both jointly, or to either separately. However, if the **covered auto** is not a total loss, **we** may make payment to **you** and the repairer of the **auto**.

The lienholder's interest will not be protected:

1. where fraud, misrepresentation, material omission, or intentional damage resulting in a denial of coverage by **us** has been committed by or at the direction of **you** or any person seeking coverage; or
2. where the loss is otherwise not covered under the terms of this policy.

If this policy is cancelled, nonrenewed or voided, the interest of any lienholder under this agreement will also terminate.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover 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. However, any insurance **we** provide for a **non-owned auto**, or **trailer** not shown on the **declarations page**, will be excess over any other collectible source of recovery including, but not limited to:

1. any coverage provided by the owner of the **non-owned auto** or **trailer**;
2. any other applicable physical damage insurance; and
3. any other source of recovery applicable to the loss.

APPRAISAL

If **we** cannot agree with **you** on the amount of a loss, then **we** or **you** may demand an appraisal of the loss. Within 30 days of any demand for an appraisal, each party shall appoint a competent appraiser and shall notify the other party of that appraiser's identity. The appraisers will determine the amount of loss. If they fail to agree, the disagreement will be submitted to a qualified umpire chosen by the appraisers. If the two appraisers are unable to agree upon an umpire within 15 days, **we** or **you** may request that a judge of a court of record, in the county where **you** reside, select an umpire. The appraisers and umpire will determine the amount of loss. The amount of loss agreed to by both appraisers, or by one appraiser and the umpire, will be binding. **You** will pay **your** appraiser's fees and expenses. **We** will pay **our** appraiser's fees and expenses. All other expenses of the appraisal, including payment of the umpire if one is selected, will be shared equally between **us** and **you**. Neither **we** nor **you** waive any rights under this policy by agreeing to an appraisal.

PART V—ROADSIDE ASSISTANCE COVERAGE

INSURING AGREEMENT

If **you** pay the premium for this coverage, **we** will pay for **our** authorized service representative to provide the following services when necessary due to a **covered emergency**:

1. towing of a **covered disabled auto** to the nearest qualified repair facility; and
2. labor on a **covered disabled auto** at the place of disablement.

If a **covered disabled auto** is towed to any place other than the nearest qualified repair facility, **you** will be responsible for any additional charges incurred.

ADDITIONAL DEFINITIONS

When used in this Part V:

1. **“Covered disabled auto”** means a **covered auto** for which this coverage has been purchased that sustains a **covered emergency**.
2. **“Covered emergency”** means a disablement that is a result of:
 - a. mechanical or electrical breakdown;
 - b. battery failure;
 - c. insufficient supply of fuel, oil, water, or other fluid;
 - d. flat tire;
 - e. lock-out; or
 - f. entrapment in snow, mud, water or sand within 100 feet of a road or highway.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART V.

Coverage under this Part V will not apply to:

1. more than three **covered emergencies** for any single **covered auto** in a six-month period;
2. the cost of purchasing parts, fluid, lubricants, fuel, or replacement keys, or the labor to make replacement keys;
3. installation of products or material not related to the disablement;
4. labor not related to the disablement;
5. labor on a **covered disabled auto** for any time period in excess of 60 minutes per disablement;
6. towing or storage related to impoundment, abandonment, illegal parking, or other violations of law;
7. assistance with jacks, levelers, airbags or awnings;
8. labor or repair work performed at a service station, garage, or repair shop;
9. auto storage charges;
10. disablement that occurs on roads not regularly maintained, sand beaches, open fields, or areas designated as not passable due to construction, weather, or earth movement;
11. mounting or removing of snow tires or chains;

12. tire repair;
13. disablement that results from an intentional or willful act or action by **you**, a **relative**, or the operator of a **covered disabled auto**;
14. any **covered auto** while being used in connection with **ride-sharing activity**;
15. any **covered auto** while being used in connection with a **personal vehicle sharing program**; or
16. a trailer.

UNAUTHORIZED SERVICE PROVIDER

When service is rendered by a provider in the business of providing roadside assistance and towing services, other than one of **our** authorized service representatives, **we** will pay only reasonable charges, as determined by **us**, for:

1. towing of a **covered disabled auto** to the nearest qualified repair facility; and
2. labor on a **covered disabled auto** at the place of disablement; which is necessary due to a **covered emergency**.

OTHER INSURANCE

Any coverage provided under this Part V for service rendered by an unauthorized service provider will be excess over any other collectible insurance or towing protection coverage.

PART VI—DUTIES IN CASE OF AN ACCIDENT OR LOSS

For coverage to apply under this policy, **you** or the person seeking coverage must promptly report each accident or loss even if **you** or the person seeking coverage is not at fault. **You** or the person seeking coverage must provide **us** with all accident or loss information, including time, place, and how the accident or loss happened. **You** or the person seeking coverage must also obtain and provide **us** the names and addresses of all persons involved in the accident or loss, the names and addresses of any witnesses, and the license plate numbers of the vehicles involved.

If **you** or the person seeking coverage cannot identify the owner or operator of a vehicle involved in the accident, or if theft or vandalism has occurred, **you** or the person seeking coverage must notify the police within 24 and **us** within 30 days hours or as soon as reasonably possible. Notification to **our** authorized agent shall be deemed to be notice to **us**.

Coverage will not be denied due to lack of timely notice if:

1. **you** or an insured person can show that it was not reasonably possible to provide notice within the required time; and
2. notice is provided as soon as reasonably possible.

A person seeking coverage must:

1. cooperate with **us** in any matter concerning a claim or lawsuit;

2. provide any written proof of loss **we** may reasonably require;
3. allow **us** or **our** representative to take signed and recorded statements, including sworn statements and examinations under oath, which **we** may conduct outside the presence of **you** or any other person seeking coverage, and answer all reasonable questions **we** may ask as often as **we** may reasonably require;
4. promptly call to notify **us** about any claim or lawsuit and send **us** any and all legal papers relating to the claim or suit;
5. attend hearings and trials as **we** require;
6. take reasonable steps after a loss to protect the **covered auto**, or any other vehicle for which coverage is sought, from further loss. **We** will pay reasonable expenses incurred in providing that protection. If failure to provide such protection results in further loss, any additional damages will not be covered under this policy;
7. allow **us** to have the damaged **covered auto**, or any other damaged vehicle for which coverage is sought, inspected and appraised before its repair or disposal;
8. submit to medical examinations at **our** expense by doctors **we** select as often as **we** may reasonably require; and
9. authorize **us** to obtain medical and other records.

PART VII—GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

This policy applies only to accidents and losses occurring during the policy period shown on the **declarations page** and that occur within a state, territory or possession of the United States of America, or a province or territory of Canada, or while a **covered auto** is being transported between their ports.

CHANGES

This policy contract, **your** insurance application (which is made a part of this policy as if attached hereto), the **declarations page**, and all endorsements to this policy issued by **us**, contain all the agreements between **you** and **us**. Subject to the following, the terms of this policy may not be changed or waived except by an endorsement issued by **us**.

The premium for this policy is based on information **we** received from **you** and other sources. **You** agree to cooperate with **us** in determining if this information is correct and complete, and to promptly notify **us** if it changes during the policy period. If this information is determined by **us** to be incorrect, incomplete, or if it changes during the policy period, **you** agree that **we** may adjust **your** policy information and premium accordingly. Changes that may result in a premium adjustment are contained in **our** rates and rules. These include, but are not limited to, **you**, a **relative**, or a **rated resident** obtaining a driver's license or operator's permit, or changes in:

1. the number, type or use classification of **covered autos**;

2. the persons who regularly operate a **covered auto**;
3. the persons of legal driving age residing in **your** household;
4. the residents in **your** household;
5. an operator's marital status;
6. **your** mailing address and **your** residence address;
7. the principal garaging address of any **covered auto**;
8. coverage, deductibles, or limits of liability; or
9. rating territory or discount eligibility.

The coverage provided in **your** policy may be changed only by the issuance of a new policy or an endorsement by **us**. However, if during the policy period **we** broaden any coverage afforded under the current edition of **your** policy without additional premium charge, that change will automatically apply to **your** policy as of the date the coverage change is implemented in **your** state.

If **you** ask **us** to delete a vehicle from this policy, no coverage will apply to that vehicle as of the date and time **you** ask **us** to delete it.

DUTY TO REPORT CHANGES

You must promptly report to **us** all changes, including additions and deletions, in policy information. This includes, but is not limited to, changes in:

1. **your** mailing address or **your** residence address;
2. the principal garaging address of any **covered auto**;
3. the residents in **your** household;
4. the persons of legal driving age residing in **your** household;
5. the persons who regularly operate a **covered auto**;
6. an operator's marital status; or
7. the driver's license or operator's permit status of **you**, a **relative**, or a **rated resident**.

SETTLEMENT OF CLAIMS

We may use estimating, appraisal, or injury evaluation systems to assist **us** in adjusting claims under this policy and to assist **us** in determining the amount of damages, expenses, or loss payable under this policy. Such systems may be developed by **us** or a third party and may include computer software, databases, and specialized technology.

TERMS OF POLICY CONFORMED TO STATUTES

If any provision of this policy fails to conform to the statutes of the state listed on **your** application as **your** residence, the provision shall be deemed amended to conform to such statutes. All other provisions shall be given full force and effect. Any disputes as to the coverages provided or the provisions of this policy shall be governed by the law of the state listed on **your** application as **your** residence.

TRANSFER OF INTEREST

The rights and duties under this policy may not be transferred to another person without **our** written consent. However, if a named insured shown on the **declarations page** dies, this policy will provide coverage until the end of the policy period for the legal representative of the named insured, while acting as such, and for persons covered under this policy on the date of the named insured's death.

FRAUD OR MISREPRESENTATION

This policy was issued in reliance upon the information provided on **your** insurance application. **We** may void this policy at any time, including after the occurrence of an accident or loss, if **you**:

1. made incorrect statements or representations to **us** with regard to any material fact or circumstance;
2. concealed or misrepresented any material fact or circumstance; or
3. engaged in fraudulent conduct;

at the time of application. This means that **we** will not be liable for any claims or damages that would otherwise be covered.

Any changes **we** make at **your** request to this policy after inception will be made in reliance upon information **you** provide. If **you**:

1. make incorrect statements or representations to **us** with regard to any material fact or circumstance;
2. conceal or misrepresent any material fact or circumstance; or
3. engage in fraudulent conduct;

in connection with a requested change **we** may void the policy or reform it as it existed immediately prior to the requested change. **We** may do this at any time, including after the occurrence of an accident or loss.

When **we** have not voided or reformed the policy, **we** may still deny coverage for an accident or loss if **you**, in connection with the policy application, in connection with any requested change, or at any time during the policy period, have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct and that concealment, misrepresentation, or fraudulent conduct was material to a risk **we** assumed.

We may deny coverage for an accident or loss if **you** or a person seeking coverage has concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

PAYMENT OF PREMIUM AND FEES

If **your** initial premium payment is by check, draft, electronic funds transfer, or similar form of remittance, coverage under this policy is conditioned on payment to **us** by the financial institution. If the financial institution upon presentment does not honor the check, draft, electronic funds transfer, or similar form of remittance, this policy may, at

our option, be deemed void from its inception. This means **we** will not be liable under this policy for any claims or damages that would otherwise be covered if the check, draft, electronic funds transfer, or similar form of remittance had been honored by the financial institution. Any action by **us** to present the remittance for payment more than once shall not affect **our** right to void this policy.

In addition to premium, fees may be charged on **your** policy. **We** may charge fees for installment payments, late payments, and other transactions. Payments made on **your** policy will be applied first to fees, then to premium due.

CANCELLATION

You may cancel this policy by notifying **us** of cancellation on or before the date of cancellation.

We may cancel this policy during the policy period by mailing a notice of cancellation to the named insured shown on the **declarations page** at the last known address appearing in **our** records.

We will give at least 10 days notice of cancellation if the policy is cancelled for nonpayment of premium. If **we** cancel this policy for any reason other than nonpayment of premium within the first 55 days following the initial issuance of this policy, notice will be mailed at least 20 days before the effective date of cancellation.

We will give at least 30 days notice of cancellation in all other cases.

We may cancel this policy for any reason if the notice is mailed within the first 55 days of the initial policy period.

After this policy is in effect for more than 55 days, or if this is a renewal or continuation policy, **we** may cancel only for one or more of the following reasons:

1. nonpayment of premium;
2. material misrepresentation or fraud in the submission of any claim under this policy;
3. loss of driving privileges through suspension, or revocation of an operator's license issued to **you**, any driver in **your** household, or any regular operator of a **covered auto**;
4. **we** have agreed to issue a new policy within the same or an affiliated company; or
5. any other reason permitted by law.

Proof of mailing will be sufficient proof of notice. If this policy is cancelled, coverage will not be provided as of the effective date and time shown in the notice of cancellation. For purposes of cancellation, this policy is neither severable nor divisible. Any cancellation will be effective for all coverages for all persons and all vehicles.

CANCELLATION REFUND

Upon cancellation, **you** may be entitled to a premium refund. However, **our** making or offering of a refund is not a condition of cancellation.

If this policy is cancelled, any refund due will be computed on a daily pro rata basis. However, **we** are entitled to retain **our** minimum earned premium.

NONRENEWAL

If neither **we** nor one of **our** affiliates offers to renew or continue this policy, **we** will mail notice of nonrenewal to the named insured shown on the **declarations page** at the last known address appearing in **our** records. Proof of mailing will be sufficient proof of notice. Notice will be mailed at least 30 days before the end of the policy period.

AUTOMATIC TERMINATION

If **we** or an affiliate offers to renew or continue this policy and **you** or **your** representative does 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 will mean that **you** have not accepted **our** offer.

For coverage under this policy, **we** will share on a pro rata basis with other valid and collectible insurance purchased on a primary basis. **Our** share will be the proportion that **our** limit of liability bears to the total of all applicable limits.

LEGAL ACTION AGAINST US

We may not be sued unless there is full compliance with all the terms of this policy.

We may not be sued for payment under Part I—Liability To Others until the obligation of an insured person under Part I to pay is finally determined either by judgment after trial against that person or by written agreement of the insured person, the claimant, and **us**. No one will have any right to make **us** a party to a lawsuit to determine the liability of an insured person. **You** are permitted to file a lawsuit against **us** within the statute of limitations to have any dispute settled by a court of proper jurisdiction when **you** believe **we** have not appropriately responded to **your** requests concerning such proceedings or **you** believe **we** have acted inappropriately in handling **your** claim.

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

OUR RIGHTS TO RECOVER PAYMENT

We are entitled to the rights of recovery that the insured person to whom payment was made has against another, to the extent of **our** payment. That insured person may be required to sign documents related to the recovery and must do whatever else **we** require to help **us** exercise those recovery rights, and do nothing after an accident or loss to prejudice those rights.

When an insured person has been paid by **us** and also recovers from another, the amount recovered will be held by the insured person in trust for **us** and reimbursed to **us** to the extent of **our** payment. If **we** are not reimbursed, **we** may pursue recovery of that amount directly against that insured person.

If an insured person recovers from another without **our** written consent, the insured person's right to payment under any affected coverage will no longer exist. **You** are permitted to file a lawsuit against **us** within the statute of limitations to have any dispute settled by a court of proper jurisdiction when **you** believe **we** have not appropriately responded to **your** requests concerning such proceedings or **you** believe **we** have acted inappropriately in handling **your** claim.

If **we** elect to exercise **our** rights of recovery against another, **we** will also attempt to recover any deductible incurred by an insured person under this policy unless **we** are specifically instructed by that person not to pursue the deductible. **We** have no obligation to pursue recovery against another for any loss not covered by this policy.

We reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. **We** also reserve the right to incur reasonable expenses and attorney fees in pursuit of the recovery.

If the total recovery is less than the total of **our** payment and the deductible, **we** will reduce reimbursement of the deductible based on the proportion that the actual recovery bears to the total of **our** payment and the deductible. A proportionate share of collection expenses and attorney fees incurred in connection with these recovery efforts will also reduce reimbursement of the deductible.

These provisions will be applied in accordance with state law.

JOINT AND INDIVIDUAL INTERESTS

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

BANKRUPTCY

The bankruptcy or insolvency of an insured person will not relieve **us** of any obligations under this policy.

PROGRESSIVE[®]
DIRECT Auto

9611D MI 1115



Exhibit D

Market Survey Report

Prepared For Progressive Group of Insurance Companies (800) 321-9843



Claim Information

| | | | | |
|---------------|---------------|-----------------------|--|----------------|
| Claim Number | Policy Number | Loss Type | Owner | |
| 22-6273946-01 | | COLLISION | MICHAEL PETERSON 608 COLBY ST BESSEMER, MI 49911 +1-906- 2852455 | |
| Loss Date | Reported Date | Valuation Report Date | Valuation Report ID | Version Number |
| 03/28/2022 | 03/29/2022 | 04/09/2022 | 1015004017 | 2 |

Vehicle Information

| | | | | |
|-------------|---------|---|---------------|---------------|
| Year | Make | Model | Location | Mileage |
| 2008 | Toyota | Tundra 4 Door Crew Cab 6 Foot Bed 5.7L 8 Cyl Gas A 4WD | MI 49911 | 255,572 miles |
| Ext Color | License | VIN | Title History | |
| Super White | | 5TFDV54158X068431 | No | |

Valuation Summary

Loss Vehicle Adjustments

Adjustments specific to your vehicle

| | |
|---------------------|-------------|
| Base Value = | \$13,186.97 |
| Condition - | \$1,062.19 |
| Prior Damage | \$0.00 |
| Aftermarket Parts + | \$135.00 |
| Refurbishment | \$0.00 |
| Market Value = | \$12,259.78 |

Settlement Value:
\$11,759.78

Settlement Adjustments

Adjustments specific to your policy

| | |
|--------------------|-------------|
| Deductible - | \$500.00 |
| Settlement Value = | \$11,759.78 |

Loss Vehicle Detail

Loss vehicle: 2008 Toyota Tundra | 4 Door Crew Cab 6 Foot Bed | 5.7L 8 Cyl Gas A 4WD

Standard Equipment

Exterior

| | |
|--|--|
| 2-speed fixed windshield wipers | Black door & tailgate handles |
| Black grille & surround | Black pwr mirrors |
| Chrome steel bumpers w/black front upper cover | High solar energy-absorbing fixed rear glass |
| Pwr sliding rear privacy glass | Rear door privacy glass |
| Tailgate assist | |

Interior

| | |
|---|---|
| (2) front pwr points & (1) rear pwr point | (4) front & (2) rear cup holders |
| 2-way adjustable headrests | AM/FM stereo w/CD/MP3 player, (6) speakers, auxiliary audio input |
| Carpet flooring | Cigarette lighter & ashtray w/illumination |
| Cruise control | Double fabric visors w/extendors, illuminated mirrors |
| Dual zone air conditioning w/sync mode | Engine Immobilizer |
| Fabric 40/20/40 split-&-fold bench seat w/4-way adjustable driver & front passenger seats | Front & rear map lamps |
| Glove box illumination | Illuminated entry system |
| Instrumentation-inc: tachometer, tripmeter, exterior temp gauge, digital clock | Overhead console |
| Pwr door locks | Pwr Windows |
| Rear air conditioning ducts | Rear armrest |
| Rear glass defroster | Rear sliding & reclining fold-flat seats |
| Remote keyless entry system | Tilt steering wheel w/column shifter |
| Tire pressure monitor system | |

Mechanical

| | |
|---|---|
| 18" spare wheel & P255/70R18 tire | 18" steel wheels |
| 4-wheel anti-lock brakes (ABS) w/brake assist | 4WDemand 4-wheel drive system w/electronically controlled 2-speed transfer case |
| 7,200# GVWR | Active traction Control (A-TRAC) |
| Automatic limited-slip differential | Deck rail caps |
| Electronic brake-force distribution (EBD) | Front tow hooks |
| Hydraulic pwr rack & pinion steering | Independent coil-spring double wishbone front suspension w/low-pressure nitrogen gas shocks, stabilizer bar |
| P255/70R18 all season tires | Pwr vented disc brakes |
| Trapezoidal multi-leaf live axle rear suspension w/staggered low-pressure nitrogen gas shocks | Vehicle Stability Control (VSC) |

Safety

| | |
|--|---|
| 3-point seatbelts in all seating positions w/automatic & emergency locking retractors, driver & front passenger pretensioners w/force limiters, driver emergency locking retractor | Child restraint system top tether anchors for all rear seat positions & ISO-FIX anchor for rear outboard seat positions |
|--|---|

Child restraint system top tether anchors for center & front passenger seats w/front passenger ISO-FIX anchor

Child-protector rear door locks

Driver & front passenger advanced airbags w/front passenger cutoff switch

Driver & front passenger seat mounted side airbags

Roll-sensing side curtain airbags

Packages

TOW PKG

-inc: hitch receiver, supplemental trans cooler, rear differential w/9.5" ring gear, 130 amp alternator, trans temp gauge, 7-pin connector, trailer brake controller prewire

Optional Equipment

18" ALLOY WHEELS

4-PIECE ALL WEATHER FLOOR MATS (2Q)

4-PIECE ALL WEATHER FLOOR MATS (CT)

AM/FM STEREO W/6-DISC CD CHANGER

AUTO-DIMMING INTERIOR REARVIEW MIRROR

COLD KIT

FOG LAMPS

FRONT & REAR MUDGUARDS

PWR HEATED EXTERIOR MIRRORS

*DIO/PIO = Dealer/Port Installed Options

Loss Vehicle Base Value

Loss vehicle: 2008 Toyota Tundra | 4 Door Crew Cab 6 Foot Bed | 5.7L 8 Cyl Gas A 4WD

Comparable Vehicle Information

Search Radius used for this valuation: 150 miles from loss vehicle zip/postal code.

Typical Mileage for this vehicle: 157,000 miles

| # | Vehicle Description | Mileage | Location | Distance From Loss Vehicle | Price | Adjusted Value |
|--------------------|--|---------|----------|----------------------------|---------------------------|--------------------|
| 1 | 2008 Toyota Tundra 4 Door Crew Cab 6 Foot Bed 8 5.7CYL GAS A 4WD | 159,660 | 58701 | 538 miles | \$16,000.00 List Price | \$12,918.50 |
| 2 | 2008 Toyota Tundra 4 Door Crew Cab 6 Foot Bed 8 5.7CYL GAS A 4WD | 158,561 | 52658 | 409 miles | \$16,900.00 List Price | \$13,455.43 |
| Base Value: | | | | | | \$13,186.97 |

Loss Vehicle Adjustments

Loss vehicle: 2008 Toyota Tundra | 4 Door Crew Cab 6 Foot Bed | 5.7L 8 Cyl Gas A 4WD

Condition Adjustments

Condition Adjustment: **-\$1,062.19**

Overall Condition: **2.41-Fair**

Typical Vehicle Condition: **3.00**

| Category | Condition | Condition \$ | Comments |
|-----------------------|-----------|--------------|--|
| Interior | | | |
| HEADLINER | 3 Good | \$0.00 | |
| DASH/CONSOLE | 3 Good | \$0.00 | |
| SEATS | 2 Fair | -\$252.90 | Drivers seat torn, staining present. |
| CARPET | 3 Good | \$0.00 | |
| GLASS | 3 Good | \$0.00 | |
| DOORS/INTERIOR PANELS | 3 Good | \$0.00 | |
| Exterior | | | |
| BODY | 1 Poor | -\$758.71 | Penetrating rust mult panels, rt boxside dmg |
| PAINT | 3 Good | \$0.00 | |
| VINYL/CONVERTIBLE TOP | Typical | \$0.00 | |
| TRIM | 2 Fair | -\$50.58 | Rear bumper |
| Mechanical | | | |
| TRANSMISSION | 3 Good | \$0.00 | |
| ENGINE | 3 Good | \$0.00 | |
| Tire | 3 Good | \$0.00 | |

Typical Vehicle Condition reflects a condition similar to the same year, make and model. Amount of wear and tear/ damage consistent with its age.

Comments:

After Market Parts and OEM Equipment Adjustments

| Category | Description | Adjustment Type | Purchase Date | Amount Paid | Adjustment Amount |
|----------|---|-----------------|---------------|-------------|-------------------|
| EXTERIOR | RUNNING BOARDS (BASIC) | INSTANT QUOTE | | | \$45.00 |
| EXTERIOR | TONNEAU COVER (SOFT / SNAP TOP / ROLL-UP) | INSTANT QUOTE | | | \$90.00 |

Comparable Vehicles

Loss vehicle: 2008 Toyota Tundra | 4 Door Crew Cab 6 Foot Bed | 5.7L 8 Cyl Gas A 4WD

This comparable vehicle has been located through market research.

1 2008 Toyota Tundra 4 Door Crew Cab 6 Foot Bed 8 5.7 CYL GAS A4WD **List Price: \$16,000.00**

| | | | | |
|-------------------|----------|--------------|-----------------|----------------------------|
| VIN | Stock No | Listing Date | ZIP/Postal Code | Distance from Loss Vehicle |
| 5TBDV541X8S505256 | | 04/08/2022 | 58701 | 538 miles |

Source

FRANCHISE DEALER WEB LISTING
 RYAN GMC BUICK CADILLAC
 1111 20TH AVE
 Minot ND 58701
 701-441-7144

| Adjustments | Loss Vehicle | This Vehicle | Amount |
|---------------------------------------|--------------|--------------|-------------|
| Projected Sold Adjustment | | | -\$702.31 |
| Mileage | 255,572 | 159,660 | -\$3,664.49 |
| Equipment | | | |
| TOW PKG | Yes | No | \$316.19 |
| 18" ALLOY WHEELS | Yes | No | \$511.91 |
| 4-PIECE ALL WEATHER FLOOR MATS (CT) | Yes | No | \$65.75 |
| AM/FM STEREO W/6-DISC CD CHANGER | Yes | No | \$100.37 |
| AUTO-DIMMING INTERIOR REARVIEW MIRROR | Yes | No | \$140.52 |
| COLD KIT | Yes | No | \$80.30 |
| FOG LAMPS | Yes | No | \$55.21 |
| PWR HEATED EXTERIOR MIRRORS | Yes | No | \$15.05 |

Total Adjustments: -\$3,081.50

Adjusted Price: \$12,918.50

This comparable vehicle has been located through market research.

2 2008 Toyota Tundra 4 Door Crew Cab 6 Foot Bed 8 5.7 CYL GAS A4WD **List Price: \$16,900.00**

| | | | | |
|-------------------|----------|--------------|-----------------|----------------------------|
| VIN | Stock No | Listing Date | ZIP/Postal Code | Distance from Loss Vehicle |
| 5TFDV54158X059938 | | 04/08/2022 | 52658 | 409 miles |

| Source | Adjustments | Loss Vehicle | This Vehicle | Amount |
|--------------------------------|---------------------------------------|--------------|--------------|--------------------|
| INDEPENDENT DEALER WEB LISTING | Projected Sold Adjustment | | | -\$741.81 |
| FOOTER AUTO SALES, INC | Mileage | 255,572 | 158,561 | -\$3,928.34 |
| 3546 169TH ST | Equipment | | | |
| Wever IA 52658 | TOW PKG | Yes | No | \$333.97 |
| 319-246-3625 | 18" ALLOY WHEELS | Yes | No | \$540.70 |
| | 4-PIECE ALL WEATHER FLOOR MATS (CT) | Yes | No | \$69.45 |
| | AM/FM STEREO W/6-DISC CD CHANGER | Yes | No | \$106.01 |
| | AUTO-DIMMING INTERIOR REARVIEW MIRROR | Yes | No | \$148.43 |
| | COLD KIT | Yes | No | \$84.81 |
| | FOG LAMPS | Yes | No | \$58.31 |
| | 4-PIECE CARPET FLOOR MATS | No | Yes | -\$94.90 |
| | DAYTIME RUNNING LAMPS | No | Yes | -\$21.20 |
| | Total Adjustments: | | | -\$3,444.57 |
| | Adjusted Price: | | | \$13,455.43 |

Comparable Vehicle Option Details:

PWR HEATED EXTERIOR MIRRORS, 4-PIECE CARPET FLOOR MATS, DAYTIME RUNNING LAMPS

Sub-Model Comparison

| Sub-Model Description | Configuration | Original MSRP |
|-----------------------|---|---------------|
| 2008 Toyota Tundra | 4 Door Crew Cab 6 Foot Bed 5.7L 8 Cyl Gas 4WD | \$30,482.00 |

Vehicle Valuation Methodology Explanation

WorkCenter Total Loss was designed and built in conjunction with J.D. Powers, experts in data analysis and vehicle pricing and a highly trusted name among consumers. With years of experience in vehicle pricing, J.D. Power is a credible, third-party expert whose name provides consumer recognition and confidence. WCTL provides a consistent methodology across all vehicles and it includes valid comparable vehicles that most closely resemble the totaled vehicle and are similar to the vehicles a consumer would find in their own research.

WorkCenter Total Loss produces accurate and easy-to-understand vehicle valuations via this five step process:

Step 1 - Locate Comparable Vehicles

Locate vehicles that are the closest match to the loss vehicle in the same market area. WorkCenter Total Loss utilizes consumer-based vehicle sources along with inventory directly from Dealerships. When available WCTL also provides sold vehicle records from sources such as J.D. Powers.

Step 2 - Adjust Comparable Vehicles

Make adjustments to the prices of the comparable vehicles. The comparable vehicles are identical to the loss vehicle except where adjustments are itemized. There are several types of comparable vehicle adjustments

- Projected Sold Adjustment - an adjustment to reflect consumer purchasing behavior (negotiating a different price than the listed price).
- Mileage Adjustment - an adjustment for differences in mileage between the comparable vehicle and the loss vehicle.
- Equipment- adjustments for differences in equipment between the comparable vehicle (e.g. equipment packages and options) and the loss vehicle.

Step 3 - Calculate Base Vehicle Value

The base vehicle value is calculated by averaging the adjusted prices of the comparable vehicles.

Step 4 - Calculate Loss Vehicle Adjustments

There are four types of loss vehicle adjustments:

- Condition Adjustment:
Adjustments to account for the condition of the loss vehicle prior to the loss.
- Prior Damage Adjustment:
Adjustments to account for any prior damage present on the loss vehicle prior to the loss.
- After Market Part Adjustment:
Adjustments to account for any after market parts present on the loss vehicle prior to the loss.
- Refurbishment Adjustment:
Adjustments to account for any refurbishment performed on the loss vehicle prior to the loss.

Step 5 - Calculate the Market Value

The Market Value is calculated by applying the loss vehicle adjustments to the base value.