

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM GEORGETOWN COUNTY
Court of Common Pleas

Benjamin H. Culbertson, Circuit Court Judge

Appellate Case No. 2020-000034

April Brooke Cox, as Personal Representative
of the Estate of Elijah Cox, deceased,

Appellant,

v.

State Farm Mutual Automobile Insurance
Company and Glen Bauer, Jr.

Respondents.

RECORD ON APPEAL

Fred W. Riesen, III
RIESEN DURANT LLC
613 Longpoint Rd., Suite 100
Mt. Pleasant, SC 29464
843-800-0809
trip@riesendurant.com

and

Bert G. Utsey, III
PETERS, MURDAUGH, PARKER,
ELTZROTH & DETRICK, P.A.
Post Office Box 30968
Charleston, SC 29417
(843) 818-4399
butsey@pmped.com

ATTORNEYS FOR APPELLANT

Timothy A. Domin, Esquire
CLAWSON AND STAUBES, LLC
126 Seven Farms Drive
Charleston, SC 29492
(843) 577-2026
tdomin@clawsonandstaubes.com

ATTORNEYS FOR RESPONDENT

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STATE OF SOUTH CAROLINA
COUNTY OF GEORGETOWN

IN THE COURT OF COMMON PLEAS
FOR THE 15TH JUDICIAL CIRCUIT

CASE NO.: 2018-CP-22-00869

April Brooke Cox, as Personal Representative
of the Estate of Elijah Cox, deceased,

Plaintiff

FINAL ORDER

vs.

State Farm Mutual Automobile Insurance
Company and Glen Bauer, Jr.,

Defendants.

This matter came before the Court on cross-motions for summary judgment and stipulated facts. The parties agree the case is ripe for disposition and that the Court should grant one of the motions and deny the other motion. The basic issue is whether the Estate of Elijah Cox may collect from more than one underinsured motorist policies issued by State Farm to his grandparents when a family vehicle was not involved in the fatal accident.

As provided by the stipulation of the parties, on June 11, 2018, Elijah Cox ("Cox") was a passenger in and occupying a 2007 Chevrolet pickup operated by L.L. (a minor who is identified only by his initials) and owned by Kathy Lambert Powell. The Chevrolet pickup operated by L.L. was not owned by Cox or any of his resident relatives. While Cox was a passenger in said vehicle, L.L. was involved in a collision in Georgetown County, South Carolina (the "Collision"). The Collision was directly and proximately caused by L.L.'s negligence in the operation of the Chevrolet pickup. As a direct and proximate result of the

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Collision, Cox sustained personal injuries resulting in his death. Plaintiff was duly appointed as personal representative for the estate of Cox. At the time of the Collision, the vehicle L.L. was operating was insured by Travelers Property Casualty Insurance Company ("Travelers"). The policy issued by Travelers covering L.L. at the time of the Collision provided bodily injury ("BI") liability coverage with limits of \$25,000 per person. The policy issued by Travelers covering L.L. at the time of the Collision also provided underinsured motorists bodily injury ("UIMBI") coverage, each with limits of \$25,000 per person. As a result of Plaintiff's claim, Travelers, on behalf of its insured driver, L.L., agreed to tender the \$25,000 limits of its BI coverage and the \$25,000 limits of its UIMBI coverage to Plaintiff.

Prior to his death, Cox resided in the same household with his grandparents, Glen Bauer, Jr. ("Glen") and Ernestine Bauer ("Ernestine"), who were married to one another and resided together. No member of the Cox-Bauer household owned any vehicle involved in the Collision. At the time of the Collision, Defendant State Farm Mutual Automobile Insurance Company ("State Farm") had in effect a policy insuring a 2002 GMC K1500 (the "GMC Policy"), issued to Ernestine as named insured. The GMC Policy provided UIMBI coverage with limits of \$50,000 per person. State Farm has tendered to Plaintiff \$50,000 in UIMBI coverage under the GMC Policy.

At the time of the Collision, State Farm also had in effect a policy insuring a 2009 Nissan Frontier (the "Nissan Frontier Policy"), issued to Glen as named insured. The Nissan Frontier Policy provided UIMBI coverage with limits of \$50,000 per person. At the time of the Collision, State Farm also had in effect a policy insuring a 2003 Nissan Crew Cab (the "Nissan Crew Cab Policy"), issued to Glen as named insured. The Nissan Crew Cab Policy provided UIMBI coverage with limits of \$50,000 per person; however, Plaintiff is making no claim for

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UIMBI coverage under the Nissan Crew Cab Policy for Cox's wrongful death and conscious pain and suffering as a result of the Collision.¹

The parties agree the damages proximately resulting from Cox's wrongful death and conscious pain and suffering as a result of the Collision exceed the sum of \$200,000.

State Farm's policy provides under the heading "If Other Underinsured Motor Vehicle Coverage Applies" certain rules for different factual scenarios.

Under section three, the policy states:

3. If:

a. you or any resident relative sustains bodily injury or property damage:

- (1) while occupying a motor vehicle not owned by you or any resident relative; or
- (2) while not occupying a motor vehicle; and

b. Underinsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to you or any resident relative by the State Farm Companies apply to the same bodily injury or property damage, then

the maximum amount that may be paid from all such policies combined is the single highest limit provided by any one of the policies. We may choose one or more policies from which to make payment.

Section 4 provides a different rule if the insured is occupying a motor vehicle owned by "you" or a "resident relative" other than the car that is on the declarations page. In that situation, the coverage applies to the extent of underinsured coverage on the involved vehicle.

The plaintiff argues the language in section three is void as against public policy and inconsistent with South Carolina law.

¹ Counsel for the plaintiff explained this was simply a "strategic decision."

The starting point to determine whether this provision should be declared against public policy is the underinsured motorist statute itself. Under §38-77-160:

Automobile insurance carriers shall offer, at the option of the insured, uninsured motorist coverage up to the limits of the insured's liability coverage in addition to the mandatory coverage prescribed by Section 38-77-150. Such carriers shall also offer, at the option of the insured, underinsured motorist coverage up to the limits of the insured liability coverage to provide coverage in the event that damages are sustained in excess of the liability limits carried by an at-fault insured or underinsured motorist or in excess of any damages cap or limitation imposed by statute. If, however, an insured or named insured is protected by uninsured or underinsured motorist coverage in excess of the basic limits, the policy shall provide that the insured or named insured is protected only to the extent of the coverage he has on the vehicle involved in the accident. If none of the insured's or named insured's vehicles is involved in the accident, coverage is available only to the extent of coverage on any one of the vehicles with the excess or underinsured coverage.

Per the underlined language above, coverage is only available on one vehicle if none of the insured or named insured's vehicles are involved in the accident. ² State Farm's policy language follows the statute.

Case law interpreting S. C. Code §38-77-160 follow this basic rule set forth in the statute and the insurance policy. Plaintiff has not cited any case or statute declaring the involved vehicle stacking policy language invalid. Nor has plaintiff cited any case where an injured party was allowed to collect more than one at home policy in a situation where the insured's family did not have a vehicle involved in the accident. Plaintiff relies heavily on Nationwide Mut. Ins. Co v. Rhoden, 398 S.C. 393, 728 S.E.2d 477 (2012), but that case is not applicable to this factual scenario for the reasons addressed below. In contrast, State Farm has cited multiple cases applying similar policy language and S.C. Code § 38-77-160 or its precursor statute § 56-9-831.

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In Garris v. Cincinnati Insurance Co., 280 S.C. 149, 311 S.E.2d 723 (1984), Huntley and Garris were killed by a drunk driver while occupying a work truck owned by Bryce Mechanical Contractors. The policy on the truck they were occupying had 17 vehicles on it. Mr. Garris had insurance issued by Allstate which covered four personal "at-home" vehicles. Mr. Huntley had coverage for two personal "at-home" vehicles. The court first decided the deceased men could not stack the 16 additional vehicles on the same policy as the work truck. The deceased's estates also argued they were entitled to stack their "at home" policies. The court rejected this view. The court stated: "The obvious intent of the Legislature is to allow insureds or named insureds to take advantage of the benefit of their bargain with their insurance carrier when they are injured by an underinsured motorist and their vehicle is not involved in the accident. But, the recovery here is limited to the extent of coverage on one vehicle with the underinsured motorist coverage, as the decedents are members of the second class. Thus, plaintiffs cannot stack the coverage of the other vehicles under the policies issued to them, but may only recover benefits on one vehicle with the coverage." (emphasis added).

Another case applying the involved vehicle requirement is State Farm Mut. Auto. Ins. Co. v. Wannamaker, 291 S.C. 518, 354 S.E.2d 555 (1987). William Wannamaker had insurance coverage with State Farm under two insurance policies. His daughter was killed in an accident that did not involve either of the insured's vehicles. Wannamaker's two policies each had limits of liability coverage of but no underinsured

² Concrete Services, Inc. v. United States Fidelity and Guaranty Company, 331 S.C. 506, 498 S.E.2d 865 (1998) made clear that if any resident family member's vehicle is involved,

motorist coverage. The trial court concluded Wannamaker had not been given a meaningful offer of underinsured coverage. Therefore, the underinsured coverage was added by operation of law. The trial court also concluded Wannamaker was not entitled to stack because none of his vehicles were involved in the accident. The Supreme Court affirmed the trial court on both rulings. As to the issue of stacking, the Court cited § 56-9-831 (which is now §38-77-160) and held "the present case is one clearly excluded by the statute since none of the insured's vehicles were involved in the wreck."

In Fireman's Ins. Co. v. State Farm Mut. Auto. Ins. Co., 295 S.C. 538, 370 S.E.2d 85 (1988), the court considered the involved vehicle scenario in an uninsured motorist case. The rules regarding stacking of underinsured and uninsured motorist coverage are almost identical and the involved vehicle principle is derived from §38-77-160 which references both excess uninsured coverage and underinsured coverage. In Fireman's, Mullins was driving a vehicle owned by Locklear who was a passenger in her own vehicle. Because the tortfeasor was insured under a Florida policy with only \$10,000/\$20,000 coverage, the court had to first determine whether the tortfeasor was uninsured, underinsured or both. The court concluded the tortfeasor did not have coverage equal to South Carolina minimum limits and was therefore uninsured. Mullins had uninsured motorist coverage on three at home (non-involved) vehicles insured with Fireman's Insurance Company. Mullins sought to stack uninsured motorist benefits for each of the vehicles insured by Fireman's. The court held that since Mullins did not have a vehicle involved in the accident (he was driving Locklear's automobile), Mullins was not entitled to stack coverages from his own at-home vehicle policies. He could collect only one.

then coverage from the other vehicles may be stacked.

In National Gen. Ins. Co. v. Pena, 308 S.C. 521, 419 S.E.2d 375 (Ct. App. 1992), Pena was a passenger on an uninsured motorcycle owned by a friend. The motorcycle driver was the uninsured motorist. Pena wished to reach home for coverage on four vehicles under his mother's policy. National General conceded that Pena was entitled to one policy limit, however Pena sought the limits for all four vehicles. The court held Pena was not permitted to stack. He was not considered a Class I insured with respect to having a vehicle involved in the accident.

In Concrete Services, Inc. v. United States Fidelity and Guaranty Company, 331 S.C. 506, 498 S.E.2d 865 (1998), the court heard the case of a plaintiff who was injured in an automobile accident while driving a vehicle owned by her husband's company, Concrete Services, Inc. After recovering underinsured benefits under the policy insuring the vehicle which she was driving, plaintiff sought to stack underinsured motorist coverages on the other vehicles owned by Concrete Services, Inc. The Court examined two certified questions in the case, the first involving the proper classification of the plaintiff as a Class I or Class II insured, and the second as to whether ownership of an involved vehicle is required in order to stack coverage. As to the first question, the Court deemed plaintiff could not qualify as a spouse or resident relative of the named insured Concrete Services, Inc. because corporations do not have spouses or relatives. As to the second question, the court held that "prior cases requiring a person to 'have' a vehicle involved in the accident as a prerequisite to stacking mean only that a person must be a Class I insured with respect to a vehicle involved in the accident, i.e., they must be either the named insured, or the spouse or relative living in the same household with the named insured."

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In Putnam v. S.C. Farm Bureau Mut. Ins. Co., 323 S.C. 494, 476 S.E.2d 902 (1996), the Supreme Court considered a case where the Court of Appeals decided an insured could not even contract for an insurance policy providing stacking if none of his vehicles are involved in the accident. The Supreme Court found that the Court of Appeals had gone a bit too far ~~that statement~~. The Supreme Court stated: "The Court of Appeals correctly held that S.C. Code § 38-77-160 prohibits stacking of underinsured motorist insurance (UIM) where none of the insured's vehicles are involved in the accident. However, the Court of Appeals incorrectly held that an insured could not contract for an insurance policy that specifically provided for stacking even if none of his vehicles were involved in the accident, as an insured could contract for insurance coverage that was greater than that required by statute." This was of no benefit to the injured parties as the Supreme Court found the policy in question did limit the insured to one vehicle if none of his vehicles was involved in the accident.

In Merck v. Nationwide Mut. Ins. Co., 318 S.C. 22, 455 S.E.2d 697 (1995), the Court defined the extent to which a vehicle must actually be involved in an accident in order to stack coverage. The question presented was simply how the Court should define the term "involved" for the purpose of applying the involved vehicle stacking rule. Merck experienced car trouble. As Merck's vehicle was being loaded onto a wrecker, a drunk driver ran off of the road striking Merck, the wrecker driver and the wrecker. Merck was injured, the wrecker driver was killed and Merck's vehicle was thrown off of the wrecker, sustaining damage. The drunk driver's vehicle did not directly hit Merck's vehicle. Merck collected sought to stack coverage of three other vehicles covered by his policy. The South Carolina Supreme Court adopted a definition of the term

"involved" meaning "to relate to or have an effect on...to draw in as a participant [to] implicate; include, affect." Because Merck's vehicle was present at the scene and the accident had an effect on the insured's vehicle, it was "involved in the accident." As a result, Merck could stack the coverage from his other three vehicles.

Plaintiff relies heavily on Nationwide Mut. Ins. Co. v. Rhoden, 398 S.C. 393, 728 S.E.2d 477 (2012). But Rhoden did not alter the rule requiring an owned vehicle to be involved in the accident in order to collect on multiple vehicles. In Rhoden a family member's vehicle was involved in the accident. Thus, the Rhoden claimants would normally be allowed to stack. But there was no underinsured coverage on the involved vehicle. Nationwide argued that under the "measuring vehicle" precedent of S.C. Farm Bureau Ins. Co. v. Mooneyham, 304 S.C. 442, 405 S.E.2d 396 (1991), if there was no underinsured on the involved family vehicle, none of the injured family members could claim from other policies. The Rhoden court concluded public policy was not offended by policy language blocking the owner of the involved vehicle from recovery because the owner made a decision not to buy underinsured coverage on the involved vehicle. But the court reasoned it violated public policy not ^{to} allow any recovery to the persons who did not make such a choice. Rhoden did not state that stacking (or portability) would be allowed in a situation where no insured vehicle ^{is} involved in the accident. That question was not considered because there was a family member's vehicle involved in the accident.

The plaintiff argues the present matter should not be governed by the rules regarding stacking because this is simply a case about "portability." However, "[s]tacking is defined as 'the insured's recovery of damages under more than one policy

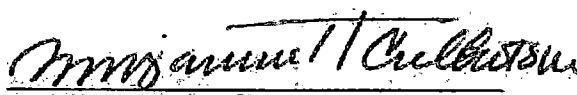
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until all his damages are satisfied or the limits of all available policies are met." Burgess v. Nationwide Mut. Ins. Co., 373 S.C. 37, 644 S.E. 2d 40, fn. 4 (quoting Giles v. Whitaker, 297 S.C. 267, 376 S.E.2d 278 (1989)). Thus, when plaintiff seeks recovery under more than one policy---even if the policies are separate, it is still "stacking" as that term has been defined by the court.

Plaintiff also argues that it makes a difference when State Farm issued three separate policies as opposed to one policy with three vehicles. But plaintiff cites no case or statute suggesting that makes a difference. A careful examination of the case law demonstrates this makes no difference. In State Farm Mut. Auto. Ins. Co. v. Wannamaker, 291 S.C. 518, 354 S.E.2d 555 (1987), the insured had two separate at home policies on two different vehicles. Despite there being two separate policies on two different at-home vehicles, the plaintiff could only collect from one of the policies. Putnam v. S.C. Farm Bureau Mut. Ins. Co., 323 S.C. 494, 476 S.E.2d 902 (1996) also references the existence of two policies. However, the involved vehicle stacking rule limited the injured party to one policy.

Based on the statutes and precedent cited to me by the parties, State Farm's policy language does not violate public policy when it limits underinsured motorist recovery to one vehicle when the injured party and his family does not have a vehicle involved in the accident. For this reason, State Farm's motion for summary judgment is GRANTED and plaintiff's motion for summary judgment is DENIED.

Sept. 24, 2019


Benjamin H. Culbertson
Presiding Judge



Georgetown Common Pleas

Case Caption: April Brooke Cox , plaintiff, et al VS State Farm Mutual Automobile Insurance Company , defendant, et al
Case Number: 2018CP2200869
Type: Order/Summary Judgment

Presiding Circuit Court Judge

s/Benjamin H. Culbertson, Judge Code 2148

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FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF Georgetown
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NO. 2018CP2200869

April Brooke Cox et al
PLAINTIFF(S)

State Farm Mutual Automobile Insurance Company et al
DEFENDANT(S)

DISPOSITION TYPE (CHECK ONE)

- ☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- ☒ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.
- ☐ **ACTION DISMISSED** (CHECK REASON): ☐ Rule 12(b), SCRPC; ☐ Rule 41(a), SCRPC (Vol. Nonsuit); ☐ Rule 43(k), SCRPC (Settled);
☐ Other
- ☐ **ACTION STRICKEN** (CHECK REASON): ☐ Rule 40(j), SCRPC; ☐ Bankruptcy;
☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award;
☐ Other
- ☐ **STAYED DUE TO BANKRUPTCY**
- ☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT** (CHECK APPLICABLE BOX):
☐ Affirmed; ☐ Reversed; ☐ Remanded;
☐ Other

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: ☐ See attached order (formal order to follow) ☒ Statement of Judgment by the Court:

Plaintiff's Motion to Alter or Amend is DENIED.

(This motion is decided without oral arguments. Plaintiff advised the court that the plaintiff relies on the contents of the motion and arguments presented at the motion hearing on the parties' cross motions for summary judgment. Likewise, defense counsel advised the court that the defendant relies on arguments presented at the original summary judgment motion hearing.)

ORDER INFORMATION

This order ☒ ends ☐ does not end the case.

☐ See Page 2 for additional information.

For Clerk of Court Office Use Only

This judgment was electronically entered by the Clerk of Court as reflected on the Electronic Time Stamp, and a copy mailed first class to any party not proceeding in the Electronic Filing System on 12/18/2019 .

Glen Bauer, Jr
Estate Of Elijah Cox

NAMES OF TRADITIONAL FILERS SERVED BY MAIL

Court Reporter:

E-Filing Note: The date of Entry of Judgment is the same date as reflected on the Electronic File Stamp and the clerk's entering of the date of judgment above is not required in those counties. The clerk will mail a copy of the judgment to parties who are not E-Filers or who are appearing pro se. See Rule 77(d), SCRCP.



Georgetown Common Pleas

Case Caption: April Brooke Cox , plaintiff, et al VS State Farm Mutual Automobile Insurance Company , defendant, et al
Case Number: 2018CP2200869
Type: Order/Electronic Form 4

Presiding Circuit Court Judge

s/Benjamin H. Culbertson, Judge Code 2148

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF GEORGETOWN	)	C/A No.: 2018-CP-22-_____
April Brooke Cox, as personal representative of	)	
the estate of Elijah Cox, deceased,	)	
	)	
Plaintiff,	)	
	)	
v.	)	COMPLAINT
	)	
State Farm Mutual Automobile Insurance	)	
Company and Glen Bauer, Jr.,	)	
	)	
Defendants.	)	
_____	)	

Plaintiff alleges:

PARTIES AND NATURE OF ACTION

1. Plaintiff is a citizen and resident of Georgetown County, South Carolina.
2. Plaintiff is the duly appointed personal representative for the estate of Elijah Cox ("Cox"), a deceased individual.
3. Defendant State Farm Mutual Automobile Insurance Company ("State Farm") is an insurance company organized under the laws of another state, is authorized to write insurance business in the State of South Carolina, and does business in Georgetown County, South Carolina.
4. Defendant Glen Bauer, Jr. ("Bauer") is a citizen and resident of Georgetown County, South Carolina.
5. Cox was the grandson of Bauer.
6. Prior to his death, Cox resided in the same household with Bauer.
7. Venue of this action is proper in Georgetown County under S.C. CODE ANN. § 15-7-30 (1976, as amended) because the insurance policy in question was issued in Georgetown County and Bauer is a resident of Georgetown County.

8. Venue of this action is also proper in Georgetown County under S.C. CODE ANN. § 15-7-70 (1976, as amended) because the loss giving rise to the subject insurance claim occurred in Georgetown County.

9. This matter presents a justiciable controversy regarding insurance coverage issues for which a declaratory judgment under the South Carolina Uniform Declaratory Judgments Act, S.C. CODE ANN. § 15-53-10, *et seq.* (1976, as amended), is appropriate.

10. Bauer is named as a Defendant because he is the named insured under the insurance policy at issue in this declaratory judgment action and has an interest that may be affected by the outcome of this action. *See* S.C. Code Ann. § 15-53-80 (1976, as amended).

THE SUBJECT COLLISION

11. On June 11, 2018, Cox was a passenger in a 2007 Chevrolet pickup operated by L.L. (a minor who is identified only by his initials, as provided in Rule 41.2(a)(2), SCRCP).

12. On that date, L.L. attempted to make an illegal U-turn while Cox was a passenger in his Chevrolet pickup and was involved in a collision in Georgetown County, South Carolina (the "Collision").

13. The Collision was directly and proximately caused by L.L.'s negligence in the operation of the Chevrolet pickup.

14. As a direct and proximate result of the Collision, Cox sustained personal injuries resulting in his death.

THE TRAVELERS POLICY

15. At the time of the Collision, L.L. was insured by Travelers Property Casualty Insurance Company ("Travelers").

16. The policy issued by Travelers covering L.L. provided bodily injury ("BI") liability coverage and underinsured motorists bodily injury ("UIMBI") coverage, each with limits of \$25,000.00 per person.

17. Plaintiff made a claim for bodily injuries against L.L. as a result of the Collision.

18. As a result of Plaintiff's claim, Travelers, on behalf of its insured driver, L.L., has agreed to tender the \$25,000.00 limits of its BI coverage and the \$25,000.00 limits of its UIMBI coverage to Plaintiff.

19. The damages for Cox's bodily injuries and wrongful death as a result of the Collision exceed the sum or \$50,000.00.

THE STATE FARM POLICY

20. At the time of the Collision, State Farm had in effect a policy of automobile insurance, policy number 1N6ED29Y43C443718 (the "Policy"), issued to Bauer as named insured.

21. The Policy provided underinsured motorists bodily injury ("UIMBI") coverage with limits of \$50,000.00 per person.

22. At the time of the Collision, the Policy insured Cox as a resident relative of Bauer's household.

23. State Farm has denied it provides UIMBI coverage under the Policy for Plaintiff's claim as a result of the Collision.

CAUSE OF ACTION *(Declaratory Judgment)*

24. Plaintiff realleges the allegations of the foregoing paragraphs as if fully set forth herein.

25. The State of South Carolina's well-settled public policy is that UIMBI coverage is personal and portable.

26. The Policy's UIMBI coverage should apply to Plaintiff's claims for Cox's personal injuries and wrongful death as a result of the Collision because that coverage is personal and portable, notwithstanding any contrary limitation contained in the Policy.

27. Based on the foregoing, the Court should issue a declaratory judgment that the Policy provides UIMBI coverage for Plaintiff's claims for Cox's personal injuries and wrongful death as a result of the Collision.

28. Plaintiff is also entitled to an award against State Farm for her attorneys' fees and costs pursuant to S.C. CODE ANN. § 38-59-40 (1976, as amended) and under the Policy, as construed by South Carolina case law.

WHEREFORE, Plaintiff prays for a declaratory judgment as set forth above, plus an award of attorneys' fees and costs against Defendant State Farm Mutual Automobile Insurance Company, as well as such other relief as the Court may deem reasonable and proper.

Fred W. Riesen, III
Riesen DuRant LLC
613 Longpoint Rd. Suite 100
Mt. Pleasant, SC 29464
843-800-0809
trip@riesendurant.com

and

PETERS, MURDAUGH, PARKER,
ELTZROTH & DETRICK, P.A.

By: s/Bert G. Utsey, III
Bert G. Utsey, III
P.O. Box 30968
Charleston, SC 29417
(843) 549-9544
butsey@pmped.com
SC Bar No.: 10093

October 11, 2018
Charleston, South Carolina

Attorneys for Plaintiff

STATE OF SOUTH CAROLINA
COUNTY OF GEORGETOWN

April Brooke Cox, as Personal
Representative of the Estate of Elijah Cox,
deceased,

Plaintiff,

vs.

State Farm Mutual Automobile Insurance
Company and Glen Bauer, Jr.,

Defendants.

IN THE COURT OF COMMON PLEAS
FOR THE FIFTEENTH JUDICIAL CIRCUIT

CASE NO.: 2018-CP-22-00869

**DEFENDANT STATE FARM MUTUAL
AUTOMOBILE INSURANCE COMPANY
ANSWER TO COMPLAINT
(Non-Jury Trial Demanded)**

The Defendant, State Farm Mutual Automobile Insurance Company, answering the Complaint of the Plaintiff, above named, and responding to the allegations as follows:

1. That the Defendant lacks sufficient information to form an opinion regarding the allegations contained in paragraph 1 of the Complaint.
2. That the Defendant admits the allegations contained in paragraph 2 of the Complaint.
3. That the Defendant admits the allegations contained in paragraph 3 of the Complaint.
4. That the Defendant admits the allegations contained in paragraph 4 of the Complaint.
5. That, upon information and belief, the Defendant admits the allegations contained in paragraph 5 of the Complaint.
6. That, upon information and belief, the Defendant admits the allegations contained in paragraph 6 of the Complaint.
7. That the Defendant admits the allegations contained in paragraph 7 of the Complaint.

8. That the Defendant admits the allegations contained in paragraph 8 of the Complaint.

9. That the allegations of paragraph 9 of the Complaint are conclusions of law which need not be admitted or denied. If said response is required, the same are denied.

10. That the allegations of paragraph 10 of the Complaint are conclusions of law which need not be admitted or denied. If said response is required, the same are denied.

11. That the Defendant admits that Cox was in a vehicle operated by minor L.L. and titled in the name of Kathy Lambert Powell.

12. That, upon information and belief, the Defendant admits that Cox was injured as a passenger in a vehicle.

13. That, upon information and belief, the Defendant admits the allegations contained in paragraph 13 of the Complaint.

14. That the Defendant admits the allegations contained in paragraph 14 of the Complaint.

15. That, upon information and belief, the Defendant admits the allegations contained in paragraph 15 of the Complaint.

16. That, upon information and belief, the Defendant admits the allegations contained in paragraph 16 of the Complaint.

17. That, upon information and belief, the Defendant admits the allegations contained in paragraph 17 of the Complaint.

18. That, upon information and belief, the Defendant admits \$25,000 bodily injury liability limits were paid by the liability carrier, in addition to primary Underinsured Motorist coverage on the vehicle in which Cox was a passenger. It is unknown what property damage coverage has been paid under Traveler's liability or Underinsured Motorist Property Damage coverage.

19. That the Defendant admits the allegations contained in paragraph 19 of the Complaint.

20. That the Defendant denies as stated the allegations contained in paragraph 20 of the Complaint. The numbers and letters stated do not reflect a policy number but rather a VIN number. Defendant admits that Glen Bauer had two policies of insurance on two separate vehicles and that Ernestine Bauer had one policy. All three Bauer policies provided Underinsured Motorist coverage of \$50,000/\$100,000/\$50,000 subject to the terms of the policy language and South Carolina law. However, because none of the insured's vehicles, nor the vehicle's belonging to any of his resident relatives, were involved in the accident, recovery is limited to the one highest policy under policy language and South Carolina law. Accordingly, State Farm made payment of \$50,000 Underinsured Motorist bodily injury coverage and \$50,000 Underinsured Motorist property damage coverage under one of the three household policies.

21. That the Defendant denies as stated the allegations contained in paragraph 21 of the Complaint.

22. That the Defendant admits that Cox is an insured as to the Underinsured Motorist coverages under the Bauer policies because he was a resident relative of the named insured, however said coverage is subject to policy language limiting recovery to one policy as authorized and provided by South Carolina law.

23. That the Defendant denies as stated the allegations contained in paragraph 23 of the Complaint.

24. The allegations of paragraph 24 of the Complaint are conclusions of law which need not be admitted or denied. If said response is required, the same are denied.

25. That the Defendant admits that case law has stated Underinsured Motorist bodily injury coverage is personal and portable, but denies that it can be stacked or that the Estate can recover more than one policy limit under these circumstances.

26. That the Defendant denies the allegations contained in paragraph 26 of the Complaint.

27. That the Defendant denies the allegations contained in paragraph 27 of the Complaint.

28. That the Defendant denies the allegations contained in paragraph 28 of the Complaint.

29. Each and every allegation of the Complaint which is not specifically admitted, qualified or explained is denied and strict proof is demanded thereof.

FOR A FIRST DEFENSE
(No Stacking – Payment in Full Under One Policy)

30. That the following policy language was in effect:

"3. If:

a. *you* or any *resident relative* sustains *bodily injury* or *property damage*:

- (1) while *occupying* a motor vehicle not *owned by you* or any *resident relative*; or
- (2) while not *occupying* a motor vehicle; and

b. Underinsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to *you* or any *resident relative* by the *State Farm Companies* apply to the same *bodily injury* or *property damage*, then

the maximum amount that may be paid from all such policies combined is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment."

FOR A SECOND DEFENSE
(No Stacking – South Carolina Code §38-77-160)

31. That South Carolina Code §38-77-160 prevents collection of more than one policy under these circumstances where the injured party did not have a vehicle involved in the accident.

WHEREFORE, having fully answered the Complaint of the Plaintiff, the Defendant prays for a trial by jury and that the Plaintiff's Complaint be dismissed, together with the costs and disbursements of this action and for such other and further relief as this Court may deem just and proper.

CLAWSON and STAUBES, LLC

/s/ Timothy A. Domin

Timothy A. Domin
Bar No.: 65264
126 Seven Farms Drive, Suite 200
Charleston, South Carolina 29492-8144
Phone: (843) 577-2026
Fax: (843) 722-2867
Email: tdomin@clawsonandstaubes.com
Attorney for Defendant
State Farm Mutual Automobile Insurance Company

Charleston, South Carolina

December 12, 2018

STATE OF SOUTH CAROLINA
COUNTY OF GEORGETOWN

April Brooke Cox, as Personal Representative
of the Estate of Elijah Cox, deceased,

Plaintiff,

v.

State Farm Mutual Automobile Insurance
Company and Glen Bauer, Jr.,

Defendants.

IN THE COURT OF COMMON PLEAS
FOR THE FIFTEENTH JUDICIAL CIRCUIT

C/A No.: 2018-CP-22-00869

STIPULATION

Pursuant to Rule 43(k), SCRCP, Plaintiff and Defendants hereby stipulate to the following facts for all purposes in this action:

1. On June 11, 2018, Elijah Cox ("Cox") was a passenger in and occupying a 2007 Chevrolet pickup operated by L.L. (a minor who is identified only by his initials) and owned by Kathy Lambert Powell.

2. The Chevrolet pickup operated by L.L. was not owned by Cox or any of his resident relatives.

3. On that date, while Cox was a passenger in said vehicle, L.L. was involved in a collision in Georgetown County, South Carolina (the "Collision").

4. The Collision was directly and proximately caused by L.L.'s negligence in the operation of the Chevrolet pickup.

5. As a direct and proximate result of the Collision, Cox sustained personal injuries resulting in his death.

6. Plaintiff was duly appointed as personal representative for the estate of Cox.

7. On behalf of Cox's estate and Cox's statutory beneficiaries, Plaintiff has made a claim for Cox's wrongful death and a survival claim for Cox's conscious pain and suffering against L.L.

8. At the time of the Collision, the vehicle L.L. was operating was insured by Travelers Property Casualty Insurance Company ("Travelers").

9. The policy issued by Travelers covering L.L. at the time of the Collision provided bodily injury ("BI") liability coverage with limits of \$25,000 per person.

10. The policy issued by Travelers covering L.L. at the time of the Collision also provided underinsured motorists bodily injury ("UIMBI") coverage, each with limits of \$25,000 per person.

11. As a result of Plaintiff's claim, Travelers, on behalf of its insured driver, L.L., agreed to tender the \$25,000 limits of its BI coverage and the \$25,000 limits of its UIMBI coverage to Plaintiff.

12. Prior to his death, Cox resided in the same household with his grandparents, Glen Bauer, Jr. ("Glen") and Ernestine Bauer ("Ernestine") who were married to one another and resided together. No member of the Cox-Bauer household owned any vehicle involved in the Collision.

13. At the time of the Collision, Defendant State Farm Mutual Automobile Insurance Company ("State Farm") had in effect a policy of automobile insurance, policy number 592422440 insuring a 2002 GMC K1500 (the "GMC Policy"), issued to Ernestine as named insured. A copy of the GMC Policy is attached as Exhibit A.

14. The 2002 GMC K1500 was not involved in the Collision in any way.

15. The GMC Policy provided UIMBI coverage with limits of \$50,000 per person.

16. At the time of the Collision, the GMC Policy insured Cox as a resident relative of Ernestine's household.

17. State Farm has tendered to Plaintiff \$50,000 in UIMBI coverage under the GMC Policy.

18. At the time of the Collision, State Farm also had in effect a policy of automobile insurance, policy number 1735566E0740C insuring a 2009 Nissan Frontier (the "Nissan Frontier Policy"), issued to Glen as named insured. A copy of the Nissan Frontier Policy is attached as Exhibit B.

19. The 2009 Nissan Frontier was not involved in the Collision in any way.

20. The Nissan Frontier Policy provided UIMBI coverage with limits of \$50,000 per person.

21. At the time of the Collision, the Nissan Frontier Policy insured Cox as a resident relative of Glen's household.

22. At the time of the Collision, State Farm also had in effect a policy of automobile insurance, policy number 1861877E0740B insuring a 2003 Nissan Crew Cab (the "Nissan Crew Cab Policy"), issued to Glen as named insured. A copy of the Nissan Crew Cab Policy is attached as Exhibit C.

23. The 2003 Nissan Crew Cab was not involved in the Collision in any way.

24. The Nissan Crew Cab Policy provided UIMBI coverage with limits of \$50,000 per person; however, Plaintiff is making no claim for UIMBI coverage under the Nissan Crew Cab Policy for Cox's wrongful death and conscious pain and suffering as a result of the Collision.

25. The damages proximately resulting from Cox's wrongful death and conscious pain and suffering as a result of the Collision exceed the sum of \$200,000.

26. State Farm has refused to tender to Plaintiff UIMBI coverage under the Nissan Frontier Policy and on the Nissan Crew Cab Policy.

27. Given the stipulation as to damages above, a trial is not necessary to establish the exact amount of damages for Cox's wrongful death and conscious pain and suffering as a result of the Collision; accordingly, Plaintiff will not nor shall State Farm require her to file suit against L.L. as a result of the Collision.

28. In the event it is ultimately judicially determined that the Nissan Frontier Policy provides recoverable UIMBI coverage for Plaintiff's claims for Cox's wrongful death and conscious pain and suffering as a result of the Collision, including by way of exhaustion of any appeals, State Farm will pay Plaintiff the total sum of Fifty Thousand and 00/100 (\$50,000.00) dollars, which would represent the per person UIMBI coverage limit on the Nissan Frontier Policy, which shall be accepted as payment in full under UIMBI coverage of the Nissan Frontier Policy.

29. However, in the event it is ultimately judicially determined that the Nissan Frontier Policy does not provide recoverable UIMBI coverage for Plaintiff's claim due to Cox's wrongful death and conscious pain and suffering as a result of the Collision, as aforesaid, including by way of exhaustion of any appeals, State Farm will not owe the Plaintiff any sum.

The parties hereby SO STIPULATE AND AGREE.

I SO STIPULATE:

/s/ Bert G. Utsey, III

Bert G. Utsey, III, Esquire
Peters, Murdaugh, Parker, Eltzroth & Detrick, P.A.
PO Box 30968
Charleston, SC 29417
Phone: (843) 549-9544
Attorney for Plaintiff

I SO STIPULATE:

/s/ Timothy A. Domin

Timothy A. Domin, Esquire
Clawson & Staubes, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492
Phone: (843) 577-2026
Attorney for Defendant

February 4, 2019

EXHIBIT A
Policy Number 592 4224-D30-40
GMC POLICY

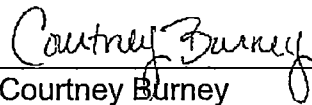


Certified Policy Record

I, the undersigned, do hereby confirm that I am custodian of the records pertaining to the issuance of policies by State Farm Mutual Automobile Insurance Company.

I certify that the attached documents represent a true and accurate record of the terms and conditions of Policy Number 592 4224-D30-40 including any endorsements, if applicable, for the policy term(s) April 30, 2018 to June 30, 2018 and insuring Ernestine Bauer based on available records.

The policy was in effect on the loss date of June 11, 2018.



Courtney Burney

Underwriter

Date: 10/26/2018

ELECTRONICALLY FILED - 2019 Feb 04 11:24 AM - GEORGETOWN - COMMON PLEAS - CASE#2018CPF2200869

State Farm Mutual Automobile Insurance Company

11350 Johns Creek Parkway
Duluth, GA 30098-0001

92000-5-A

MUTL VOL

DECLARATIONS PAGE

PAGE 1 OF 2

NAMED INSURED

AT3

000662 0058

40-1556-5 A A

BAUER, ERNESTINE
3005 TEN ACRE RD
ANDREWS SC 29510-6552



POLICY NUMBER 592 4224-D30-40

POLICY PERIOD APR 30 2018 to OCT 30 2018
12:01 A.M. Standard Time

STATE FARM PAYMENT PLAN NUMBER
1537250427

AGENT

PAT SIAU INS AGENCY INC
330 CHURCH ST
GEORGETOWN, SC 29440-2406

PHONE: (843)546-4511

DO NOT PAY PREMIUMS SHOWN ON THIS PAGE.

IF AN AMOUNT IS DUE, THEN A SEPARATE STATEMENT IS ENCLOSE D.

YOUR CAR

YEAR	MAKE	MODEL	BODY STYLE	VEHICLE ID NUMBER	CLASS
2002	GMC	K1500	PICKUP	2GTEK19T021243334	203H601000

SYMBOLS	COVERAGE & LIMITS	PREMIUMS
A	Liability Coverage	\$441.76
	Bodily Injury Limits	
	Each Person, Each Accident	
	\$50,000 \$100,000	
	Property Damage Limit	
	Each Accident	
	\$50,000	
H	Emergency Road Service Coverage	\$4.50
U	Uninsured Motor Vehicle Coverage	\$17.25
	Bodily Injury Limits	
	Each Person, Each Accident	
	\$50,000 \$100,000	
	Property Damage Limit	
	Each Accident	
	\$50,000	
W	Underinsured Motor Vehicle Coverage	\$57.19
	Bodily Injury Limits	
	Each Person, Each Accident	
	\$50,000 \$100,000	
	Property Damage Limit	
	Each Accident	
	\$50,000	
Total premium for APR 30 2018 to OCT 30 2018		\$520.70 This is not a bill

CONTINUED

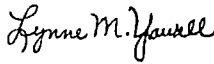
See Reverse Side

This policy is issued by State Farm Mutual Automobile Insurance Company.

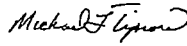
MUTUAL CONDITIONS

1. **Membership.** While this policy is in force, the first insured shown on the Declarations Page is entitled to vote at all meetings of members and to receive dividends the Board of Directors in its discretion may declare in accordance with reasonable classifications and groupings of policyholders established by such Board.
2. **No Contingent Liability.** This policy is non-assessable.
3. **Annual Meeting.** The annual meeting of the members of the company shall be held at its home office at Bloomington, Illinois, on the second Monday of June at the hour of 10:00 A.M., unless the Board of Directors shall elect to change the time and place of such meeting, in which case, but not otherwise, due notice shall be mailed each member at the address disclosed in this policy at least 10 days prior thereto.

In Witness Whereof, the State Farm Mutual Automobile Insurance Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.



Secretary



President

State Farm Mutual Automobile Insurance Company

11350 Johns Creek Parkway
Duluth, GA 30098-0001

92000-5-A

MUTL VOL

DECLARATIONS PAGE

PAGE 2 OF 2

NAMED INSURED 000662 0058
BAUER, ERNESTINE
3005 TEN ACRE RD
ANDREWS SC 29510-6552

40-1556-5 A A

POLICY NUMBER 592 4224-D30-40

POLICY PERIOD APR 30 2018 to OCT 30 2018
12:01 A.M. Standard Time

STATE FARM PAYMENT PLAN NUMBER
1537250427



ST-2679
0204-2B06

IMPORTANT MESSAGES

New Policy Form

State Farm works hard to offer you the best combination of price, service, and protection. The amount you pay for automobile insurance is determined by many factors such as the coverages you have, where you live, the kind of car you drive, how your car is used, who drives the car, and information from consumer reports.

Your premium was determined by the information on drivers, driving records, and other information you provided, as well as consumer report information, including: Insufficient information on bank revolving accounts; Length of time accounts have been established; Insufficient Information Available for Accounts; Number of Consumer Initiated Credit Card Inquiries and the Percent of Accounts with a Balance.

Consumer report reference numbers: 18121101401176, 6KSU24H

Credit information was obtained on: GLEN BAUER

You have the right to request, no more than once annually, that your policy be re-rated using a current credit-based insurance score. Re-rating could result in a lower rate, no change in rate, or a higher rate.

Please refer to the enclosed insert for additional information.

Notice of insurance information collection practices - personal , family, or household insurance transactions:

We often collect personal information from persons other than the individual or individuals listed on the policy. Such personal information may, in certain circumstances, be disclosed to third parties without your authorization. If you would like additional information concerning the collection and disclosure of personal information - and your right to see and correct any personal information in your files - it will be furnished upon request.

EXCEPTIONS, POLICY BOOKLET & ENDORSEMENTS (See policy booklet & individual endorsements for coverage details.)

YOUR POLICY CONSISTS OF THIS DECLARATIONS PAGE, THE POLICY BOOKLET - FORM 9840A, AND ANY ENDORSEMENTS THAT APPLY, INCLUDING THOSE ISSUED TO YOU WITH ANY SUBSEQUENT RENEWAL NOTICE.
6126MT AMENDATORY ENDORSEMENT.
6128DP AMENDATORY ENDORSEMENT.
6940A AMENDATORY ENDORSEMENT.

ELECTRONICALLY FILED - 2019 Feb 04 11:24 AM - GEORGETOWN - COMMON PLEAS - CASE#2018CP2200869

Agent: PAT SIAU INS AGENCY INC

Telephone: (843)546-4511

Prepared MAY 03 2018 1556-A35

02152/04523
155-3868.2 04-2005 (01a025hd)
BSX0 (01a025vd)

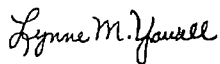
(01a0254c)

This policy is issued by State Farm Mutual Automobile Insurance Company.

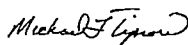
MUTUAL CONDITIONS

1. **Membership.** While this policy is in force, the first insured shown on the Declarations Page is entitled to vote at all meetings of members and to receive dividends the Board of Directors in its discretion may declare in accordance with reasonable classifications and groupings of policyholders established by such Board.
2. **No Contingent Liability.** This policy is non-assessable.
3. **Annual Meeting.** The annual meeting of the members of the company shall be held at its home office at Bloomington, Illinois, on the second Monday of June at the hour of 10:00 A.M., unless the Board of Directors shall elect to change the time and place of such meeting, in which case, but not otherwise, due notice shall be mailed each member at the address disclosed in this policy at least 10 days prior thereto.

In Witness Whereof, the State Farm Mutual Automobile Insurance Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.



Secretary



President

6126MT AMENDATORY ENDORSEMENT

This endorsement is a part of the policy. Except for the changes this endorsement makes, all other provisions of the policy remain the same and apply to this endorsement.

THIS POLICY

The following has been added to item 5.:

Your purchase of this policy may allow you to purchase an excess and surplus lines policy from the State Farm Companies, subject to applicable eligibility rules.

6940A AMENDATORY ENDORSEMENT

This endorsement is a part of the policy. Except for the changes this endorsement makes, all other provisions of the policy remain the same and apply to this endorsement.

1. THIS POLICY

Item 5. is changed to read:

Your purchase of this policy may allow:

- a. *you* to purchase or obtain certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other products from the *State Farm Companies*, subject to their applicable eligibility rules; or
- b. the premium or price for other products or services purchased by *you*, including non-insurance products or services, to vary. Such other products or services must be provided by the *State Farm Companies* or by an organization that has entered into an agreement or contract with the *State Farm Companies*. The *State Farm Companies* do not warrant the merchantability, fitness, or quality of any product or service offered or provided by that organization.

2. LIABILITY COVERAGE

Insuring Agreement and Supplementary Payments are replaced by the following:

Insuring Agreement

1. *We* will pay damages an *insured* becomes legally liable to pay because of:
 - a. *bodily injury* to others; and
 - b. damage to property
 caused by an accident that involves a vehicle for which that *insured* is

provided Liability Coverage by this policy.

2. *We* have the right to:

- a. investigate, negotiate, and settle any claim or lawsuit;
- b. defend an *insured* in any claim or lawsuit, with attorneys chosen by *us*; and
- c. appeal any award or legal decision

for damages payable under this policy's Liability Coverage.

Supplementary Payments

We will pay, in addition to the damages described in the Insuring Agreement of this policy's Liability Coverage, those items listed below that result from such accident:

1. Attorney fees for attorneys chosen by *us* to defend an *insured* who is sued for such damages. *We* have no duty to pay attorney fees incurred after *we* deposit in court or pay the amount due under the Insuring Agreement of this policy's Liability Coverage;
2. Court costs awarded by the court against an *insured* and resulting from that part of the lawsuit:
 - a. that seeks damages payable under this policy's Liability Coverage; and
 - b. against which *we* defend an *insured* with attorneys chosen by *us*.



0057-7000
6/18/15

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We have no duty to pay court costs incurred after we deposit in court or pay the amount due under the Insuring Agreement of this policy's Liability Coverage;

3. Interest the *insured* is legally liable to pay on damages payable under the Insuring Agreement of this policy's Liability Coverage:
 - a. before a judgment, but only the interest on the lesser of:
 - (1) that part of the damages *we* pay; or
 - (2) this policy's applicable Liability Coverage limit; and
 - b. after a judgment.

We have no duty to pay interest that accrues after we deposit in court, pay, or offer to pay, the amount due under the Insuring Agreement of this policy's Liability Coverage. We also have no duty to pay interest that accrues on any damages paid or payable by a party other than the insured or us;

4. Premiums for bonds, provided by a company chosen by *us*, required to appeal a decision in a lawsuit against an *insured*. *We have no duty to:*
 - a. pay for any bond with a face amount that exceeds this policy's applicable Liability Coverage limit;
 - b. furnish or apply for any bonds; or
 - c. pay premiums for bonds purchased after *we* deposit in court, pay, or offer to pay, the amount due under the Insuring Agreement of this policy's Liability Coverage; and

5. The following costs and expenses if related to and incurred after a lawsuit has been filed against an *insured*:

- a. Loss of wages or salary, but not other income, up to \$200 for each day an *insured* attends, at *our* request:
 - (1) an arbitration;
 - (2) a mediation; or
 - (3) a trial of a lawsuit; and
- b. Reasonable expenses incurred by an *insured* at *our* request other than loss of wages, salary, or other income.

The amount of any of the costs or expenses listed above that are incurred by an *insured* must be reported to *us* before *we* will pay such incurred costs or expenses.

3. GENERAL TERMS

- a. The paragraph under Where Coverage Applies that reads:

Liability Coverage, Personal Injury Protection Coverage, Medical Payments Coverage, and Physical Damage Coverages also apply in Mexico within 50 miles of the United States of America border. A Physical Damage Coverage *loss* in Mexico is determined on the basis of cost at the nearest United States of America point.

is deleted.

- b. The following is added:

Limited Coverage in Mexico

This policy does not provide Mexican auto insurance and does not comply with Mexican auto insurance requirements. If *you* or any other *insured* plan to drive in Mexico, then auto insurance providing

coverage in Mexico should be purchased from a Mexican insurance company.

Subject to the above paragraph, the following coverages apply in Mexico, but only for accidents and *losses* that occur in Mexico within 50 miles of the United States of America border and only for *insureds* as defined under each of the following coverages:

- a. Liability Coverage

For claims brought against an *insured* in Mexico, the Supplementary Payments provision of this policy's Liability Coverage is changed to read:

We may, in addition to the damages described in item 1. of the Insuring Agreement of this policy's Liability Coverage, pay or reimburse, at our option, reasonable attorney fees for an attorney licensed in Mexico to appear for and provide advice to insureds as defined under this policy's Liability Coverage. The amount of such attorney fees incurred by an insured must be reported to us before we will make payment.

- b. Personal Injury Protection Coverage
- c. Medical Payments Coverage
- d. Physical Damage Coverages

Any amount payable for the repair or replacement of the *covered vehicle* under the Limits and Loss Settlement - Comprehensive Coverage and Collision Coverage provision of this policy will be limited to the cost to repair or replace the

covered vehicle in the United States of America.

WE HAVE NO DUTY TO PROVIDE A DEFENSE FOR YOU OR ANY OTHER INSURED IN ANY CRIMINAL, CIVIL, OR OTHER ACTION.

WE HAVE NO DUTY TO PAY ANY CLAIM OR COST THAT WOULD NOT BE PAYABLE UNDER THIS POLICY IF THE ACCIDENT OR LOSS HAD OCCURRED IN THE STATE OF SOUTH CAROLINA IN THE UNITED STATES OF AMERICA.

All other policy provisions not in conflict with the provisions in this Limited Coverage in Mexico provision of this policy apply.

If Other Coverage Applies

Any coverage provided by this Limited Coverage in Mexico provision is excess over any other applicable insurance.

Legal Action Against Us

Any legal action against *us* arising out of an accident or *loss* occurring in Mexico must be brought in a court that has jurisdiction in the state of South Carolina in the United States of America.

- c. Paragraph c. of 5. Premium is changed to read:

- c. The premium for this policy may vary based upon:
 - (1) the purchase of other products or services from the *State Farm Companies*;
 - (2) the purchase of products or services from an organization that has entered into an agreement or contract with

Policy Number: 592 4224-D30-40
Sheet 2 of 2

PLEASE ATTACH TO YOUR POLICY BOOKLET

the *State Farm Companies*.
The *State Farm Companies*
do not warrant the merchant-
ability, fitness, or quality of
any product or service of-
fered or provided by that or-
ganization; or

(3) an agreement, concerning
the insurance provided by
this policy, that the *State
Farm Companies* has with
an organization of which
you are a member, employ-
ee, subscriber, licensee, or
franchisee.



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6128DP AMENDATORY ENDORSEMENT

This endorsement is a part of the policy. Except for the changes this endorsement makes, all other provisions of the policy remain the same and apply to this endorsement.

1. DEFINITIONS

Newly Acquired Car is changed to read:

Newly Acquired Car means a *car* newly *owned by you* or a *resident relative*.

A *car* ceases to be a *newly acquired car* on the earlier of:

1. the effective date and time of a policy, including any binder, issued by *us* or any other company that describes the *car* as an insured vehicle; or
2. the end of the 14th calendar day immediately following the date the *car* is delivered to *you* or a *resident relative*.

If a *newly acquired car* is not otherwise afforded comprehensive coverage or collision coverage by this or any other policy, then this policy will provide Comprehensive Coverage or Collision Coverage for that *newly acquired car*, subject to a deductible of \$500.

2. LIABILITY COVERAGE**a. Additional Definition**

Item 4. of *Insured* is changed to read:

Insured means any other *person* or organization vicariously liable for the use of a vehicle by an *insured* as defined in 1., 2., or 3. above, but only for such vicarious liability. This provision applies only if the vehicle is:

- a. neither *owned by*, nor hired by, that other *person* or organization; and

- b. neither available for, nor being used for, carrying *persons* for a charge.

b. Exclusions

(1) Exclusion 6. is changed to read:

THERE IS NO COVERAGE FOR AN *INSURED* FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY *PERSONS* FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;

(2) The exception to exclusion 10. is changed to read:

This exclusion does not apply to damage to a:

- a. motor vehicle *owned by* the employer of *you* or the employer of any *resident relative* if such damage is caused by an *insured* while operating another motor vehicle;
- b. residence while rented to or leased to an *insured*; or
- c. private garage while rented to or leased to an *insured*;

3. PERSONAL INJURY PROTECTION COVERAGE

a. Additional Definitions

Item 1.a. of *Insured* is changed to read:

Insured means *you* and *resident relatives* while *occupying*:

- (1) *your car*;
- (2) a *newly acquired car*; or
- (3) a *motor vehicle*, other than a motorcycle, not *owned by you* or any *resident relative*; or

b. Exclusions

(1) Exclusion 6. is changed to read:

THERE IS NO COVERAGE FOR AN *INSURED* WHO IS STRUCK AS A PEDESTRIAN BY A *MOTOR VEHICLE, OWNED BY THAT INSURED OR YOU*, IF IT IS NOT *YOUR CAR* OR A *NEWLY ACQUIRED CAR*;

(2) Exclusion 8. is changed to read:

THERE IS NO COVERAGE FOR AN *INSURED* WHO IS *OCCUPYING* A VEHICLE WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY *PERSONS* FOR A CHARGE. This exclusion does not apply to:

- a. the use of a *private passenger car* on a share-the-expense basis; or
- b. an *insured* while *occupying* a *non-owned car* as a passenger;

4. MEDICAL PAYMENTS COVERAGE

Exclusions

Exclusion 4. is changed to read:

THERE IS NO COVERAGE FOR AN *INSURED* WHO IS *OCCUPYING* A VEHICLE WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY *PERSONS* FOR A CHARGE. This exclusion does not apply to:

- a. the use of a *private passenger car* on a share-the-expense basis; or
- b. an *insured* while *occupying* a *non-owned car* as a passenger;

5. UNINSURED MOTOR VEHICLE COVERAGE

a. Exclusions

Exclusion 2. is changed to read:

THERE IS NO COVERAGE FOR

- a. AN *INSURED* WHO SUSTAINS *BODILY INJURY* WHILE *OCCUPYING* A MOTOR VEHICLE *OWNED BY THAT INSURED* IF:

(1) THE MOTOR VEHICLE IS NOT *YOUR CAR* OR A *NEWLY ACQUIRED CAR*; AND

(2) IT WAS NOT INSURED FOR UNINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT; OR

- b. *PROPERTY DAMAGE* SUSTAINED BY AN *INSURED*:

(1) TO A MOTOR VEHICLE; OR

(2) IN A MOTOR VEHICLE
OWNED BY THAT INSURED
 IF THE MOTOR VEHICLE
 WAS NOT INSURED FOR
 UNINSURED MOTOR VEHI-
 CLE COVERAGE AT THE
 TIME OF THE ACCIDENT;

b. **If Other Uninsured Motor Vehicle Coverage Applies**

Item 4. is changed to read:

4. If:

a. *you* sustain ***bodily injury*** or ***property damage*** while ***occupying*** a motor vehicle other than *your car* that is ***owned by:***

(1) *you*, then this coverage applies only to the extent of the uninsured motor vehicle coverage applicable to the motor vehicle that *you* were ***occupying***; or

(2) any ***resident relative***, then, in addition to the amount paid from the policy insuring the motor vehicle *you* were ***occupying***, the maximum amount that may be paid from all other policies combined that are issued to *you* or any ***resident relative*** by the ***State Farm Companies*** is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

b. a ***resident relative*** sustains ***bodily injury*** or ***property damage*** while ***occupying*** a motor vehicle other than *your car* that is ***owned by:***

(1) *you*, then, in addition to the amount paid from the policy insuring the motor vehicle that that ***resident relative*** was ***occupying***, the maximum amount that may be paid from all other policies combined that are issued to *you* or any ***resident relative*** by the ***State Farm Companies*** is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment;

(2) that ***resident relative***, then this coverage applies only to the extent of the uninsured motor vehicle coverage applicable to the motor vehicle that that ***resident relative*** was ***occupying***; or

(3) a different ***resident relative***, then, in addition to the amount paid from the policy insuring the motor vehicle that that ***resident relative*** was ***occupying***, the maximum amount that may be paid from all other policies combined that are issued to *you* or any ***resident relative*** by the ***State Farm***

Companies is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

6. UNDERINSURED MOTOR VEHICLE COVERAGE

a. Exclusions

Exclusion 2. is changed to read:

THERE IS NO COVERAGE FOR

- a. AN *INSURED* WHO SUSTAINS **BODILY INJURY** WHILE **OCCUPYING** A MOTOR VEHICLE **OWNED BY** THAT *INSURED* IF:

- (1) THE MOTOR VEHICLE IS NOT **YOUR CAR** OR A **NEWLY ACQUIRED CAR**; AND

- (2) IT WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT; OR

- b. **PROPERTY DAMAGE** SUSTAINED BY AN *INSURED*:

- (1) TO A MOTOR VEHICLE: OR

- (2) IN A MOTOR VEHICLE **OWNED BY** THAT *INSURED* IF THE MOTOR VEHICLE WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;

b. If Other Underinsured Motor Vehicle Coverage Applies

Item 4. is changed to read:

4. If:

- a. *you* sustain **bodily injury** or **property damage** while **occupying** a motor vehicle other than **your car** that is **owned by**:

- (1) *you*, then this coverage applies only to the extent of the underinsured motor vehicle coverage applicable to the motor vehicle that *you* were **occupying**; or

- (2) any **resident relative**, then, in addition to the amount paid from the policy insuring the motor vehicle *you* were **occupying**, the maximum amount that may be paid from all other policies combined that are issued to *you* or any **resident relative** by the **State Farm Companies** is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

- b. a **resident relative** sustains **bodily injury** or **property damage** while **occupying** a motor vehicle other than **your car** that is **owned by**:

- (1) *you*, then, in addition to the amount paid from the policy insuring the motor vehicle that that **resident relative** was **occupying**, the maximum amount that may be paid from all other

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policies combined that are issued to *you* or any *resident relative* by the *State Farm Companies* is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment;

- (2) that *resident relative*, then this coverage applies only to the extent of the underinsured motor vehicle coverage applicable to the motor vehicle that that *resident relative* was *occupying*; or
- (3) a different *resident relative*, then, in addition to the amount paid from the policy insuring the motor vehicle that that *resident relative* was *occupying*, the maximum amount that may be paid from all other policies combined that are issued to *you* or any *resident relative* by the *State Farm Companies* is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

7. PHYSICAL DAMAGE COVERAGES

- a. The paragraph that reads:

If a deductible applies to Comprehensive Coverage, then it is shown

on the Declarations Page. The deductible that applies to Collision Coverage is shown on the Declarations Page.

is changed to read:

Deductible

1. If "D" is shown under "SYMBOLS" on the Declarations Page, then the deductible that applies to Comprehensive Coverage, if any, is the dollar amount shown on the Declarations Page next to the title of this coverage. However, *we* will not deduct more than \$500 for any *loss to a newly acquired car*.
2. If "G" is shown under "SYMBOLS" on the Declarations Page, then the deductible that applies to Collision Coverage is the dollar amount shown on the Declarations Page next to the title of this coverage. However, *we* will not deduct more than \$500 for any *loss caused by collision to a newly acquired car*.

- b. Insuring Agreements

Car Rental and Travel Expenses Coverage

Item 4.a. Car Rental Expense is changed to read:

Car Rental Expense

We will pay the *daily rental charge* incurred when an *insured* rents a *car* from a *car business* while *your car* or a *newly acquired car* is:

- (1) not drivable; or
- (2) being repaired

as a result of a **loss** which would be payable under Comprehensive Coverage or Collision Coverage.

We will pay this **daily rental charge** incurred during a period that:

- (1) starts on the date:
 - (a) the vehicle is not drivable as a result of the **loss**; or
 - (b) the vehicle is left at a repair facility if the vehicle is drivable; and
- (2) ends on the earliest of:
 - (a) the date the vehicle has been repaired or replaced;
 - (b) the date *we* offer to pay for the **loss** if the vehicle is repairable but *you* choose to delay repairs; or
 - (c) seven days after *we* offer to pay for the **loss** if the vehicle is:
 - (i) a total loss as determined by *us*; or
 - (ii) stolen and not recovered.

The amount of any such **daily rental charge** incurred by an **insured** must be reported to *us* before *we* will pay such amount.

c. Exclusions

Exclusion 3. is changed to read:

THERE IS NO COVERAGE FOR ANY **COVERED VEHICLE** WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY **PERSONS** FOR A CHARGE. This exclusion does not apply to the use of a **private passenger car** on a share-the-expense basis;

8. INSURED'S DUTIES

- a. Item 6.a.(3) is changed to read:

A **person** making claim under:

- a. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage, must:

- (3) provide written authorization for *us* to obtain medical bills, medical records, wage information, salary information, employment information, and any other information *we* deem necessary to substantiate the claim.

Such authorizations must not:

- (a) restrict *us* from performing *our* business functions in:
 - (i) obtaining records, bills, information, and data; nor
 - (ii) using or retaining records, bills, information, and data collected or received by *us*;
- (b) require *us* to violate federal or state laws or regulations;

- (c) prevent *us* from fulfilling *our* data reporting and data retention obligations to insurance regulators; or
- (d) prevent *us* from disclosing claim information and data:
 - (i) to enable performance of *our* business functions;
 - (ii) to meet *our* reporting obligations to insurance regulators;
 - (iii) to meet *our* reporting obligations to insurance data consolidators; and
 - (iv) as otherwise permitted by law.

If an injured *insured* is a minor, unable to act, or dead, then his or her legal representative must provide *us* with the written authorization.

If the holder of the information refuses to provide it to *us* despite the authorization, then at *our* request the *person* making claim or his or her legal representative must obtain the information and promptly provide it to *us*; and

- b. The following is added to item 6.:

A *person* making claim under Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage,

or Death, Dismemberment and Loss of Sight Coverage, must submit to *us* all information *we* need to comply with federal and state laws and regulations.

9. GENERAL TERMS

- a. The following is added to **Newly Owned or Newly Leased Car:**

If a *resident relative* wants to insure a *car* newly owned by the *resident relative* with the *State Farm Companies* after that *car* ceases to be a *newly acquired car*, then the *resident relative* must apply to the *State Farm Companies* for a separate policy to insure the *car* newly owned by the *resident relative*. Such policy will be issued only if both the applicant and the vehicle are eligible for coverage at the time of the application.

- b. The following are added to **GENERAL TERMS:**

Electronic Delivery

With *your* consent, *we* may, if allowed by law, electronically deliver any document or notice, including a notice to renew, nonrenew, or cancel, instead of mailing it or delivering it by other means. Proof of transmission will be sufficient proof of notice.

Our Rights Regarding Claim Information

- a. *We* will collect, receive, obtain, use, and retain all the items described in item b.(1) below and use and retain the information described in item b.(3)(b) below, in accordance with applicable federal and state laws and regulations and consistent with the performance of *our* business functions.

- b. Subject to a. above, *we* will not be restricted in or prohibited from:
- (1) collecting, receiving, or obtaining records, receipts, invoices, medical bills, medical records, wage information, salary information, employment information, data, and any other information;
 - (2) using any of the items described in item b.(1) above; or
 - (3) retaining:
 - (a) any of the items in item b.(1) above; or
 - (b) any other information *we* have in *our* possession as a result of *our* processing, handling, or otherwise resolving claims submitted under this policy.
- c. *We* may disclose any of the items in item b.(1) above and any of the information described in item b.(3)(b) above:
- (1) to enable performance of *our* business functions;
 - (2) to meet *our* reporting obligations to insurance regulators;
 - (3) to meet *our* reporting obligations to insurance data consolidators;
 - (4) to meet other obligations required by law; and
 - (5) as otherwise permitted by law.
- d. *Our* rights under a., b., and c. above shall not be impaired by any:
- (1) authorization related to any claim submitted under this policy; or
 - (2) act or omission of an *insured* or a legal representative acting on an *insured's* behalf.



Please read the policy carefully. If there is an accident, contact your State Farm agent or one of our Claim Offices at once. (See "INSURED'S DUTIES" in this policy booklet.)

Georgia-South Carolina Office
11350 Johns Creek Parkway
Duluth, GA 30098-0001
Phone: (770) 418-5000

State Farm® Car Policy Booklet

South Carolina
Policy Form 9840A

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THIS POLICY

1. This policy consists of:
 - a. the most recently issued Declarations Page;
 - b. the policy booklet version shown on that Declarations Page; and
 - c. any endorsements that apply, including those listed on that Declarations Page as well as those issued in connection with any subsequent renewal of this policy.
2. This policy contains all of the agreements between all named insureds who are shown on the Declarations Page and all applicants and:
 - a. us; and
 - b. any of our agents.
3. We agree to provide insurance according to the terms of this policy:
 - a. based on payment of premium for the coverages chosen; and
 - b. unless otherwise stated in "EXCEPTIONS, POLICY BOOKLET, & ENDORSEMENTS" on the Declarations Page, in reliance on the following statements:
 - (1) The named insured shown on the Declarations Page is the sole owner of your car.
 - (2) Neither you nor any member of your household has, within the past three years, had:
 - (a) vehicle insurance canceled or nonrenewed by an insurer; or
 - (b) either:
 - (i) a license to drive; or
 - (ii) a vehicle registration suspended, revoked, or refused.

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- (3) Your car is used for pleasure and business.
4. All named insureds shown on the Declarations Page and all applicants agree by acceptance of this policy that:
 - a. the statements in 3.b. above are made by such named insured or applicant and are true; and
 - b. we provide this insurance on the basis those statements are true.
5. Your purchase of this policy may allow you to purchase certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other policies from the State Farm Companies, subject to their applicable eligibility rules.

DEFINITIONS

We define certain words and phrases below for use throughout the policy. Each coverage includes additional definitions only for use with that coverage. These definitions apply to the singular, plural, possessive, and any other form of these words and phrases. Defined words and phrases are printed in boldface italics.

Bodily Injury means bodily injury to a person and sickness, disease, or death that results from it.

Car means a land motor vehicle with four or more wheels, designed for use primarily on public roads. *Car* does not include:

1. Any vehicle while located for use as a dwelling or other premises; or
2. A truck-tractor designed to pull any type of trailer.

Car Business means a business or job where the purpose is to sell, lease, rent, repair, service, modify, transport, store, or park land motor vehicles or any type of trailer.

Financial Responsibility Act means the Motor Vehicle Financial Responsibility Act of South Carolina.

Fungi means any type or form of fungus or fungi and includes:

1. Mold;
2. Mildew; and

3. Any of the following that are produced or released by fungi:
 - a. Mycotoxins;
 - b. Spores;
 - c. Scents; or
 - d. Byproducts.

Newly Acquired Car means a car newly owned by you. A car ceases to be a newly acquired car on the earlier of:

1. the effective date and time of a policy, including any binder, issued by us or any other company that describes the car as an insured vehicle; or
2. the end of the 14th calendar day immediately following the date the car is delivered to you.

If a newly acquired car is not otherwise afforded comprehensive coverage or collision coverage by this or any other policy, then this policy will provide Comprehensive Coverage or Collision Coverage for that newly acquired car, subject to a deductible of \$500. Any coverage provided as a result of this paragraph will apply only until the end of the 5th calendar day immediately following the date the newly acquired car is delivered to you.

Non-Owned Car means a car that is in the lawful possession of you or any resident relative and that neither:

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1. *is owned by:*
 - a. *you;*
 - b. *any resident relative;*
 - c. *any other person who resides primarily in your household; or*
 - d. *an employer of any person described in a., b., or c. above; nor*
2. *has been operated by, rented by, or in the possession of:*
 - a. *you;* or
 - b. *any resident relative*

Occupying means in, on, entering, or exiting.

Our means the Company issuing this policy as shown on the Declarations Page.

Owned By means:

1. *owned by;*
2. *registered to; or*
3. *leased, if the lease is written for a period of 31 or more consecutive days, to.*

Pedestrian means a *person* who is not *occupying*:

1. *a motorized vehicle; or*
2. *a vehicle designed to be pulled by a motorized vehicle.*

Person means a human being.

Private Passenger Car means:

1. *a car of the private passenger type, other than a pickup truck, van, minivan, or sport utility vehicle, designed primarily to carry persons and their luggage; or*
2. *a pickup truck, van, minivan, or sport utility vehicle:*
 - a. *that is not used for:*
 - (1) *wholesale; or*
 - (2) *retail*

pickup or delivery; and

- b. *that has a Gross Vehicle Weight Rating of 10,000 pounds or less.*

Resident Relative means a *person*, other than *you*, who resides primarily with the first *person* shown as a named insured on the Declarations Page and who is:

1. *related to that named insured or his or her spouse by blood, marriage, or adoption, including an unmarried and unemancipated child of either who is away at school and otherwise maintains his or her primary residence with that named insured; or*
2. *a ward or a foster child of that named insured, his or her spouse, or a person described in 1. above.*

State Farm Companies means one or more of the following:

1. *State Farm Mutual Automobile Insurance Company;*
2. *State Farm Fire and Casualty Company; and*
3. *Subsidiaries or affiliates of either 1. or 2. above.*

Temporary Substitute Car means a *car* that is in the lawful possession of the *person* operating it and that:

1. *replaces your car for a short time while your car is out of use due to its:*
 - a. *breakdown;*
 - b. *repair;*
 - c. *servicing;*
 - d. *damage; or*
 - e. *theft; and*
2. *neither you nor the person operating it own or have registered.*

If a *car* qualifies as both a *non-owned car* and a *temporary substitute car*, then it is considered a *temporary substitute car* only.

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Trailer means:

1. *a trailer:*
 - a. *designed to be pulled by a private passenger car;*
 - b. *not designed to carry persons; and*
 - c. *while not used as premises for office, store, or display purposes; or*
2. *a farm implement or farm wagon while being pulled on public roads by a car.*

Us means the Company issuing this policy as shown on the Declarations Page.

We means the Company issuing this policy as shown on the Declarations Page.

You or Your means the named insured or named insureds shown on the Declarations Page. If a named insured shown on the Declarations Page is a *person*, then "*you*" or "*your*"

includes the spouse of the first *person* shown as a named insured if the spouse resides primarily with that named insured.

Your Car means the vehicle shown under "YOUR CAR" on the Declarations Page. *Your car* does not include a vehicle that *you* no longer own or lease.

If a *car* is shown on the Declarations Page under "YOUR CAR", and *you* ask *us* to replace it with a *car* newly *owned by you*, then the *car* being replaced will continue to be considered *your car* until the earliest of:

1. *the end of the 30th calendar day immediately following the date the car newly owned by you is delivered to you;*
2. *the date this policy is no longer in force; or*
3. *the date you no longer own or lease the car being replaced.*

LIABILITY COVERAGE

This policy provides Liability Coverage if "A" is shown under "SYMBOLS" on the Declarations Page.

Additional Definition

Insured means:

1. *you and resident relatives for:*
 - a. *the ownership, maintenance, or use of:*
 - (1) *your car;*
 - (2) *a newly acquired car; or*
 - (3) *a trailer; and*
 - b. *the maintenance or use of:*
 - (1) *a non-owned car; or*
 - (2) *a temporary substitute car;*
2. *the first person shown as a named insured on the Declarations Page and that named insured's spouse who resides primarily with that named insured for the maintenance or*

use of a *car* that is *owned by*, or furnished by an employer to, a *person* who resides primarily in *your* household, but only if such *car* is neither *owned by*, nor furnished by an employer to, the first *person* shown as a named insured on the Declarations Page or that *person's* spouse;

3. *any other person for his or her use of:*

- a. *your car;*
- b. *a newly acquired car;*
- c. *a temporary substitute car; or*
- d. *a trailer while attached to a car described in a., b., or c. above.*

Such vehicle must be used with the expressed or implied consent of *you*; and

4. *any other person or organization vicariously liable for the use of a vehicle by an insured as defined in 1., 2., or 3. above, but only for such vicarious liability. This*

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provision applies only if the vehicle is neither owned by, nor hired by, that other person or organization.

Insured does not include the United States of America or any of its agencies.

Insuring Agreement

1. We will pay:

- a. damages an *insured* becomes legally liable to pay because of:
 - (1) *bodily injury* to others; and
 - (2) damage to property
 caused by an accident that involves a vehicle for which that *insured* is provided Liability Coverage by this policy;
- b. attorney fees for attorneys chosen by us to defend an *insured* who is sued for such damages; and
- c. court costs charged to an *insured* and resulting from that part of a lawsuit:
 - (1) that seeks damages payable under this policy's Liability Coverage; and
 - (2) against which we defend an *insured* with attorneys chosen by us.

We have no duty to pay attorney fees and court costs incurred after we deposit in court or pay the amount due under this policy's Liability Coverage.

2. We have the right to:

- a. investigate, negotiate, and settle any claim or lawsuit;
- b. defend an *insured* in any claim or lawsuit, with attorneys chosen by us; and
- c. appeal any award or legal decision for damages payable under this policy's Liability Coverage.

Supplementary Payments

We will pay, in addition to the damages, fees, and costs described in the Insuring Agreement

above, the interest, premiums, costs, and expenses listed below that result from such accident:

1. Interest on damages owed by the *insured* that accrues:

- a. before a judgment, where owed by law, but only on that part of the judgment we pay; and
 - b. after a judgment. We will not pay interest on damages paid or payable by a party other than the *insured* or us.
- We have no duty to pay interest that accrues after we deposit in court, pay, or offer to pay, the amount due under this policy's Liability Coverage;

2. Premiums for bonds, provided by a company chosen by us, required to appeal a decision in a lawsuit against an *insured*. We have no duty to:

- a. pay for bonds that exceed this policy's applicable Liability Coverage limit;
- b. furnish or apply for any bonds; or
- c. pay premiums for bonds purchased after we deposit in court, pay, or offer to pay, the amount due under this policy's Liability Coverage; and

3. The following costs and expenses if related to and incurred after a lawsuit has been filed against an *insured*:

- a. Loss of wages or salary, but not other income, up to \$200 for each day an *insured* attends, at our request:
 - (1) an arbitration;
 - (2) a mediation; or
 - (3) a trial of a lawsuit; and
- b. Reasonable expenses incurred by an *insured* at our request other than loss of wages, salary, or other income.

The amount of any of the costs or expenses listed above that are incurred by an *insured* must be reported to us before we will pay such incurred costs or expenses.

Limits

1. The Liability Coverage limits for *bodily injury* are shown on the Declarations Page under "Liability Coverage - Bodily Injury Limits - Each Person, Each Accident."

- a. The limit shown under "Each Person" is the most we will pay for all damages resulting from *bodily injury* to any one person injured in any one accident. "Bodily injury to any one person" includes all injury and damages to other persons resulting from that *bodily injury*, and all emotional distress resulting from that *bodily injury* sustained by other persons who do not sustain that *bodily injury*.
- b. The limit shown under "Each Accident" is the most we will pay, subject to the limit for "Each Person", for all damages resulting from *bodily injury* to two or more persons injured in the same accident.

2. The Liability Coverage limit for damage to property is shown on the Declarations Page under "Liability Coverage - Property Damage Limit - Each Accident". The limit shown is the most we will pay for all damages resulting from damage to property in any one accident.

3. These Liability Coverage limits are the most we will pay regardless of the number of:

- a. *insureds*;
- b. claims made;
- c. vehicles insured; or
- d. vehicles involved in the accident.

Nonduplication

We will not pay any damages or expenses under Liability Coverage that have already been paid under Uninsured Motor Vehicle Coverage of any policy issued by the State Farm Companies to you or any resident relative.

Exclusions

THERE IS NO COVERAGE FOR AN *INSURED*:

1. TO THE EXTENT THE LIABILITY COVERAGE LIMITS OF THIS POLICY EXCEED THE LIABILITY COVERAGE LIMITS REQUIRED BY THE FINANCIAL RESPONSIBILITY ACT IF SUCH *INSURED* INTENTIONALLY CAUSES *BODILY INJURY* OR DAMAGE TO PROPERTY;
2. OR FOR THAT *INSURED'S* INSURER FOR ANY OBLIGATION UNDER ANY TYPE OF WORKERS' COMPENSATION, DISABILITY, OR SIMILAR LAW;
3. FOR *BODILY INJURY* TO THAT *INSURED'S* EMPLOYEE WHICH ARISES OUT OF THAT EMPLOYEE'S EMPLOYMENT. This exclusion does not apply to that *insured's* household employee who is neither covered, nor required to be covered, under workers' compensation insurance;
4. FOR *BODILY INJURY* TO THAT *INSURED'S* FELLOW EMPLOYEE WHILE THE FELLOW EMPLOYEE IS IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT. This exclusion does not apply to you and resident relatives who are legally liable for *bodily injury* to fellow employees;
5. FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN *INSURED*;
6. FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to the use of a private passenger car on a share-the-expense basis;
7. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH

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THAT *INSURED'S* EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A *CAR BUSINESS*. This exclusion does not apply to:

- a. *you*;
- b. any *resident relative*; or
- c. any agent, employee, or business partner of *you* or any *resident relative*; or
- d. any *person* other than a *person* described in a., b., or c. above up to the liability coverage limits required by the *Financial Responsibility Act*;

while maintaining or using *your car*, a *newly acquired car*, a *temporary substitute car*, or a *trailer owned by you*;

8. WHILE THAT *INSURED* IS VALET PARKING A VEHICLE. This exclusion does not apply up to the liability coverage limits required by the *Financial Responsibility Act* while an *insured* is valet parking *your car*, a *newly acquired car*, a *temporary substitute car*, or a *trailer owned by you*;

9. WHILE MAINTAINING OR USING ANY VEHICLE OTHER THAN *YOUR CAR*, A *NEWLY ACQUIRED CAR*, A *TEMPORARY SUBSTITUTE CAR*, OR A *TRAILER* IN ANY BUSINESS OR OCCUPATION OTHER THAN A *CAR BUSINESS* OR VALET PARKING. This exclusion does not apply to the maintenance or use of a *private passenger car*;

10. FOR DAMAGE TO PROPERTY WHILE IT IS:

- a. *OWNED BY*;
- b. *RENTED TO*;
- c. *USED BY*;
- d. *IN THE CARE OF*; OR
- e. *TRANSPORTED BY*

YOU, A *RESIDENT RELATIVE* OR THE *PERSON* WHO IS LEGALLY LIABLE FOR THE DAMAGE. This exclusion does not apply to damage to a:

- a. motor vehicle *owned by* the employer of *you* or any *resident relative* if such damage is caused by an *insured* while operating another motor vehicle;

- b. residence while rented to or leased to an *insured*; or

- c. private garage while rented to or leased to an *insured*;

11. FOR LIABILITY ASSUMED UNDER ANY CONTRACT OR AGREEMENT;

12. FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION;

13. WHILE USING A *TRAILER* WITH A MOTOR VEHICLE IF THAT *INSURED* IS NOT PROVIDED LIABILITY COVERAGE BY THIS POLICY FOR THE USE OF THAT MOTOR VEHICLE;

14. FOR THE OWNERSHIP, MAINTENANCE, OR USE OF ANY VEHICLE WHILE IT IS:

- a. OFF PUBLIC ROADS AND BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR

- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (14.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

This exclusion (14.) does not apply to *your car* up to the liability coverage limits required by the *Financial Responsibility Act*; OR

15. WHO IS AN EMPLOYEE OF THE UNITED STATES OF AMERICA OR ANY OF ITS AGENCIES, IF THE PROVISIONS OF THE FEDERAL TORT CLAIMS ACT APPLY.

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If Other Liability Coverage Applies

1. If Liability Coverage provided by this policy and one or more other Car Policies issued to *you* or any *resident relative* by the *State Farm Companies* apply to the same accident, then:

- a. the Liability Coverage limits of such policies will not be added together to determine the most that may be paid; and

- b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

2. The Liability Coverage provided by this policy applies as primary coverage for the ownership, maintenance, or use of *your car* or a *trailer* attached to it.

- a. IF:

- (1) this is the only Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Liability Coverage which applies to the accident as primary coverage; and

- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident;

then we will pay the proportion of damages payable as primary that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other liability coverage that apply as primary coverage.

- b. IF:

- (1) more than one Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Liability Coverage which applies to the accident as primary coverage; and

- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident;

then the *State Farm Companies* will pay the proportion of damages payable as primary that the maximum amount that may be paid by the *State Farm Companies* as determined in 1. above bears to the sum of such amount and the limits of all other liability coverage that apply as primary coverage.

3. Except as provided in 2. above, the Liability Coverage provided by this policy applies as excess coverage.

- a. IF:

- (1) this is the only Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Liability Coverage which applies to the accident as excess coverage; and

- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident;

then we will pay the proportion of damages payable as excess that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other liability coverage that apply as excess coverage.

- b. IF:

- (1) more than one Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Liability Coverage which applies to the accident as excess coverage; and

- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident;

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then the *State Farm Companies* will pay the proportion of damages payable as excess that the maximum amount that may be paid by the *State Farm Companies* as determined in 1. above bears to the sum of such amount and the limits of all other liability coverage that apply as excess coverage.

Required Out-of-State Liability Coverage
If:

1. an *insured* is in another state of the United States of America, a territory or possession of the United States of America, the District of Columbia, or any province or territory of Canada, and as a nonresident becomes subject to its motor vehicle compulsory insurance law,

financial responsibility law, or similar law; and

2. this policy does not provide at least the minimum liability coverage required by such law for such nonresident,

then this policy will be interpreted to provide the minimum liability coverage required by such law.

This provision does not apply to liability coverage required by law for motor carriers of passengers or motor carriers of property.

Financial Responsibility Certification

When this policy is certified under any law as proof of future financial responsibility, and while required during the policy period, this policy will comply with such law to the extent required.

PERSONAL INJURY PROTECTION COVERAGE

This policy provides Personal Injury Protection Coverage if "P" with a number beside it is shown under "SYMBOLS" on the Declarations Page. "P" with a number beside it is your "coverage symbol".

Check your coverage symbol with the Schedule in the provision titled Limits for the choice of coverage you made.

Additional Definitions

Insured means:

1. you and resident relatives:

- a. while occupying a motor vehicle other than a motorcycle; or
- b. if struck as a pedestrian by a motor vehicle; or

2. any other person while occupying:

- a. your car;
- b. a newly acquired car;

- c. a temporary substitute car; or

- d. a trailer while attached to a car described in a., b., or c. above.

Such vehicle must be used with the expressed or implied consent of you.

Medical Expenses mean reasonable expenses for medical services.

Medical Services mean treatments, procedures, products, and other services that are:

1. necessary to achieve maximum medical improvement for the *bodily injury*;
2. rendered by a healthcare provider:

- a. who is licensed as a healthcare provider or if a license is required by law; and
- b. within the legally authorized scope of that healthcare provider's practice;

3. commonly and customarily recognized throughout the medical profession and

within the United States of America as appropriate for the treatment of the *bodily injury*;

4. primarily designed to serve a medical purpose;
5. not experimental; and
6. not for research purposes.

Motor Vehicle means a vehicle or trailer of a kind required to be registered under South Carolina law.

Reasonable Expenses mean the lowest one of the following charges:

1. The usual and customary fees charged by a majority of healthcare providers who provide similar *medical services* in the geographical area in which the charges were incurred;
2. The fee specified in any fee schedule:

- a. applicable to medical payments coverage, no-fault coverage, or personal injury protection coverage included in motor vehicle liability policies issued in the state where *medical services* are provided; and
- b. as prescribed or authorized by the law of the state where *medical services* are provided;

3. The fees agreed to by both the *insured's* healthcare provider and us; or

4. The fees agreed upon between the *insured's* healthcare provider and a third party when we have a contract with such third party.

Insuring Agreement

Medical Expenses and Funeral Expenses apply to all Personal Injury Protection Coverages. Loss of Income and Essential Services Expenses apply only to coverages with coverage symbol P1, P2, P3, P4, P5, P6, and P7.

1. Medical Expenses

We will pay *medical expenses* incurred because of *bodily injury* that is sustained by an *insured* and caused by accident resulting from the maintenance or use of a *motor vehicle* as a vehicle if:

- a. that *insured* is first provided *medical services* within one year immediately following the date of the accident; and
- b. such *medical expenses* are for *medical services* that are provided within three years immediately following the date of the accident.

2. Funeral Expenses

We will pay funeral expenses incurred for an *insured* who dies within three years immediately following the date of a *motor vehicle* accident if the death is a direct result of *bodily injury* sustained in such accident.

3. Loss of Income

We will pay 85% of an *insured's* actual loss of earnings from work due to *bodily injury* that is sustained by an *insured* and caused by a *motor vehicle* accident. This applies only if the *insured* was receiving earnings from work at the time of the accident. The loss must be incurred within three years of the date of the accident and while the *insured* is living.

4. Essential Services Expenses

We will pay reasonable expenses incurred for needed services the *insured* would have done for his or her family, but is unable to do because of *bodily injury* that is sustained by that *insured* and caused by a *motor vehicle* accident. This benefit applies only if the *insured* was not receiving earnings from work at the time of the accident. The expense must be incurred within three years of the date of the accident and while the *insured* is living.

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Determining Medical Expenses

We have the right to:

1. obtain and use:
 - a. utilization reviews;
 - b. peer reviews; and
 - c. medical bill reviews
 to determine if the incurred charges are *medical expenses*;
2. use a medical examination of the *Insured* to determine if:
 - a. the *bodily injury* was caused by a *motor vehicle* accident; and
 - b. the expenses incurred are *medical expenses*; and
3. enter into a contract with a third party that has an agreement with the *Insured's* healthcare provider to charge fees as determined by that agreement.

Arbitration

1. If there is a disagreement as to:
 - a. whether incurred charges are *medical expenses*; or
 - b. the amount due under this coverage for Funeral Expenses, Loss of Income, or Essential Services Expenses
 then the disagreement will be resolved by arbitration upon written request of the *Insured* or us.
2. The arbitration will take place in the county in which the *Insured* resides unless the parties agree to another location.

The *Insured* and we will each select a competent arbitrator. These two arbitrators will select a third competent arbitrator. If they are unable to agree on the third arbitrator within 30 days, then either the *Insured* or we may petition a court that has jurisdiction to select the third arbitrator.

Each party will pay the cost of its own arbitrator, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third arbitrator.

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3. The arbitrators shall only decide whether incurred charges are *medical expenses* and the amount due under this coverage for Funeral Expenses, Loss of Income, or Essential Services Expenses. Arbitrators shall have no authority to decide any other questions of fact, decide any questions of law, or conduct arbitration on a class-wide or class-representative basis.

4. A written decision that is both agreed upon by and signed by any two arbitrators, and that also contains an explanation of how they arrived at their decision, will be binding on:
 - a. us;
 - b. the *Insured*;
 - c. any assignee of the *Insured*; and
 - d. any person or organization with whom the *Insured* expressly or impliedly contracts for *medical services*, funeral services, or essential services.

5. Subject to 1., 2., 3., and 4. above, state court rules governing procedure and admission of evidence will be used.
6. We do not waive any of our rights by submitting to arbitration.

Limits

1. The most we will pay is the amount shown under "Aggregate Limit" in the Schedule for your coverage symbol. This limit is the most we will pay for all loss and expense combined, incurred by or on behalf of any one *Insured* as a result of any one accident, regardless of the number of:
 - a. insureds;
 - b. claims made;
 - c. vehicles insured; or
 - d. vehicles involved in the accident.
2. Subject to the aggregate limit shown in the Schedule for your coverage symbol, the most we will pay for funeral expenses incurred for any one *Insured* is \$3,000.

3. Schedule

Coverage Symbol	Medical Expenses	Funeral Expenses	Loss of Income	Essential Services Expenses	Aggregate Limit
P1	Yes	Yes	Yes	Yes	\$1,000
P2	Yes	Yes	Yes	Yes	\$1,500
P3	Yes	Yes	Yes	Yes	\$2,000
P4	Yes	Yes	Yes	Yes	\$2,500
P5	Yes	Yes	Yes	Yes	\$3,000
P6	Yes	Yes	Yes	Yes	\$10,000
P7	Yes	Yes	Yes	Yes	\$25,000
P8	Yes	Yes	No	No	\$1,000
P9	Yes	Yes	No	No	\$1,500
P10	Yes	Yes	No	No	\$2,000
P11	Yes	Yes	No	No	\$2,500
P12	Yes	Yes	No	No	\$5,000
P13	Yes	Yes	No	No	\$10,000
P14	Yes	Yes	No	No	\$25,000

Exclusions

THERE IS NO COVERAGE FOR AN *INSURED*:

1. WHO INTENTIONALLY CAUSES AN ACCIDENT WHICH RESULTS IN THAT *INSURED'S* BODILY INJURY;
2. WHILE VOLUNTARILY OCCUPYING A MOTOR VEHICLE KNOWN BY THAT PERSON TO BE STOLEN;
3. WHILE COMMITTING A FELONY;
4. WHILE ATTEMPTING TO ELUDE A POLICE OFFICER;
5. WHILE OCCUPYING, USING, OR MAINTAINING A MOTORCYCLE;
6. WHO IS EITHER OCCUPYING OR STRUCK AS A PEDESTRIAN BY A VEHICLE, OWNED BY THAT *INSURED*, YOU, OR ANY RESIDENT RELATIVE IF IT IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR;
7. WHO IS OCCUPYING A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN *INSURED*;

8. WHO IS OCCUPYING A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to:
 - a. the use of a private passenger car on a share-the-expense basis; or
 - b. an *Insured* while occupying a non-owned car as a passenger;

9. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH THAT *INSURED'S* EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A CAR BUSINESS. This exclusion does not apply to:
 - a. you;
 - b. any resident relative; or
 - c. any agent, employee, or business partner of a. or b. above

while maintaining or using your car, a newly acquired car, a temporary substitute car, or a trailer owned by you;

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10. WHILE THAT *INSURED* IS VALET PARKING A VEHICLE;
11. WHILE MAINTAINING OR USING A *NON-OWNED CAR* IN ANY BUSINESS OR OCCUPATION OTHER THAN A *CAR BUSINESS* OR VALET PARKING. This exclusion does not apply to the maintenance or use of a *private passenger car*;
12. WHO IS EITHER *OCCUPYING* OR STRUCK AS A *PEDESTRIAN* BY A VEHICLE THAT:
 - a. IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS;
 - b. RUNS ON RAILS OR CRAWLER-TREADS; OR
 - c. IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES;
13. WHOSE *BODILY INJURY* RESULTS FROM WAR OF ANY KIND;
14. WHOSE *BODILY INJURY* RESULTS FROM:
 - a. NUCLEAR REACTION;
 - b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
 - c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
15. WHOSE *BODILY INJURY* RESULTS FROM THE DISCHARGE OF A FIRE-ARM;
16. WHOSE *BODILY INJURY* RESULTS FROM EXPOSURE TO *FUNGUS*; OR
17. WHO IS *OCCUPYING* A VEHICLE WHILE IT IS:
 - a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR

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- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (17.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

If Other Personal Injury Protection Coverage or Similar Vehicle Insurance Applies

1. An *insured* shall not recover for the same expense or loss under both this coverage and other similar vehicle insurance.
2. If Personal Injury Protection Coverage is provided by this policy and one or more other vehicle policies issued to *you* or *any resident relative* by the *State Farm Companies* apply to the same *bodily injury*, then:
 - a. the Personal Injury Protection Coverage limits of such policies shall not be added together to determine the most that may be paid; and
 - b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. We may choose one or more policies from which to make payment.
3. The Personal Injury Protection Coverage provided by this policy applies as primary coverage for an *insured* who sustains *bodily injury* while *occupying your car* or a *trailer* attached to it.
 - a. If:
 - (1) this is the only vehicle policy issued to *you* or *any resident relative* by the *State Farm Companies* that provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as primary coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,

then we will pay the proportion of expenses or loss payable as primary that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as primary coverage.

- b. If:
 - (1) more than one vehicle policy issued to *you* or *any resident relative* by the *State Farm Companies* provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as primary coverage; and
 - (2) personal injury protection coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,
 then the *State Farm Companies* will pay the proportion of expenses or loss payable as primary that the maximum amount that may be paid by the *State Farm Companies* as determined in 2. above bears to the sum of such amount and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as primary coverage.

4. Except as provided in 3. above, the Personal Injury Protection Coverage provided by this policy applies as excess coverage, but only in the amount by which the limits of this coverage exceed the primary coverage.

- a. If:
 - (1) this is the only vehicle policy issued to *you* or *any resident relative* by the *State Farm Companies* that provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance

provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident.

then we will pay the proportion of expenses or loss payable as excess that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as excess coverage.

- b. If:
 - (1) more than one vehicle policy issued to *you* or *any resident relative* by the *State Farm Companies* provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then the *State Farm Companies* will pay the proportion of expenses or loss payable as excess that the maximum amount that may be paid by the *State Farm Companies* as determined in 2. above bears to the sum of such amount and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as excess coverage.

Workers' Compensation Coordination

Any Personal Injury Protection Coverage provided by this policy applies as excess over any benefits recovered under any workers' compensation law or any other similar law.

Our Payment Options

We may, at *our* option, make payment to one or more of the following:

1. The *insured*;
2. The *insured's* surviving spouse;

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3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person;
4. A person authorized by law to receive such payment; or
5. Any person or organization that provides the *medical services*, funeral services, or other services payable under this coverage.

MEDICAL PAYMENTS COVERAGE

This policy provides Medical Payments Coverage if "C" is shown under "SYMBOLS" on the Declarations Page.

Additional Definitions

Insured means:

1. *you and resident relatives*:
 - a. while occupying:
 - (1) *your car*;
 - (2) a *newly acquired car*;
 - (3) a *temporary substitute car*;
 - (4) a *non-owned car*; or
 - (5) a *trailer* while attached to a *car* described in (1), (2), (3), or (4) above; or
 - b. if struck as a *pedestrian* by a motor vehicle or any type of trailer; and
2. any other person while occupying:
 - a. *your car*;
 - b. a *newly acquired car*;
 - c. a *temporary substitute car*; or
 - d. a *trailer* while attached to a *car* described in a., b., or c. above.

Such vehicle must be used with the expressed or implied consent of *you*.

Medical Expenses mean *reasonable expenses* for *medical services*.

Medical Services mean treatments, procedures, products, and other services that are:

1. necessary to achieve maximum medical improvement for the *bodily injury*;
2. rendered by a healthcare provider;
 - a. who is licensed as a healthcare provider if a license is required by law; and
 - b. within the legally authorized scope of that healthcare provider's practice;
3. commonly and customarily recognized throughout the medical profession and within the United States of America as appropriate for the treatment of the *bodily injury*;
4. primarily designed to serve a medical purpose;
5. not experimental; and
6. not for research purposes.

Reasonable Expenses mean the lowest one of the following charges:

1. The usual and customary fees charged by a majority of healthcare providers who provide similar *medical services* in the geographical area in which the charges were incurred;
2. The fee specified in any fee schedule:
 - a. applicable to medical payments coverage, no-fault coverage, or personal injury protection coverage included in motor vehicle liability policies issued in the state where *medical services* are provided; and
 - b. as prescribed or authorized by the law of the state where *medical services* are provided;
3. The fees agreed to by both the *insured's* healthcare provider and *us*; or

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4. The fees agreed upon between the *insured's* healthcare provider and a third party when we have a contract with such third party.

Insuring Agreement

We will pay:

1. *medical expenses* incurred because of *bodily injury* that is sustained by an *insured* and caused by accident resulting from the maintenance or use of a motor vehicle as a vehicle if:
 - a. that *insured* is first provided *medical services* within one year immediately following the date of the accident; and
 - b. such *medical expenses* are for *medical services* that are provided within three years immediately following the date of the accident; and
2. funeral expenses incurred for an *insured* who dies within three years immediately following the date of a motor vehicle accident if the death is a direct result of *bodily injury* sustained in such accident.

Determining Medical Expenses

We have the right to:

1. obtain and use:
 - a. utilization reviews;
 - b. peer reviews; and
 - c. medical bill reviews
 to determine if the incurred charges are *medical expenses*;
2. use a medical examination of the *insured* to determine if:
 - a. the *bodily injury* was caused by a motor vehicle accident; and
 - b. the expenses incurred are *medical expenses*; and
3. enter into a contract with a third party that has an agreement with the *insured's* healthcare provider to charge fees as determined by that agreement.

Arbitration

1. If there is a disagreement as to whether incurred charges are *medical expenses*, then the disagreement will be resolved by arbitration upon written request of the *insured* or *us*.

2. The arbitration will take place in the county in which the *insured* resides unless the parties agree to another location.

The *insured* and *we* will each select a competent arbitrator. These two arbitrators will select a third competent arbitrator. If they are unable to agree on the third arbitrator within 30 days, then either the *insured* or *we* may petition a court that has jurisdiction to select the third arbitrator.

Each party will pay the cost of its own arbitrator, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third arbitrator.

3. The arbitrators shall only decide whether incurred charges are *medical expenses*. Arbitrators shall have no authority to decide any other questions of fact, decide any questions of law, or conduct arbitration on a class-wide or class-representative basis.

4. A written decision that is both agreed upon by and signed by any two arbitrators, and that also contains an explanation of how they arrived at their decision, will be binding on:
 - a. *us*;
 - b. the *insured*;
 - c. any assignee of the *insured*; and
 - d. any person or organization with whom the *insured* expressly or impliedly contracts for *medical services*.

5. Subject to 1., 2., 3., and 4. above, state court rules governing procedure and admission of evidence will be used.
6. *We* do not waive any of our rights by submitting to arbitration.

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Limit

The Medical Payments Coverage limit is shown on the Declarations Page under "Medical Payments Coverage - Limit - Each Person". This limit is the most we will pay for the medical expenses and funeral expenses combined, incurred by or on behalf of any one insured as a result of any one accident, regardless of the number of:

1. insureds;
2. claims made;
3. vehicles insured; or
4. vehicles involved in the accident.

Subject to the limit shown on the Declarations Page, the most we will pay for funeral expenses incurred for any one insured is \$3,000.

Exclusions

THERE IS NO COVERAGE FOR AN INSURED:

1. WHO IS STRUCK AS A PEDESTRIAN BY A MOTOR VEHICLE, OWNED BY THAT INSURED OR YOU, IF IT IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR;
2. IF ANY WORKERS' COMPENSATION LAW OR ANY SIMILAR LAW APPLIES TO THAT INSURED'S BODILY INJURY;
3. WHO IS OCCUPYING A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN INSURED;
4. WHO IS OCCUPYING A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to:
 - a. the use of a private passenger car on a share-the-expense basis; or
 - b. an insured while occupying a non-owned car as a passenger;
5. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH THAT INSURED'S EMPLOYMENT IN

OR ENGAGEMENT OF ANY KIND IN A CAR BUSINESS. This exclusion does not apply to:

- a. you;
- b. any resident relative; or
- c. any agent, employee, or business partner of a. or b. above

while maintaining or using your car, a newly acquired car, a temporary substitute car, or a trailer owned by you;

6. WHILE THAT INSURED IS VALET PARKING A VEHICLE;
7. WHILE MAINTAINING OR USING A NON-OWNED CAR IN ANY BUSINESS OR OCCUPATION OTHER THAN A CAR BUSINESS OR VALET PARKING. This exclusion does not apply to the maintenance or use of a private passenger car;
8. WHO IS EITHER OCCUPYING OR STRUCK AS A PEDESTRIAN BY A VEHICLE THAT IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES;
9. WHO IS STRUCK AS A PEDESTRIAN BY A VEHICLE THAT:
 - a. IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS; OR
 - b. RUNS ON RAILS OR CRAWLER-TREADS;
10. WHOSE BODILY INJURY RESULTS FROM WAR OF ANY KIND;
11. WHOSE BODILY INJURY RESULTS FROM:
 - a. NUCLEAR REACTION;
 - b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
 - c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;

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12. WHOSE BODILY INJURY RESULTS FROM THE DISCHARGE OF A FIRE-ARM;

13. WHOSE BODILY INJURY RESULTS FROM EXPOSURE TO FUNGI; OR

14. WHO IS OCCUPYING A VEHICLE WHILE IT IS:

- a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (14.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

If Other Medical Payments Coverage or Similar Vehicle Insurance Applies

1. An insured shall not recover for the same medical expenses or funeral expenses under both this coverage and other medical payments coverage or similar vehicle insurance.
2. If Medical Payments Coverage provided by this policy and one or more other vehicle policies issued to you or any resident relative by the State Farm Companies apply to the same bodily injury, then:
 - a. the Medical Payments Coverage limits of such policies shall not be added together to determine the most that may be paid; and
 - b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. We may choose one or more policies from which to make payment.
3. If other medical payments coverage, personal injury protection coverage, or similar

vehicle insurance applies, then the Medical Payments Coverage provided by this policy applies as excess coverage.

a. If:

- (1) this is the only vehicle policy issued to you or any resident relative by the State Farm Companies that provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and

- (2) medical payments coverage or other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same accident,

then we will pay the proportion of medical expenses and funeral expenses payable as excess that our applicable limit bears to the sum of our applicable limit and the limits of all other medical payments coverage or similar vehicle insurance that apply as excess coverage.

b. If:

- (1) more than one vehicle policy issued to you or any resident relative by the State Farm Companies provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and

- (2) medical payments coverage or other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same accident,

then the State Farm Companies will pay the proportion of medical expenses and funeral expenses payable as excess that the maximum amount that may be paid by the State Farm Companies as determined in 2. above

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- bears to the sum of such amount and the limits of all other medical payments coverage or similar vehicle insurance that apply as excess coverage.
- Our Payment Options**
We may, at our option, make payment to one or more of the following:
1. The insured;
 2. The insured's surviving spouse;
 3. A parent or guardian of the insured, if the insured is a minor or an incompetent person;
 4. A person authorized by law to receive such payment; or
 5. Any person or organization that provides the medical services or funeral services.

UNINSURED MOTOR VEHICLE COVERAGE

This policy provides Uninsured Motor Vehicle Coverage if "U" is shown under "SYMBOLS" on the Declarations Page.

Additional Definitions

Insured means:

1. you;
2. resident relatives;
3. any other person while occupying or using:
 - a. your car;
 - b. a newly acquired car; or
 - c. a temporary substitute car;
 with the expressed or implied consent of you; and
4. any person to the extent he or she may recover damages under a state wrongful death statute because of the death of an insured under 1., 2., or 3. above.

Motor Vehicle means a self-propelled vehicle or trailer designed for use on public roads, but does not include tractor engines, road rollers, farm trailers, tractor cranes, power shovels, well drillers, or electric trolleys.

Property Damage means damage to property of the insured.

Uninsured Motor Vehicle means a motor vehicle:

1. the ownership, maintenance, and use of which is:

- a. not insured or bonded for bodily injury and property damage liability at the time of the accident; or
- b. insured or bonded for bodily injury and property damage liability at the time of the accident; but
 - (1) the limits are less than required by the Financial Responsibility Act;
 - (2) the insuring company:
 - (a) denies that its policy provides liability coverage for damages that result from the accident; or
 - (b) is or becomes insolvent; or
 - (3) a cause of action for the bodily injury or property damage is barred by the South Carolina Tort Claims Act; or
2. the owner and driver of which remain unknown, but only if:
 - a. the bodily injury or property damage was caused by physical contact with the unknown vehicle, or the accident was witnessed by someone other than the owner or driver of the insured vehicle. The witness must sign an affidavit attesting to the truth of the facts of the accident contained in the affidavit; and

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- b. the insured was not negligent in failing to determine the identity of the other vehicle and the driver of the other vehicle at the time of the accident.

Uninsured Motor Vehicle does not include a motor vehicle owned by:

1. a self-insurer in accordance with the applicable provisions of law; or
2. the State or any of its political subdivisions when the vehicle is operated by a person with proper authorization.

Insuring Agreement

We will pay damages for bodily injury and property damage an insured is legally entitled to recover from the owner or driver of an uninsured motor vehicle. The bodily injury must be sustained by an insured. The bodily injury and property damage must be caused by an accident that involves the operation, maintenance, or use of an uninsured motor vehicle.

Our Right to Defend

We have the right to appear and defend in the name of the owner and driver of the uninsured motor vehicle on the issues of legal liability of, and the damages owed by, such owner or driver.

Limits

1. The Uninsured Motor Vehicle Coverage limits for bodily injury are shown on the Declarations Page under "Uninsured Motor Vehicle Coverage - Bodily Injury Limits - Each Person, Each Accident".
 - a. The most we will pay for all damages resulting from bodily injury to any one person injured in any one accident is the lesser of:
 - (1) the amount of all damages resulting from that bodily injury reduced by the sum of all payments for damages resulting from that bodily injury made by or on behalf of any person or organization who is or may be held legally liable for that bodily injury; or

- (2) the limit shown under "Each Person".

"Bodily injury to any one person" includes all injury and damages to other persons resulting from that bodily injury, and all emotional distress resulting from that bodily injury sustained by other persons who do not sustain that bodily injury.

- b. Subject to a. above, the most we will pay for all damages resulting from bodily injury to two or more insureds injured in the same accident is the limit shown under "Each Accident".

2. The Uninsured Motor Vehicle Coverage limit for property damage is shown on the Declarations Page under "Uninsured Motor Vehicle Coverage - Property Damage Limit - Each Accident". The most we will pay for property damage is the lesser of:

- a. the amount of property damage reduced by the sum of all payments made by or on behalf of any person or organization who is or may be held legally liable for that property damage; or
- b. the limit shown under "Each Accident".

3. These Uninsured Motor Vehicle Coverage limits are the most we will pay regardless of the number of:

- a. insureds;
- b. claims made;
- c. vehicles insured; or
- d. vehicles involved in the accident.

Nonduplication

We will not pay under Uninsured Motor Vehicle Coverage any damages:

1. that have already been paid to or for the insured;
 - a. by or on behalf of any person or organization who is or may be held legally liable for the bodily injury to the insured; or

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- b. for *bodily injury* under Liability Coverage of any policy issued by the *State Farm Companies* to you or any *resident relative*;
2. that:
- have already been paid;
 - could have been paid; or
 - could be paid
- to or for the *insured* under any workers' compensation law, disability benefits law, or similar law; or
3. that are *property damage* paid or payable under any policy of property insurance.
- Exclusions**
- THERE IS NO COVERAGE:
- FOR AN *INSURED* WHO, WITHOUT *OUR* WRITTEN CONSENT, SETTLES WITH ANY *PERSON* OR ORGANIZATION WHO MAY BE LIABLE FOR THE *BODILY INJURY* OR *PROPERTY DAMAGE* AND THEREBY IMPAIRS *OUR* RIGHT TO RECOVER *OUR* PAYMENTS;
 - TO THE EXTENT THE UNINSURED MOTOR VEHICLE COVERAGE LIMITS OF THIS POLICY EXCEED THE COVERAGE LIMITS REQUIRED BY THE *FINANCIAL RESPONSIBILITY ACT*:
- FOR AN *INSURED* WHO SUSTAINS *BODILY INJURY* WHILE OCCUPYING A MOTOR VEHICLE OWNED BY YOU OR ANY *RESIDENT RELATIVE* IF:
 - THE MOTOR VEHICLE IS NOT *YOUR CAR* OR A *NEWLY ACQUIRED CAR*; AND
 - IT WAS NOT INSURED FOR UNINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;
- IF THE UNINSURED MOTOR VEHICLE IS OWNED BY YOU OR ANY *RESIDENT RELATIVE*; OR
 - FOR *PROPERTY DAMAGE*:
 - TO A MOTOR VEHICLE; OR
 - IN A MOTOR VEHICLE OWNED BY YOU OR ANY *RESIDENT RELATIVE* IF THE MOTOR VEHICLE WAS NOT INSURED FOR UNINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;
 - FOR *PROPERTY DAMAGE* THAT WAS PROXIMATELY CAUSED BY THE DRIVER OF *YOUR CAR* OR A *NEWLY ACQUIRED CAR*;
 - FOR AN *INSURED* WHOSE *BODILY INJURY* RESULTS FROM THE DISCHARGE OF A FIREARM;
 - TO THE EXTENT IT BENEFITS:
 - ANY WORKERS' COMPENSATION OR DISABILITY BENEFITS INSURANCE COMPANY;
 - A SELF-INSURER UNDER ANY WORKERS' COMPENSATION LAW, DISABILITY BENEFITS LAW, OR SIMILAR LAW; OR
 - ANY PROPERTY INSURER;
 - FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION; OR
 - FOR THE FIRST \$200 OF *PROPERTY DAMAGE* SUSTAINED BY EACH *INSURED* IN EACH ACCIDENT.

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- Except as provided in item 1. above, the Uninsured Motor Vehicle Coverage provided by this policy applies as excess coverage.
 - If:
 - you or any *resident relative* sustains *bodily injury* or *property damage*:
 - while occupying a motor vehicle not owned by you or any *resident relative*; or
 - while not occupying a motor vehicle; and
 - Uninsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to you or any *resident relative* by the *State Farm Companies* apply to the same *bodily injury* or *property damage*, then

the maximum amount that may be paid from all such policies combined is the single highest limit provided by any one of the policies. We may choose one or more policies from which to make payment.
 - If you or any *resident relative* sustains *bodily injury* or *property damage* while occupying a motor vehicle other than your car that is owned by you or any *resident relative*, then this coverage applies only to the extent of the uninsured motor vehicle coverage applicable to the motor vehicle that the *insured* was occupying.
- However, if the motor vehicle that the *insured* was occupying was not insured for uninsured motor vehicle coverage at the time of the accident, then the maximum amount that may be paid from all policies

combined that are issued to you or any *resident relative* by the *State Farm Companies* is the minimum limits required by the *Financial Responsibility Act*. We may choose one or more policies from which to make payment.

5. Subject to items 1., 2., 3., and 4. above, if this policy and one or more other sources provide uninsured motor vehicle coverage for the same damages on a:

- primary basis, then we will pay the proportion of damages payable as primary that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits of all other uninsured motor vehicle coverage that apply as primary coverage; or
- excess basis, then we will pay the proportion of damages payable as excess that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits of all other uninsured motor vehicle coverage that apply as excess coverage.

Our Payment Options

We may, at our option, make payment to one or more of the following:

- The *insured*;
- The *insured's* surviving spouse;
- A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person; or
- A person authorized by law to receive such payment.

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UNDERINSURED MOTOR VEHICLE COVERAGE

This policy provides Underinsured Motor Vehicle Coverage if "W" is shown under "SYMBOLS" on the Declarations Page.

Additional Definitions

Insured means:

1. *you*;
2. *resident relatives*;
3. *any other person while occupying or using:*
 - a. *your car*;
 - b. *a newly acquired car*; or
 - c. *a temporary substitute car*;
4. *any person to the extent he or she may recover damages under a state wrongful death statute because of the death of an insured under 1., 2., or 3. above.*

Motor Vehicle means a self-propelled vehicle or trailer designed for use on public roads, but does not include tractor engines, road rollers, farm trailers, tractor cranes, power shovels, well drillers, or electric trolleys.

Property Damage means damage to property of the insured.

Underinsured Motor Vehicle means a motor vehicle the ownership, maintenance, and use of which is either:

1. insured or bonded for bodily injury and property damage liability at the time of the accident; or
2. self-insured under any motor vehicle financial responsibility law, any motor carrier law, or any similar law

in an amount that is at least equal to the amount required by the *Financial Responsibility Act* and:

1. the amount of the insurance, bonds, and self-insurance from all sources is less than the amount of the insured's damages; or

2. the insured's damages exceed any damages cap or limitation imposed by statute.

Underinsured Motor Vehicle does not include a motor vehicle while located for use as a dwelling or other premises.

Insuring Agreement

We will pay damages for *bodily injury* and *property damage* an insured is legally entitled to recover from the owner or driver of an *underinsured motor vehicle*. The *bodily injury* must be sustained by an insured. The *bodily injury* and *property damage* must be caused by an accident that involves the operation, maintenance, or use of an *underinsured motor vehicle*.

We will pay only if all *bodily injury* and *property damage* liability bonds, policies, and self-insurance plans that apply to the insured's *bodily injury* or *property damage* have been:

1. used up by payment of judgments or settlements; or
2. paid to the extent required by any damages cap or limitation imposed by statute.

Our Right to Defend

We have the right to appear and defend in the name of the owner and driver of the *underinsured motor vehicle* on the issues of legal liability of, and the damages owed by, such owner or driver.

Limits

1. The Underinsured Motor Vehicle Coverage limits are shown on the Declarations Page under "Underinsured Motor Vehicle Coverage - Bodily Injury Limits - Each Person, Each Accident".

- a. The most we will pay for all damages resulting from *bodily injury* to any one person injured in any one accident is the lesser of:

- (1) the amount of all damages resulting from that *bodily injury* reduced by the sum of all payments for damages resulting from that

bodily injury made by or on behalf of any person or organization who is or may be held legally liable for that *bodily injury*; or

- (2) the limit shown under "Each Person".

"*Bodily injury* to any one person" includes all injury and damages to other persons resulting from that *bodily injury*, and all emotional distress resulting from that *bodily injury* sustained by other persons who do not sustain that *bodily injury*.

- b. Subject to a. above, the most we will pay for all damages resulting from *bodily injury* to two or more insureds injured in the same accident is the limit shown under "Each Accident".

2. The Underinsured Motor Vehicle Coverage limit for *property damage* is shown on the Declarations Page under "Underinsured Motor Vehicle Coverage - Property Damage Limit - Each Accident". The most we will pay for *property damage* is the lesser of:

- a. the amount of *property damage* reduced by the sum of all payments made by or on behalf of any person or organization who is or may be held legally liable for that *property damage*; or
- b. the limit shown under "Each Accident".

3. These Underinsured Motor Vehicle Coverage limits are the most we will pay regardless of the number of:

- a. *insureds*;
- b. *claims made*;
- c. *vehicles insured*; or
- d. *vehicles involved in the accident*.

Nonduplication

We will not pay under Underinsured Motor Vehicle Coverage any damages:

1. that have already been paid to or for the insured;
- a. by or on behalf of any person or organization who is or may be held

legally liable for the *bodily injury* to the insured; or

- b. for *bodily injury* under Liability Coverage of any policy issued by the *State Farm Companies* to you or any resident relative;

2. that:

- a. have already been paid;
- b. could have been paid; or
- c. could be paid

to or for the insured under any workers' compensation law, disability benefits law, or similar law; or

3. that are *property damage* paid or payable under any policy of property insurance.

Exclusions

THERE IS NO COVERAGE:

1. FOR AN *INSURED* WHO, WITHOUT OUR WRITTEN CONSENT, SETTLES WITH ANY *PERSON* OR ORGANIZATION WHO MAY BE LIABLE FOR THE *BODILY INJURY* OR *PROPERTY DAMAGE* AND THEREBY IMPAIRS OUR RIGHT TO RECOVER OUR PAYMENTS;

2. TO THE EXTENT THE UNDERINSURED MOTOR VEHICLE COVERAGE LIMITS OF THIS POLICY EXCEED THE COVERAGE LIMITS REQUIRED BY THE *FINANCIAL RESPONSIBILITY ACT*:

- a. FOR AN *INSURED* WHO SUSTAINS *BODILY INJURY* WHILE OCCUPYING A MOTOR VEHICLE OWNED BY YOU OR ANY RESIDENT RELATIVE IF:

- (1) THE MOTOR VEHICLE IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR; AND

- (2) IT WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE

COVERAGE AT THE TIME OF THE ACCIDENT;

- b. IF THE **UNDERINSURED MOTOR VEHICLE IS OWNED BY YOU OR ANY RESIDENT RELATIVE**; OR
 - c. FOR **PROPERTY DAMAGE**:
 - (1) TO A MOTOR VEHICLE; OR
 - (2) IN A MOTOR VEHICLE **OWNED BY YOU OR ANY RESIDENT RELATIVE** IF THE MOTOR VEHICLE WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;
 3. FOR **PROPERTY DAMAGE** THAT WAS PROXIMATELY CAUSED BY THE DRIVER OF YOUR CAR OR A NEWLY ACQUIRED CAR;
 4. FOR AN **INSURED** WHOSE **BODILY INJURY** RESULTS FROM THE DISCHARGE OF A FIREARM;
 5. TO THE EXTENT IT BENEFITS:
 - a. ANY WORKERS' COMPENSATION OR DISABILITY BENEFITS INSURANCE COMPANY;
 - b. A SELF-INSURER UNDER ANY WORKERS' COMPENSATION LAW, DISABILITY BENEFITS LAW, OR SIMILAR LAW; OR
 - c. ANY PROPERTY INSURER; OR
 6. FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION.
- If Other Underinsured Motor Vehicle Coverage Applies**
1. The Underinsured Motor Vehicle Coverage provided by this policy applies as primary coverage for an *insured* who sustain *bodily injury* or *property damage* while *occupying* your car.

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2. Except as provided in item 1. above, the Underinsured Motor Vehicle Coverage provided by this policy applies as excess coverage.
3. If:
 - a. you or any *resident relative* sustains *bodily injury* or *property damage*:
 - (1) while *occupying* a motor vehicle not owned by you or any *resident relative*; or
 - (2) while not *occupying* a motor vehicle; and
 - b. Underinsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to you or any *resident relative* by the *State Farm Companies* apply to the same *bodily injury* or *property damage*, then

the maximum amount that may be paid from all such policies combined is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.
4. If you or any *resident relative* sustains *bodily injury* or *property damage* while *occupying* a motor vehicle other than your car that is *owned* by you or any *resident relative*, then this coverage applies only to the extent of the underinsured motor vehicle coverage applicable to the motor vehicle that the *insured* was *occupying*.

However, if the motor vehicle that the *insured* was *occupying* was not insured for underinsured motor vehicle coverage at the time of the accident, then the maximum amount that may be paid from all policies combined that are issued to you or any *resident relative* by the *State Farm Companies* is the minimum limits required by the *Financial Responsibility Act*. *We* may choose one or more policies from which to make payment.
5. Subject to items 1., 2., 3., and 4. above, if this policy and one or more other sources

provide underinsured motor vehicle coverage for the same damages on a:

- a. primary basis, then we will pay the proportion of damages payable as primary that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits of all other underinsured motor vehicle coverage that apply as primary coverage; or
- b. excess basis, then we will pay the proportion of damages payable as excess that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits

of all other underinsured motor vehicle coverage that apply as excess coverage.

Our Payment Options

We may, at *our* option, make payment to one or more of the following:

1. The *insured*;
2. The *insured's* surviving spouse;
3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent *person*; or
4. A *person* authorized by law to receive such payment.

PHYSICAL DAMAGE COVERAGES

The physical damage coverages are Comprehensive Coverage, Collision Coverage, Emergency Road Service Coverage, and Car Rental and Travel Expenses Coverage.

This policy provides:

1. Comprehensive Coverage if "D";
2. Collision Coverage if "G";
3. Emergency Road Service Coverage if "H";
4. Car Rental and Travel Expenses Coverage if "RI"

is shown under "SYMBOLS" on the Declarations Page.

If a deductible applies to Comprehensive Coverage, then it is shown on the Declarations Page. The deductible that applies to Collision Coverage is shown on the Declarations Page.

Additional Definitions

Covered Vehicle means:

1. your car;

2. a *newly acquired car*;
3. a *temporary substitute car*;
4. a camper that is designed to be mounted on a pickup truck and shown on the Declarations Page;
5. a *non-owned car* while it is:
 - a. being driven by an *insured*; or
 - b. in the custody of an *insured* if at the time of the *loss* it is:
 - (1) not being driven; or
 - (2) being driven by a *person* other than an *insured* and being *occupied* by an *insured*;
6. a *non-owned trailer* while it is being used by an *insured*; and
7. a *non-owned camper* while it is being used by an *insured*;

including its parts and its equipment that are common to the use of the vehicle as a vehicle. However, parts and equipment of *trailers* and

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campers must be securely fixed as a permanent part of the trailer or camper.

Daily Rental Charge means the sum of:

1. the daily rental rate;
2. mileage charges; and
3. related taxes.

Insured means you and resident relatives.

Loss means:

1. direct, sudden, and accidental damage to; or
2. total or partial theft of

a covered vehicle. *Loss* does not include any reduction in the value of any covered vehicle after it has been repaired, as compared to its value before it was damaged.

Loss Caused By Collision means a loss caused by:

1. a covered vehicle hitting or being hit by another vehicle or another object; or
2. the overturning of a covered vehicle.

Any loss caused by missiles, falling objects, windstorm, hail, fire, explosion, earthquake, water, flood, total or partial theft, malicious mischief, vandalism, riot, civil commotion, or hitting or being hit by a bird or an animal is not a **Loss Caused By Collision**.

Non-Owned Camper means a camper designed to be mounted on a pickup truck that is in the lawful possession of an insured and that neither:

1. is owned by:
 - a. an insured;
 - b. any other person who resides primarily in your household; or
 - c. an employer of any person described in a. or b. above; nor
2. has been used by, rented by, or in the possession of an insured during any part of each of the 31 or more consecutive days immediately prior to the date of the loss.

Non-Owned Trailer means a trailer that is in the lawful possession of an insured and that neither:

1. is owned by:
 - a. an insured;
 - b. any other person who resides primarily in your household; or
 - c. an employer of any person described in a. or b. above; nor
2. has been used by, rented by, or in the possession of an insured during any part of each of the 31 or more consecutive days immediately prior to the date of the loss.

Insuring Agreements

1. Comprehensive Coverage

We will pay:

- a. for loss, except loss caused by collision, to a covered vehicle; and
- b. transportation expenses incurred by an insured as a result of the total theft of your car or a newly acquired car. These transportation expenses are payable:

(1) during the period that:

- (a) starts on the date you report the theft to us; and
- (b) ends on the earliest of:

- (i) the date the vehicle is returned to your possession in a drivable condition;
- (ii) the date we offer to pay for the loss if the vehicle has not yet been recovered; or
- (iii) the date we offer to pay for the loss if the vehicle is recovered, but is a total loss as determined by us; and

(2) during the period that:

- (a) starts on the date the vehicle is left at a repair facility if the

stolen vehicle is recovered, returned to your possession in a drivable condition, and has unrepaired damage that resulted from the total theft; and

- (b) ends on the date the vehicle is repaired.

These transportation expenses must be reported to us before we will pay such incurred expenses.

2. Collision Coverage

We will pay for loss caused by collision to a covered vehicle.

3. Emergency Road Service Coverage

We will pay the fair cost incurred by an insured for:

- a. up to one hour of labor to repair a covered vehicle at the place of its breakdown;
- b. towing to the nearest repair facility where necessary repairs can be made if a covered vehicle is not drivable;
- c. towing a covered vehicle out of a location where it is stuck if the vehicle is on or immediately next to a public road;
- d. delivery of gas, oil, battery, or tire necessary to return a covered vehicle to driving condition. We do not pay the cost of the gas, oil, battery, or tire; and
- e. up to one hour of labor for locksmith services to unlock a covered vehicle if its key is lost, stolen, or locked inside the vehicle.

4. Car Rental and Travel Expenses Coverage

a. Car Rental Expense

We will pay the daily rental charge incurred when you rent a car from a car business while your car or a newly acquired car is:

- (1) not drivable; or

(2) being repaired

as a result of a loss which would be payable under Comprehensive Coverage or Collision Coverage.

We will pay this daily rental charge incurred during a period that:

(1) starts on the date:

- (a) the vehicle is not drivable as a result of the loss; or
- (b) the vehicle is left at a repair facility if the vehicle is drivable; and

(2) ends on the earliest of:

- (a) the date the vehicle has been repaired or replaced;
- (b) the date we offer to pay for the loss if the vehicle is repairable but you choose to delay repairs; or
- (c) five days after we offer to pay for the loss if the vehicle is:
 - (i) a total loss as determined by us; or
 - (ii) stolen and not recovered.

The amount of any such daily rental charge incurred by you must be reported to us before we will pay such amount.

b. Travel Expenses

We will pay expenses for commercial transportation, lodging, and meals if your car or a newly acquired car is not drivable as a result of a loss which would be payable under Comprehensive Coverage or Collision Coverage. The loss must occur more than 50 miles from your home. We will only pay these expenses if they are incurred by:

(1) an insured during the period that:

- (a) starts after the loss occurs; and
- (b) ends on the earlier of:

- (i) the *insured's* arrival at his or her destination or home if the vehicle is left behind for repairs; or
- (ii) the repair of the vehicle if the *insured* waits for repairs before continuing on to his or her destination or returning home; and
- (2) *you*, or any *person you* choose, to travel to retrieve the vehicle and drive it to either the original destination or *your* home if the vehicle was left behind for repairs.
- These expenses must be reported to *us* before we will pay such incurred expenses.
- c. **Rental Car – Repayment of Deductible Expense**
- We* will pay the comprehensive deductible or collision deductible an *insured* is required to pay the owner of a car rented from a car business.
- Supplementary Payments – Comprehensive Coverage and Collision Coverage**
- If the *covered vehicle* sustains *loss* for which we make a payment under Comprehensive Coverage or Collision Coverage, then we will pay reasonable expenses incurred to:
1. tow the *covered vehicle* immediately after the *loss*:
 - a. for a reasonable distance from the location of the *loss* to any one repair facility chosen by an *insured* or the owner of the *covered vehicle*, if the *covered vehicle* is not drivable; or
 - b. to any one repair facility or commercial storage facility, neither of which was chosen by an *insured* or the owner of the *covered vehicle*. *We* will also pay reasonable expenses incurred to tow the *covered vehicle* for a reasonable distance from this facility to any one repair facility chosen by an *insured* or the owner of the *covered vehicle*, if the *covered vehicle* is not drivable;
 2. store the *covered vehicle*, if it is not drivable immediately after the *loss*, at:
 - a. any one repair facility or commercial storage facility, neither of which was chosen by an *insured* or the owner of the *covered vehicle*; and
 - b. any one repair facility chosen by the owner of the *covered vehicle*, and we determine such vehicle is a total loss.

If the owner of the *covered vehicle* consents, then we may move the *covered vehicle* at our expense to reduce storage costs. If the owner of the *covered vehicle* does not consent, then we will pay only the storage costs that would have resulted if we had moved the damaged *covered vehicle*; and
 3. clean up debris from the *covered vehicle* at the location of the *loss*. The most we will pay to clean up the debris is \$250 for any one *loss*.
- Limits and Loss Settlement – Comprehensive Coverage and Collision Coverage**
1. *We* have the right to choose to settle with *you* or the owner of the *covered vehicle* in one of the following ways:
 - a. Pay the cost to repair the *covered vehicle* minus any applicable deductible. The deductible amount does not apply to *loss* to safety glass.
 - (i) *We* have the right to choose one of the following to determine the cost to repair the *covered vehicle*:
 - (a) The cost agreed to by both the owner of the *covered vehicle* and *us*;
 - (b) A bid or repair estimate approved by *us*; or
 - (c) A repair estimate that is written based upon or adjusted to:
 - (ii) the prevailing competitive price;
 - (iii) the lower of paintless dent repair pricing established by an agreement we have with a third party or the paintless dent repair price that is competitive in the market; or
 - (iii) a combination of (i) and (ii) above.

The prevailing competitive price means prices charged by a majority of the repair market in the area where the *covered vehicle* is to be repaired as determined by a survey made by *us*. If asked, we will identify some facilities that will perform the repairs at the prevailing competitive price. The estimate will include parts sufficient to restore the *covered vehicle* to its pre-loss condition.

You agree with *us* that the repair estimate may include new, used, recycled, and reconditioned parts. Any of these parts may be either original equipment manufacturer parts or non-original equipment manufacturer parts.

You also agree that replacement glass need not have any insignia, logo, trademark, etching, or other marking that was on the replaced glass.
 - (2) The cost to repair the *covered vehicle* does not include any reduction in the value of the *covered vehicle* after it has been repaired, as compared to its value before it was damaged.
 - (3) If the repair or replacement of a part results in betterment of that part, then *you* or the owner of the

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- covered vehicle* must pay for the amount of the betterment;
- b. Pay the actual cash value of the *covered vehicle* minus any applicable deductible.
 - (1) The owner of the *covered vehicle* and we must agree upon the actual cash value of the *covered vehicle*. If there is disagreement as to the actual cash value of the *covered vehicle*, then the disagreement will be resolved by appraisal upon written request of the owner or *us*, using the following procedures:
 - (a) The owner and we will each select a competent appraiser.
 - (b) The two appraisers will select a third competent appraiser. If they are unable to agree on a third appraiser within 30 days, then either the owner or we may petition a court that has jurisdiction to select the third appraiser.
 - (c) Each party will pay the cost of its own appraiser, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third appraiser.
 - (d) The appraisers shall only determine the actual cash value of the *covered vehicle*. Appraisers shall have no authority to decide any other questions of fact, decide any questions of law, or conduct appraisal on a class-wide or class-representative basis.
 - (e) A written appraisal that is both agreed upon by and signed by any two appraisers, and that also contains an explanation of how they arrived at their appraisal, will be binding on the

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- owner of the *covered vehicle* and us.
- (1) We do not waive any of our rights by submitting to an appraisal.
- (2) The damaged *covered vehicle* must be given to us in exchange for our payment, unless we agree that the owner may keep it. If the owner keeps the *covered vehicle*, then our payment will be reduced by the value of the *covered vehicle* after the loss; or
- c. Return the stolen *covered vehicle* to its owner and pay, as described in 1.a. above, for any direct, sudden, and accidental damage that resulted from the theft.
2. The most we will pay for transportation expenses under Comprehensive Coverage is \$25 per day subject to an aggregate limit of \$750 per loss.
3. The most we will pay for loss to a *non-owned trailer* or a *non-owned camper* is \$2,500.
- Limits - Car Rental and Travel Expenses Coverage
1. Car Rental Expense
- The limit for Car Rental Expense is shown on the Declarations Page under "Limit - Car Rental Expense - Each Day, Each Loss".
- a. The limit shown under "Each Day" is the most we will pay for the *daily rental charge*. If:
- (1) a dollar amount is shown, then we will pay the *daily rental charge* up to that dollar amount;
- (2) a percentage amount is shown, then we will pay that percentage of the *daily rental charge*.
- b. Subject to the "Each Day" limit, the limit shown under "Each Loss" is the
- most we will pay for Car Rental Expense incurred as a result of any one loss.
2. Travel Expenses
- The most we will pay for Travel Expenses incurred by all *insureds* as a result of any one loss is \$500.
3. Rental Car - Repayment of Deductible Expense
- The most we will pay for Rental Car - Repayment of Deductible Expense incurred as a result of any one loss is \$300.
- Nonduplication
- We will not pay for any loss or expense under the Physical Damage Coverages for which the *insured* or owner of the *covered vehicle* has already received payment from, or on behalf of, a party who is legally liable for the loss or expense.
- Exclusions
- THERE IS NO COVERAGE FOR:
1. ANY *COVERED VEHICLE* THAT IS:
- a. INTENTIONALLY DAMAGED; OR
- b. STOLEN
- BY OR AT THE DIRECTION OF AN *INSURED*;
2. ANY *COVERED VEHICLE* WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN *INSURED*;
3. ANY *COVERED VEHICLE* WHILE IT IS USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;
4. ANY *COVERED VEHICLE* DUE TO:
- a. THEFT;
- b. CONVERSION;
- c. EMBEZZLEMENT; OR
- d. SECRETION

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- BY AN *INSURED*, A CONSIGNEE, AN AGENT OF A CONSIGNEE, OR A PERSON WHO OBTAINS POSSESSION OF THE *COVERED VEHICLE* WITH THE PERMISSION OF A CONSIGNEE OR AGENT OF A CONSIGNEE;
5. LOSS TO YOUR CAR OR A NEWLY ACQUIRED CAR IF AN *INSURED* VOLUNTARILY RELINQUISHES POSSESSION OF THAT CAR TO A PERSON OR ORGANIZATION UNDER AN ACTUAL OR PRESUMED SALES AGREEMENT;
6. ANY *COVERED VEHICLE* TO THE EXTENT OUR PAYMENT WOULD BENEFIT ANY CARRIER OR OTHER BAILEE FOR HIRE THAT IS LIABLE FOR LOSS TO SUCH *COVERED VEHICLE*;
7. LOSS TO ANY *COVERED VEHICLE* DUE TO FUNGI. THIS APPLIES REGARDLESS OF WHETHER OR NOT THE FUNGI RESULT FROM A LOSS THAT IS PAYABLE UNDER ANY OF THE PHYSICAL DAMAGE COVERAGES. WE WILL ALSO NOT PAY FOR ANY TESTING OR REMEDIATION OF FUNGI, OR ANY ADDITIONAL COSTS REQUIRED TO REPAIR ANY *COVERED VEHICLE* THAT ARE DUE TO THE EXISTENCE OF FUNGI;
8. LOSS TO ANY *COVERED VEHICLE* THAT RESULTS FROM:
- a. NUCLEAR REACTION;
- b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
- c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
9. LOSS TO ANY *COVERED VEHICLE* THAT RESULTS FROM THE TAKING OF OR SEIZURE OF THAT *COVERED VEHICLE* BY ANY GOVERNMENTAL AUTHORITY;
10. LOSS TO ANY *COVERED VEHICLE* THAT RESULTS FROM WAR OF ANY KIND;
11. YOUR CAR WHILE SUBJECT TO ANY:
- a. LIEN AGREEMENT;
- b. RENTAL AGREEMENT;
- c. LEASE AGREEMENT; OR
- d. SALES AGREEMENT
- NOT SHOWN ON THE DECLARATIONS PAGE;
12. ANY *NON-OWNED CAR* WHILE IT IS:
- a. BEING MAINTAINED OR USED BY ANY PERSON WHILE THAT PERSON IS EMPLOYED IN OR ENGAGED IN ANY WAY IN A CAR BUSINESS; OR
- b. USED IN ANY BUSINESS OR OCCUPATION OTHER THAN A CAR BUSINESS. This exclusion (12.b.) does not apply to a *private passenger car*;
13. ANY PART OR EQUIPMENT OF A *COVERED VEHICLE* IF THAT PART OR EQUIPMENT:
- a. FAILS OR IS DEFECTIVE; OR
- b. IS DAMAGED AS A DIRECT RESULT OF:
- (1) WEAR AND TEAR;
- (2) FREEZING; OR
- (3) MECHANICAL, ELECTRICAL, OR ELECTRONIC BREAKDOWN OR MALFUNCTION OF THAT PART OR EQUIPMENT.
- This exclusion does not apply if the loss is the result of theft of the *covered vehicle*;
14. ANY PART OR EQUIPMENT:
- a. THAT IS NOT LEGAL FOR USE IN OR ON THE *COVERED VEHICLE*

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IN THE JURISDICTION WHERE THE COVERED VEHICLE IS REGISTERED; OR

- b. THE USE OF WHICH IS NOT LEGAL IN THE JURISDICTION WHERE THE COVERED VEHICLE IS REGISTERED BECAUSE OF HOW OR WHERE THAT PART OR EQUIPMENT IS INSTALLED IN OR ON THE COVERED VEHICLE.

However, if there is a legal version of the part or equipment that is necessary for the safe operation of the covered vehicle, then we will pay the cost that we would otherwise have paid to repair the vehicle with the legal version of the part or equipment. We will not pay any cost necessary to modify the vehicle for installation of the legal version of the part or equipment;

15. TIRES. This exclusion does not apply if:

- a. loss is caused by missiles, falling objects, windstorm, hail, fire, explosion, earthquake, water, flood, total or partial theft, malicious mischief, vandalism, riot, civil commotion, or hitting or being hit by a bird or an animal; or

- b. loss caused by collision to another part of the covered vehicle causes loss to tires;

16. REMOVABLE PRODUCTS USED FOR STORAGE OF AUDIO, VIDEO, OR OTHER DATA, INCLUDING BUT NOT LIMITED TO TAPES, DISCS, AND MEMORY CARDS, NOR IS THERE COVERAGE FOR THE RECONSTRUCTION OF DATA CONTAINED THEREIN;

17. ANY EQUIPMENT USED TO DETECT OR INTERFERE WITH SPEED MEASURING DEVICES;

18. A CAMPER, INCLUDING ITS PARTS AND ITS EQUIPMENT, THAT IS:

- a. DESIGNED TO BE MOUNTED ON A PICKUP TRUCK;

b. OWNED BY AN INSURED; AND

c. NOT SHOWN ON THE DECLARATIONS PAGE; OR

19. ANY COVERED VEHICLE WHILE IT IS:

- a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR

- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (19.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

If Other Physical Damage Coverage or Similar Coverage Applies

1. If the same loss or expense is payable under more than one of the physical damage coverages provided by this policy, then only the one coverage that pays the most for that loss or expense applies.

2. If any of the physical damage coverages provided by this policy and one or more other policies issued to an insured by the State Farm Companies apply to the same loss or expense, then only one policy applies. We will select a policy that pays the most for the loss or expense.

3. The physical damage coverages provided by this policy apply as primary coverage for a loss to your car.

If similar coverage provided by one or more sources other than the State Farm Companies also applies as primary coverage for the same loss or expense, then the State Farm Companies will pay the proportion of the loss or expense payable as primary that the maximum amount that may be paid by the State Farm Companies bears to the sum of such amount and the limits of

all other similar coverage that applies as primary coverage.

4. Except as provided in 3. above, the physical damage coverages provided by this policy apply as excess coverage.

If similar coverage provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same loss or expense, then the State Farm Companies will pay the proportion of the loss or expense payable as excess that the maximum amount that may be paid by the State Farm Companies bears to the sum of such amount and the limits of all other similar coverage that applies as excess coverage.

Financed Vehicle

1. If a creditor is shown on the Declarations Page, then any Comprehensive Coverage or Collision Coverage provided by this policy applies to that creditor's interest in your car. Coverage for the creditor's interest is only provided for a loss that is payable to you.

However, if this policy is cancelled or non-renewed, then we will provide coverage for the creditor's interest until we notify the creditor of the termination of such coverage. This coverage for the creditor's interest is only provided for a loss that would have been payable to you if this policy had not been cancelled or nonrenewed. The date such termination is effective will be at least 10 days after the date we mail or electronically transmit a notice of the termination to the creditor.

2. If we pay such creditor, then we are entitled to the creditor's right of recovery against you to the extent of our payment.

Our right of recovery does not impair the creditor's right to recover the full amount of its claim.

Our Payment Options

1. Comprehensive Coverage and Collision Coverage

- a. We may, at our option, make payment to one or more of the following for loss to a covered vehicle owned by you:

- (1) You;
- (2) The repairer; or
- (3) A creditor shown on the Declarations Page, to the extent of its interest.

- b. We may, at our option, make payment to one or more of the following for loss to a covered vehicle not owned by you:

- (1) You;
- (2) The owner of such vehicle;
- (3) The repairer; or
- (4) A creditor, to the extent of its interest.

2. Emergency Road Service Coverage and Car Rental and Travel Expenses Coverage

We may, at our option, make payment to one or more of the following:

- a. You;
- b. The insured who incurred the expense; or
- c. Any party that provided the service for which payment is owed.

DEATH, DISMEMBERMENT AND LOSS OF SIGHT COVERAGE

This policy provides Death, Dismemberment and Loss of Sight Coverage if "S" is shown under "SYMBOLS" on the Declarations Page.

Additional Definition

Insured means a person whose name is shown under "Death, Dismemberment and Loss of Sight Coverage - Persons Insured" on the Declarations Page.

Insuring Agreement

We will pay the highest applicable benefit shown in the following Death, Dismemberment and Loss of Sight Benefits Schedules if an *Insured*:

1. dies; or
2. suffers dismemberment or permanent loss of sight, as described in the schedule

as the direct result of an accident that involves the use of a land motor vehicle or any type of trailer as a vehicle and not due to any other cause.

The *Insured* must be *occupying* or be struck as a *pedestrian* by a land motor vehicle or any type of trailer at the time of the accident. The death, dismemberment, or permanent loss of sight must occur within 90 days immediately following the date of the accident.

Benefit

The applicable benefit shown in the schedule is the most we will pay for any one *Insured* in any one accident. Any benefit paid or payable for dismemberment or permanent loss of sight reduces the death benefit.

The benefits shown in the schedules are doubled for an *Insured* who at the time of the accident was *occupying a private passenger car* and using a seat belt in the manner recommended by the vehicle's manufacturer.

Death, Dismemberment and Loss of Sight Benefits Schedules

If the amount shown on the Declarations Page for the *Insured* is \$5,000, then we will pay the applicable benefit shown below for death or for the described dismemberment or permanent loss of sight:

Death	\$5,000
Loss of both hands; both feet; all sight of both eyes; one hand and one foot; or one hand or one foot and all sight of one eye	\$5,000
Loss of one hand or one foot; or all sight of one eye	\$2,500
Loss of the thumb and a finger on one hand; or any three fingers	\$1,500
Loss of any two fingers	\$1,000

The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.

If the amount shown on the Declarations Page for the *Insured* is \$10,000, then we will pay the applicable benefit shown below for death or for the described dismemberment or permanent loss of sight:

Death	\$10,000
Loss of both hands; both feet; all sight of both eyes; one hand and one foot; or one hand or one foot and all sight of one eye	\$10,000
Loss of one hand or one foot; or all sight of one eye	\$5,000
Loss of the thumb and a finger on one hand; or any three fingers	\$3,000
Loss of any two fingers	\$2,000

The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.

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Exclusions

DEATH, DISMEMBERMENT AND LOSS OF SIGHT COVERAGE DOES NOT APPLY TO AN *INSURED*:

1. WHILE IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT IN A *CAR BUSINESS*;
2. WHILE *OCCUPYING*, LOADING, OR UNLOADING:
 - a. AN EMERGENCY VEHICLE IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT;
 - b. A VEHICLE, OTHER THAN AN EMERGENCY VEHICLE, WHILE USED IN THE:
 - (1) *INSURED'S BUSINESS*; OR
 - (2) COURSE AND SCOPE OF HIS OR HER EMPLOYMENT IN OTHER THAN A *CAR BUSINESS*.

This exclusion (2.b.) does not apply if the vehicle is a *private passenger car*;

- c. A MILITARY VEHICLE; OR
- d. A VEHICLE WHILE IT IS:
 - (1) BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
 - (2) ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (2.d.(2)) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving;
3. WHILE *OCCUPYING*, LOADING, UNLOADING, OR WHO IS STRUCK AS A *PEDESTRIAN* BY:
 - a. A MOTOR VEHICLE THAT RUNS ON RAILS OR CRAWLER-TREADS;
 - b. A MOTOR VEHICLE THAT IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS; OR
 - c. A MOTOR VEHICLE OR ANY TYPE OF TRAILER, EITHER OF WHICH IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES; OR
 4. FOR DEATH, DISMEMBERMENT, LOSS OF SIGHT, OR *TOTAL DISABILITY* THAT RESULTS FROM:
 - a. WAR OF ANY KIND;
 - b. NUCLEAR REACTION, RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE, OR THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
 - c. THE DISCHARGE OF A FIREARM;
 - d. EXPOSURE TO *FUNGUS*;
 - e. SUICIDE OR ATTEMPTED SUICIDE REGARDLESS OF WHETHER THE *INSURED* WAS SANE OR INSANE; OR
 - f. DISEASE except pus-forming infection due to *bodily injury* sustained in the accident.

Our Payment Options

We may, at our option, make payment to one or more of the following:

1. The *Insured*;
2. The *Insured's* surviving spouse;
3. A parent or guardian of the *Insured*, if the *Insured* is a minor or an incompetent person; or
4. A person or organization authorized by law to receive such payment.

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INSURED'S DUTIES

1. Notice to Us of an Accident or Loss

The *insured* must give *us* or one of *our* agents notice of the accident or loss as soon as reasonably possible. The notice must give *us*:

- your* name;
- the names and addresses of all *persons* involved in the accident or loss;
- the hour, date, place, and facts of the accident or loss; and
- the names and addresses of witnesses to the accident or loss.

2. Notice to Us of a Claim or Lawsuit

- If a claim is made against an *insured*, then that *insured* must immediately send *us* every demand, notice, and claim received.
- If a lawsuit is filed against an *insured*, then that *insured* must immediately send *us* every summons and legal process received.

3. Insured's Duty to Cooperate With Us

- The *insured* must cooperate with *us* and, when asked, assist *us* in:
 - making settlements;
 - securing and giving evidence;
 - attending, and getting witnesses to attend, depositions, hearings, and trials; and
 - preserving his or her right to recover damages from others.
- The *insured* must not, except at his or her own cost, voluntarily:
 - make any payment to others; or
 - assume any obligation to others unless authorized by the terms of this policy.
- Any *person* or organization making claim under this policy must, when *we*

require, give *us* proof of loss on forms *we* furnish.

4. Questioning Under Oath

Under:

- Liability Coverage, each *insured*;
- Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage, each *insured*, or any other *person* or organization making claim or seeking payment; and
- Physical Damage Coverages, each *insured* or owner of a covered vehicle, or any other *person* or organization making claim or seeking payment;

must, at *our* option, submit to an examination under oath, provide a statement under oath, or do both, as reasonably often as *we* require. Such *person* or organization must answer questions under oath, asked by anyone *we* name, and sign copies of the answers. *We* may require each *person* or organization answering questions under oath to answer the questions with only that *person's* or organization's legal representative, *our* representatives, any *person* or *persons* designated by *us* to record the questions and answers, and no other *person* present.

5. Other Duties Under the Physical Damage Coverages

When there is a loss, *you* or the owner of the covered vehicle must:

- protect the covered vehicle from additional damage. *We* will pay any reasonable expense incurred to do so that is reported to *us*;
- make a prompt report to the police when the loss is the result of theft;
- allow *us* to:

- inspect any damaged property before its repair or disposal;

- test any part or equipment before that part or equipment is removed or repaired; and

- move the covered vehicle at *our* expense in order to conduct such inspection or testing;

d. provide *us* all:

- records;
- receipts; and
- invoices

that *we* request and allow *us* to make copies; and

e. not abandon the covered vehicle to *us*.

6. Other Duties Under Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, and Death, Dismemberment and Loss of Sight Coverage

A *person* making claim under:

- Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage must:

- notify *us* of the claim and give *us* all the details about the death, injury, treatment, and other information that *we* may need as soon as reasonably possible after the injured *insured* is first examined or treated for the injury. If the *insured* is unable to give *us* notice, then any other *person* may give *us* the required notice;
- be examined as reasonably often as *we* may require by physicians chosen and paid by *us*. A copy of the report will be sent to the *person* upon written request;

- provide written authorization for *us* to obtain:

- medical bills;
- medical records;
- wage, salary, and employment information; and
- any other information *we* deem necessary to substantiate the claim.

If an injured *insured* is a minor, unable to act, or dead, then his or her legal representative must provide *us* with the written authorization.

If the holder of the information refuses to provide it to *us* despite the authorization, then at *our* request the *person* making claim or his or her legal representative must obtain the information and promptly provide it to *us*; and

- allow *us* to inspect the vehicle that the *insured* occupied in the accident;

- Uninsured Motor Vehicle Coverage must report an accident, involving a motor vehicle whose owner and driver remain unknown, to the police and to *us* within a reasonable period of time; and

- Uninsured Motor Vehicle Coverage and Underinsured Motor Vehicle Coverage must:

- send *us* immediately a copy of all lawsuit papers if the *insured* files a lawsuit against the party liable for the accident; and

- if making a claim for property damage:

- allow *us* to:

- inspect any property damage before its repair or disposal;

- (ii) test any part or equipment before that part or equipment is removed or repaired; and
- (iii) move the damaged property at *our* expense in order to conduct such inspection or testing; and
- (b) protect the damaged property from additional damage. *We* will pay any reasonable expense incurred to do so that is reported to *us*;
- (c) provide *us* all:
 - (i) records;
 - (ii) receipts; and
 - (iii) invoices

- that *we* request and allow *us* to make copies;
- (d) not abandon the damaged property to *us*; and
- (e) give *us* sworn proof of claim within 60 days of the accident. This proof of claim must state:
 - (i) who owns the property and how much they own;
 - (ii) the amount of any claims or liens on the property;
 - (iii) the value of the property at the time of the accident;
 - (iv) details of the accident; and
 - (v) details of any other insurance applicable to the property.

GENERAL TERMS

1. When Coverage Applies

The coverages provided by this policy are shown on the Declarations Page and apply to accidents and losses that occur during the policy period. The policy period is shown on the Declarations Page and is for successive periods of six months each for which the renewal premium is paid. The policy period begins and ends at 12:01 AM Standard Time at the address shown on the Declarations Page.

2. Where Coverage Applies

The coverages provided by this policy are shown on the Declarations Page and apply to accidents and losses that occur:

- a. in the United States of America and its territories and possessions;
- b. in Canada; and
- c. while a vehicle for which coverage is provided by this policy is being

shipped between the ports of the United States of America, its territories, its possessions, and Canada.

The Liability Coverage, Personal Injury Protection Coverage, Medical Payments Coverage, and Physical Damage Coverages also apply in Mexico within 50 miles of the United States border. A Physical Damage Coverage loss in Mexico is determined on the basis of cost at the nearest United States point.

Death, Dismemberment and Loss of Sight Coverage applies anywhere in the world.

3. Newly Owned or Newly Leased Car

If you want to insure a car newly owned by you with the State Farm Companies after that car ceases to be a newly acquired car, then you must either:

- a. request *we* replace the car currently shown on the Declarations Page of this policy with the car newly owned by

you and pay *us* any added amount due. If you make such request while this policy is in force and:

- (1) before the car newly owned by you ceases to be a newly acquired car, then that car newly owned by you will be insured by this policy as your car beginning on the date the car newly owned by you is delivered to you. The added amount due will be calculated based on that date; or
- (2) after the car newly owned by you ceases to be a newly acquired car, then that car newly owned by you will be insured by this policy as your car beginning on the date and time you make the request. The added amount due will be calculated based on that date; or

- b. apply to the State Farm Companies for a separate policy to insure the car newly owned by you. Such policy will be issued only if both the applicant and the vehicle are eligible for coverage at the time of the application.

4. Changes to This Policy

a. Changes In Policy Provisions

We may only change the provisions of this policy by:

- (1) issuing a revised policy booklet, a revised Declarations Page, or an endorsement; or
- (2) revising this policy to give broader coverage without an additional premium charge. If any coverage provided by this policy is changed to give broader coverage, then *we* will give you the broader coverage as of the date *we* make the change effective in the state of South Carolina without issuing a revised policy booklet, a revised Declarations Page, or an endorsement.

b. Change of Interest

- (1) No change of interest in this policy is effective unless *we* consent in writing.
- (2) Except under Death, Dismemberment and Loss of Sight Coverage, if a named insured shown on the Declarations Page dies, then the definition of insured under each of the coverages provided by this policy is changed to include:

- (a) any person with lawful custody of your car, a newly acquired car, or a temporary substitute car until a legal representative is qualified; and then

- (b) the legal representative of the deceased named insured.

This only applies while such person is maintaining or using your car, a newly acquired car, or a temporary substitute car.

Policy notice requirements are met by mailing the notice to the most recent policy address that *we* have on record for the deceased named insured.

c. Joint and Individual Interests

If you consists of more than one person or entity, then each acts for all to change or cancel the policy.

d. Change of Policy Address

We may change the named insured's policy address as shown on the Declarations Page and in our records to the most recent address provided to *us* by:

- (1) you; or
- (2) the United States Postal Service.

5. Premium

- a. Unless as otherwise provided by an alternative payment plan in effect with the *State Farm Companies* with respect to the premium for this policy, the premium is due and payable in full on or before the first day of the policy period shown on the most recently issued Declarations Page or Renewal Notice.
- b. The renewal premium for this policy will be based upon the rates in effect, the coverages carried, the applicable limits, deductibles, and other elements that affect the premium that apply at the time of renewal.
- c. The premium for this policy may vary based upon the purchase of other insurance from the *State Farm Companies*.
- d. The premium for this policy is based upon information we have received from you or other sources. You must inform us if any information regarding the following is incorrect or incomplete, or changes during the policy period, and you must answer questions we ask regarding the following:
 - (1) Your car, or its use, including annual mileage;
 - (2) The persons who regularly drive your car, including newly licensed family members;
 - (3) Your marital status; or
 - (4) The location where your car is primarily garaged.

If the above information or any other information used to determine the premium is incorrect, incomplete, changes during the policy period, or is not provided to us when we ask, then we may decrease or increase the premium during the policy period. If we decrease the premium during the policy period, then we will provide a refund or a credit in

the amount of the decrease. If we increase the premium during the policy period, then you must pay the amount of the increase.

6. Renewal

We agree to renew this policy for the next policy period upon payment of the renewal premium when due, unless we mail or deliver a nonrenewal notice or a cancellation notice as set forth in 7. and 8. below.

7. Nonrenewal

If we decide not to renew this policy, then, at least 30 days before the end of the current policy period, we will mail or deliver a nonrenewal notice to the most recent policy address that we have on record for the named insured who is shown on the Declarations Page.

8. Cancellation

a. How You May Cancel

You may cancel this policy by providing to us advance notice of the date cancellation is effective. We may confirm the cancellation in writing.

b. How and When We May Cancel

We may cancel this policy by mailing or delivering a written notice to the most recent policy address that we have on record for the named insured who is shown on the Declarations Page. The notice will provide the date cancellation is effective.

(1) If we mail or deliver a cancellation notice:

- (a) during the first 90 days following this policy's effective date; or

- (b) because the premium is not paid when due,

then the date cancellation is effective will be at least 15 days after the date we mail or deliver the cancellation notice.

Otherwise, the date cancellation is effective will be at least 20 days after the date we mail or deliver the cancellation notice.

(2) After this policy has been in force for more than 90 days, we will not cancel this policy before the end of the current policy period unless:

- (a) the premium is not paid when due; or

- (b) you, any resident relative, or any other person who usually drives your car has had his or her driver's license under suspension or revocation:

- (1) during the policy period; or

- (2) if the policy is a renewal, during its policy period or the 90 days immediately preceding the last anniversary of the effective date of the policy.

c. Return of Unearned Premium

If you cancel this policy, then premium may be earned on a short rate basis. If we cancel this policy, then premium will be earned on a pro rata basis.

Any unearned premium may be returned within a reasonable time after cancellation. Delay in the return of any unearned premium does not affect the cancellation date.

9. Assignment

No assignment of benefits or other transfer of rights is binding upon us unless approved by us.

10. Bankruptcy or Insolvency of the Insured

Bankruptcy or insolvency of the insured or his or her estate will not relieve us of our obligations under this policy.

11. Concealment or Fraud

There is no coverage under this policy if you or any other person insured under this

policy has made false statements with the intent to conceal or misrepresent any material fact or circumstance in connection with any claim under this policy.

12. Our Right to Recover Our Payments

- a. Personal Injury Protection Coverage, Medical Payments Coverage, Underinsured Motor Vehicle Coverage, and Death, Dismemberment and Loss of Sight Coverage payments are not recoverable by us.

- b. To the extent allowed by law, under Uninsured Motor Vehicle Coverage:

- (1) the right of recovery of the insured passes to us, to the extent of our payments;

- (2) we will pay our share of the reasonable costs of any recovery. Our share is the percent that our recovery bears to the total recovery. We reserve the right to select an attorney to handle the recovery; and

- (3) an insured making claim for property damage must assign to us, to the extent of our payments, the right to any other compensation for it. We do not have to make any payment until the insured has done this.

- c. Under all other coverages, the following apply:

(1) Subrogation

If we are obligated under this policy to make payment to or for a person or organization who has a legal right to collect from another person or organization, then we will be subrogated to that right to the extent of our payment.

The person or organization to or for whom we make payment must help us recover our payments by:

- (a) doing nothing to impair that legal right;

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9840A

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9840A

(b) executing any documents we may need to assert that legal right; and

(c) taking legal action through our representatives when we ask.

(2) Reimbursement

If we make payment under this policy and the person or organization to or for whom we make payment recovers or has recovered from another person or organization, then the person or organization to or for whom we make payment must:

(a) hold in trust for us the proceeds of any recovery; and

(b) reimburse us to the extent of our payment.

13. Legal Action Against Us

Legal action may not be brought against us until there has been full compliance with all the provisions of this policy. In addition, legal action may only be brought against us regarding:

a. Liability Coverage after the amount of damages an insured is legally liable to pay has been finally determined by:

(1) judgment after an actual trial, and any appeals of that judgment if any appeals are taken; or

(2) agreement between the claimant and us.

b. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, and Physical Damage Coverages if the legal action relating to these coverages is brought against us within three years immediately following the date of the accident.

c. Underinsured Motor Vehicle Coverage if copies of the pleadings in the action

establishing liability are served upon us in the manner provided by law.

14. Choice of Law

Without regard to choice of law rules, the law of the state of:

a. South Carolina will control, except as provided in b. below, in the event of any disagreement as to the interpretation and application of any provision in this policy; and

b. Illinois will control in the event of any disagreement as to the interpretation and application of this policy's:

(1) Mutual Conditions provision found on the most recently issued Declarations Page, if this policy was issued by the State Farm Mutual Automobile Insurance Company; or

(2) Participating Policy provision found on the most recently issued Declarations Page, if this policy was issued by any subsidiary or affiliate of the State Farm Mutual Automobile Insurance Company.

15. Severability

If any provision of this policy is held invalid or unenforceable by a court that has jurisdiction, then:

a. such provision will remain in full force to the extent not held invalid or unenforceable; and

b. all other provisions of this policy will remain valid and enforceable.

16. Conformity to Law

The coverage provided by this policy is done so in accordance with South Carolina insurance law. If any provisions of this policy are in conflict with South Carolina statutes, the policy is amended to conform to the minimum requirements of the statutes.

EXHIBIT B
Policy Number 173 5566-E07-40C
NISSAN FRONTIER POLICY



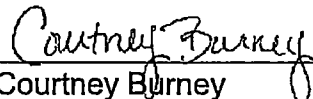
Certified Policy Record

I, the undersigned, do hereby confirm that I am custodian of the records pertaining to the issuance of policies by State Farm Mutual Automobile Insurance Company.

I certify that the attached documents represent a true and accurate record of the terms and conditions of Policy Number 173 5566-E07-40C including any endorsements, if applicable, for the policy term(s) May 07, 2018 to November 07, 2018 and insuring Glen Bauer Jr based on available records.

It is State Farm's business practice to print a new Declarations Page only when a policy issuance transaction such as a change of coverage occurs. Therefore, the included Declarations Page which was in effect at the time of loss will indicate the policy period of the last policy issuance transaction.

The policy was in effect on the loss date of June 11, 2018.



Courtney Burney

Underwriter

Date: 10/26/2018

ELECTRONICALLY FILED - 2019 Feb 04 11:24 AM - GEORGETOWN - COMMON PLEAS - CASE#2018CP2200869

State Farm Mutual Automobile Insurance Company

11350 Johns Creek Parkway
Duluth, GA 30098-0001

49699-5-A

MUTL VOL

DECLARATIONS PAGE

PAGE 1 OF 2

NAMED INSURED

AT2

000140 0058

40-1556-5 A A

BAUER, GLEN JR
3005 TEN ACRE RD
ANDREWS SC 29510-6552

POLICY NUMBER 173 5566-E07-40C

POLICY PERIOD JAN 22 2018 to MAY 07 2018
12:01 A.M. Standard Time

AGENT

PAT SIAU INS AGENCY INC
330 CHURCH ST
GEORGETOWN, SC 29440-2406

PHONE: (843)546-4511

DO NOT PAY PREMIUMS SHOWN ON THIS PAGE.
IF AN AMOUNT IS DUE, THEN A SEPARATE STATEMENT IS ENCLOSE D.

YOUR CAR

YEAR	MAKE	MODEL	BODY STYLE	VEHICLE ID NUMBER	CLASS
2009	NISSAN	FRONTIER	PICKUP	1N6AD06WX9C410995	203H501000

SYMBOLS	COVERAGE & LIMITS	PREMIUMS
A	Liability Coverage	\$154.30
	Bodily Injury Limits	
	Each Person, Each Accident	
	\$50,000 \$100,000	
	Property Damage Limit	
	Each Accident	
	\$50,000	
D	Comprehensive Coverage - \$250 Deductible	\$64.50
G	Collision Coverage - \$250 Deductible	\$84.90
H	Emergency Road Service Coverage	\$2.60
U	Uninsured Motor Vehicle Coverage	\$9.47
	Bodily Injury Limits	
	Each Person, Each Accident	
	\$50,000 \$100,000	
	Property Damage Limit	
	Each Accident	
	\$50,000	
W	Underinsured Motor Vehicle Coverage	\$33.30
	Bodily Injury Limits	
	Each Person, Each Accident	
	\$50,000 \$100,000	
	Property Damage Limit	
	Each Accident	
	\$50,000	
Total premium for JAN 22 2018 to MAY 07 2018:		\$349.07 This is not a bill

IMPORTANT MESSAGES

Replaced policy number 1735566-40B.

Your total renewal premium for NOV 07 2017 to MAY 07 2018 is \$598.92.

State Farm works hard to offer you the best combination of price, service, and protection. The amount you pay for automobile insurance is determined by many factors such as the coverages you have, where you live, the kind of car you drive, how your car is used, who drives the car, and information from consumer reports.

You have the right to request, no more than once annually, that your policy be re-rated using a current credit-based insurance score. Re-rating could result in a lower rate, no change in rate, or a higher rate.

Notice of insurance information collection practices - personal, family, or household insurance transactions:

We often collect personal information from persons other than the individual or individuals listed on the policy. Such personal information may, in certain circumstances, be disclosed to third parties without your authorization. If you would like additional information concerning the collection and disclosure of personal information - and your right to see and correct any personal information in your files - it will be furnished upon request.

CONTINUED

See Reverse Side

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00292/04037
155-3866.2 04-2005 (01a025hd)
HISXON (01a0251e)

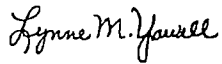
ELECTRONICALLY FILED - 2019 Feb 04 11:24 AM - GEORGETOWN - COMMON PLEAS - CASE#2018CF2200869

This policy is issued by State Farm Mutual Automobile Insurance Company.

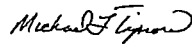
MUTUAL CONDITIONS

1. **Membership.** While this policy is in force, the first insured shown on the Declarations Page is entitled to vote at all meetings of members and to receive dividends the Board of Directors in its discretion may declare in accordance with reasonable classifications and groupings of policyholders established by such Board.
2. **No Contingent Liability.** This policy is non-assessable.
3. **Annual Meeting.** The annual meeting of the members of the company shall be held at its home office at Bloomington, Illinois, on the second Monday of June at the hour of 10:00 A.M., unless the Board of Directors shall elect to change the time and place of such meeting, in which case, but not otherwise, due notice shall be mailed each member at the address disclosed in this policy at least 10 days prior thereto.

In Witness Whereof, the State Farm Mutual Automobile Insurance Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.



Secretary



President

State Farm Mutual Automobile Insurance Company

11350 Johns Creek Parkway
Duluth, GA 30098-0001

49699-5-A

MUTL VOL

DECLARATIONS PAGE

PAGE 2 OF 2

NAMED INSURED 000140 0058

40-1556-5 A A

BAUER, GLEN JR
3005 TEN ACRE RD
ANDREWS SC 29510-6552

POLICY NUMBER 173 5566-E07-40C

POLICY PERIOD JAN 22 2018 to MAY 07 2018
12:01 A.M. Standard Time



ST-16
0204-1107

EXCEPTIONS, POLICY BOOKLET & ENDORSEMENTS (See policy booklet & individual endorsements for coverage details.)

YOUR POLICY CONSISTS OF THIS DECLARATIONS PAGE, THE POLICY BOOKLET -
FORM 9840A, AND ANY ENDORSEMENTS THAT APPLY, INCLUDING THOSE ISSUED TO YOU
WITH ANY SUBSEQUENT RENEWAL NOTICE.
CREDITOR- GEORGETOWN KRAFT CREDIT UNION, 1379 N FRASER ST, GEORGETOWN SC
29440-2825.
6126MT AMENDATORY ENDORSEMENT.
6128DP AMENDATORY ENDORSEMENT.
6940A AMENDATORY ENDORSEMENT.

ELECTRONICALLY FILED - 2019 Feb 04 11:24 AM - GEORGETOWN - COMMON PLEAS - CASE#2018CP2200869

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00293/04037
155-3868.2 04-2005 (o1a025hd)
I3SX0 (o1a025vd)

(o1a0254c)

Agent: PAT SIAU INS AGENCY INC

Telephone: (843)546-4511

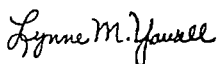
Prepared JAN 24 2018 1556-A35

This policy is issued by State Farm Mutual Automobile Insurance Company.

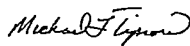
MUTUAL CONDITIONS

1. **Membership.** While this policy is in force, the first insured shown on the Declarations Page is entitled to vote at all meetings of members and to receive dividends the Board of Directors in its discretion may declare in accordance with reasonable classifications and groupings of policyholders established by such Board.
2. **No Contingent Liability.** This policy is non-assessable.
3. **Annual Meeting.** The annual meeting of the members of the company shall be held at its home office at Bloomington, Illinois, on the second Monday of June at the hour of 10:00 A.M., unless the Board of Directors shall elect to change the time and place of such meeting, in which case, but not otherwise, due notice shall be mailed each member at the address disclosed in this policy at least 10 days prior thereto.

In Witness Whereof, the State Farm Mutual Automobile Insurance Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.



Secretary



President

6126MT AMENDATORY ENDORSEMENT

This endorsement is a part of the policy. Except for the changes this endorsement makes, all other provisions of the policy remain the same and apply to this endorsement.

THIS POLICY

The following has been added to item 5.:

Your purchase of this policy may allow *you* to purchase an excess and surplus lines policy from the *State Farm Companies*, subject to applicable eligibility rules.

6940A AMENDATORY ENDORSEMENT

This endorsement is a part of the policy. Except for the changes this endorsement makes, all other provisions of the policy remain the same and apply to this endorsement.

1. THIS POLICY

Item 5. is changed to read:

Your purchase of this policy may allow:

- you* to purchase or obtain certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other products from the *State Farm Companies*, subject to their applicable eligibility rules; or
- the premium or price for other products or services purchased by *you*, including non-insurance products or services, to vary. Such other products or services must be provided by the *State Farm Companies* or by an organization that has entered into an agreement or contract with the *State Farm Companies*. The *State Farm Companies* do not warrant the merchantability, fitness, or quality of any product or service offered or provided by that organization.

2. LIABILITY COVERAGE

Insuring Agreement and Supplementary Payments are replaced by the following:

Insuring Agreement

- We* will pay damages an *insured* becomes legally liable to pay because of:
 - bodily injury* to others; and
 - damage to property

provided Liability Coverage by this policy.

2. *We* have the right to:

- investigate, negotiate, and settle any claim or lawsuit;
- defend an *insured* in any claim or lawsuit, with attorneys chosen by *us*; and
- appeal any award or legal decision

for damages payable under this policy's Liability Coverage.

Supplementary Payments

We will pay, in addition to the damages described in the Insuring Agreement of this policy's Liability Coverage, those items listed below that result from such accident:

- Attorney fees for attorneys chosen by *us* to defend an *insured* who is sued for such damages. *We* have no duty to pay attorney fees incurred after *we* deposit in court or pay the amount due under the Insuring Agreement of this policy's Liability Coverage;
- Court costs awarded by the court against an *insured* and resulting from that part of the lawsuit:
 - that seeks damages payable under this policy's Liability Coverage; and
 - against which *we* defend an *insured* with attorneys chosen by *us*.



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We have no duty to pay court costs incurred after *we* deposit in court or pay the amount due under the Insuring Agreement of this policy's Liability Coverage;

3. Interest the *insured* is legally liable to pay on damages payable under the Insuring Agreement of this policy's Liability Coverage:

- a. before a judgment, but only the interest on the lesser of:
 - (1) that part of the damages *we* pay; or
 - (2) this policy's applicable Liability Coverage limit; and
- b. after a judgment.

We have no duty to pay interest that accrues after *we* deposit in court, pay, or offer to pay, the amount due under the Insuring Agreement of this policy's Liability Coverage. *We* also have no duty to pay interest that accrues on any damages paid or payable by a party other than the *insured* or *us*;

4. Premiums for bonds, provided by a company chosen by *us*, required to appeal a decision in a lawsuit against an *insured*. *We* have no duty to:
- a. pay for any bond with a face amount that exceeds this policy's applicable Liability Coverage limit;
 - b. furnish or apply for any bonds; or
 - c. pay premiums for bonds purchased after *we* deposit in court, pay, or offer to pay, the amount due under the Insuring Agreement of this policy's Liability Coverage; and

5. The following costs and expenses if related to and incurred after a lawsuit has been filed against an *insured*:

- a. Loss of wages or salary, but not other income, up to \$200 for each day an *insured* attends, at *our* request:
 - (1) an arbitration;
 - (2) a mediation; or
 - (3) a trial of a lawsuit; and
- b. Reasonable expenses incurred by an *insured* at *our* request other than loss of wages, salary, or other income.

The amount of any of the costs or expenses listed above that are incurred by an *insured* must be reported to *us* before *we* will pay such incurred costs or expenses.

3. GENERAL TERMS

- a. The paragraph under Where Coverage Applies that reads:

Liability Coverage, Personal Injury Protection Coverage, Medical Payments Coverage, and Physical Damage Coverages also apply in Mexico within 50 miles of the United States of America border. A Physical Damage Coverage *loss* in Mexico is determined on the basis of cost at the nearest United States of America point.

is deleted.

- b. The following is added:

Limited Coverage in Mexico

This policy does not provide Mexican auto insurance and does not comply with Mexican auto insurance requirements. If *you* or any other *insured* plan to drive in Mexico, then auto insurance providing

coverage in Mexico should be purchased from a Mexican insurance company.

Subject to the above paragraph, the following coverages apply in Mexico, but only for accidents and *losses* that occur in Mexico within 50 miles of the United States of America border and only for *insureds* as defined under each of the following coverages:

- a. **Liability Coverage**

For claims brought against an *insured* in Mexico, the Supplementary Payments provision of this policy's Liability Coverage is changed to read:

We may, in addition to the damages described in item 1. of the Insuring Agreement of this policy's Liability Coverage, pay or reimburse, at our option, reasonable attorney fees for an attorney licensed in Mexico to appear for and provide advice to *insureds* as defined under this policy's Liability Coverage. The amount of such attorney fees incurred by an *insured* must be reported to *us* before *we* will make payment.

- b. **Personal Injury Protection Coverage**

- c. **Medical Payments Coverage**

- d. **Physical Damage Coverages**

Any amount payable for the repair or replacement of the *covered vehicle* under the Limits and Loss Settlement - Comprehensive Coverage and Collision Coverage provision of this policy will be limited to the cost to repair or replace the

covered vehicle in the United States of America.

WE HAVE NO DUTY TO PROVIDE A DEFENSE FOR YOU OR ANY OTHER INSURED IN ANY CRIMINAL, CIVIL, OR OTHER ACTION.

WE HAVE NO DUTY TO PAY ANY CLAIM OR COST THAT WOULD NOT BE PAYABLE UNDER THIS POLICY IF THE ACCIDENT OR LOSS HAD OCCURRED IN THE STATE OF SOUTH CAROLINA IN THE UNITED STATES OF AMERICA.

All other policy provisions not in conflict with the provisions in this Limited Coverage in Mexico provision of this policy apply.

If Other Coverage Applies

Any coverage provided by this Limited Coverage in Mexico provision is excess over any other applicable insurance.

Legal Action Against Us

Any legal action against *us* arising out of an accident or *loss* occurring in Mexico must be brought in a court that has jurisdiction in the state of South Carolina in the United States of America.

- c. Paragraph c. of 5. Premium is changed to read:

- c. The premium for this policy may vary based upon:

- (1) the purchase of other products or services from the *State Farm Companies*;
- (2) the purchase of products or services from an organization that has entered into an agreement or contract with

the *State Farm Companies*.
The *State Farm Companies*
do not warrant the merchant-
ability, fitness, or quality of
any product or service of-
fered or provided by that or-
ganization; or

(3) an agreement, concerning
the insurance provided by
this policy, that the *State
Farm Companies* has with
an organization of which
you are a member, employ-
ee, subscriber, licensee, or
franchisee.



0004-1107
07-10

6128DP AMENDATORY ENDORSEMENT

This endorsement is a part of the policy. Except for the changes this endorsement makes, all other provisions of the policy remain the same and apply to this endorsement.

1. DEFINITIONS

Newly Acquired Car is changed to read:

Newly Acquired Car means a *car* newly *owned by you* or a *resident relative*.

A *car* ceases to be a *newly acquired car* on the earlier of:

1. the effective date and time of a policy, including any binder, issued by *us* or any other company that describes the *car* as an insured vehicle; or
2. the end of the 14th calendar day immediately following the date the *car* is delivered to *you* or a *resident relative*.

If a *newly acquired car* is not otherwise afforded comprehensive coverage or collision coverage by this or any other policy, then this policy will provide Comprehensive Coverage or Collision Coverage for that *newly acquired car*, subject to a deductible of \$500.

2. LIABILITY COVERAGE**a. Additional Definition**

Item 4. of *Insured* is changed to read:

Insured means any other *person* or organization vicariously liable for the use of a vehicle by an *insured* as defined in 1., 2., or 3. above, but only for such vicarious liability. This provision applies only if the vehicle is:

- a. neither *owned by*, nor hired by, that other *person* or organization; and

- b. neither available for, nor being used for, carrying *persons* for a charge.

b. Exclusions

(1) Exclusion 6. is changed to read:

THERE IS NO COVERAGE FOR AN *INSURED* FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY *PERSONS* FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;

(2) The exception to exclusion 10. is changed to read:

This exclusion does not apply to damage to a:

- a. motor vehicle *owned by* the employer of *you* or the employer of any *resident relative* if such damage is caused by an *insured* while operating another motor vehicle;
- b. residence while rented to or leased to an *insured*; or
- c. private garage while rented to or leased to an *insured*;

3. PERSONAL INJURY PROTECTION COVERAGE

a. Additional Definitions

Item 1.a. of *Insured* is changed to read:

Insured means *you* and *resident relatives* while *occupying*:

- (1) *your car*;
- (2) a *newly acquired car*; or
- (3) a *motor vehicle*, other than a motorcycle, not *owned by you* or any *resident relative*; or

b. Exclusions

(1) Exclusion 6. is changed to read:

THERE IS NO COVERAGE FOR AN *INSURED* WHO IS STRUCK AS A PEDESTRIAN BY A *MOTOR VEHICLE, OWNED BY THAT INSURED OR YOU*, IF IT IS NOT *YOUR CAR OR A NEWLY ACQUIRED CAR*;

(2) Exclusion 8. is changed to read:

THERE IS NO COVERAGE FOR AN *INSURED* WHO IS *OCCUPYING* A VEHICLE WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY *PERSONS* FOR A CHARGE. This exclusion does not apply to:

- a. the use of a *private passenger car* on a share-the-expense basis; or
- b. an *insured* while *occupying* a *non-owned car* as a passenger;

4. MEDICAL PAYMENTS COVERAGE

Exclusions

Exclusion 4. is changed to read:

THERE IS NO COVERAGE FOR AN *INSURED* WHO IS *OCCUPYING* A VEHICLE WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY *PERSONS* FOR A CHARGE. This exclusion does not apply to:

- a. the use of a *private passenger car* on a share-the-expense basis; or
- b. an *insured* while *occupying* a *non-owned car* as a passenger;

5. UNINSURED MOTOR VEHICLE COVERAGE

a. Exclusions

Exclusion 2. is changed to read:

THERE IS NO COVERAGE FOR

- a. AN *INSURED* WHO SUSTAINS *BODILY INJURY* WHILE *OCCUPYING* A MOTOR VEHICLE *OWNED BY THAT INSURED* IF:

(1) THE MOTOR VEHICLE IS NOT *YOUR CAR* OR A *NEWLY ACQUIRED CAR*; AND

(2) IT WAS NOT INSURED FOR UNINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT; OR

- b. *PROPERTY DAMAGE* SUSTAINED BY AN *INSURED*:

(1) TO A MOTOR VEHICLE; OR

(2) IN A MOTOR VEHICLE

OWNED BY THAT INSURED
IF THE MOTOR VEHICLE
WAS NOT INSURED FOR
UNINSURED MOTOR VEHICLE
COVERAGE AT THE
TIME OF THE ACCIDENT;

b. **If Other Uninsured Motor Vehicle
Coverage Applies**

Item 4. is changed to read:

4. If:

- a. *you* sustain ***bodily injury*** or ***property damage*** while ***occupying*** a motor vehicle other than *your car* that is ***owned by:***

(1) *you*, then this coverage applies only to the extent of the uninsured motor vehicle coverage applicable to the motor vehicle that *you* were ***occupying***; or

(2) any ***resident relative***, then, in addition to the amount paid from the policy insuring the motor vehicle *you* were ***occupying***, the maximum amount that may be paid from all other policies combined that are issued to *you* or any ***resident relative*** by the ***State Farm Companies*** is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

- b. a ***resident relative*** sustains ***bodily injury*** or ***property damage*** while ***occupying*** a motor vehicle other than *your car* that is ***owned by:***

(1) *you*, then, in addition to the amount paid from the policy insuring the motor vehicle that that ***resident relative*** was ***occupying***, the maximum amount that may be paid from all other policies combined that are issued to *you* or any ***resident relative*** by the ***State Farm Companies*** is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment;

(2) that ***resident relative***, then this coverage applies only to the extent of the uninsured motor vehicle coverage applicable to the motor vehicle that that ***resident relative*** was ***occupying***; or

(3) a different ***resident relative***, then, in addition to the amount paid from the policy insuring the motor vehicle that that ***resident relative*** was ***occupying***, the maximum amount that may be paid from all other policies combined that are issued to *you* or any ***resident relative*** by the ***State Farm***

Companies is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

6. UNDERINSURED MOTOR VEHICLE COVERAGE

a. Exclusions

Exclusion 2. is changed to read:

THERE IS NO COVERAGE FOR

- a. AN *INSURED* WHO SUSTAINS *BODILY INJURY* WHILE *OCCUPYING* A MOTOR VEHICLE *OWNED BY* THAT *INSURED* IF:

- (1) THE MOTOR VEHICLE IS NOT *YOUR CAR* OR A *NEWLY ACQUIRED CAR*; AND

- (2) IT WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT; OR

- b. *PROPERTY DAMAGE* SUSTAINED BY AN *INSURED*:

- (1) TO A MOTOR VEHICLE: OR

- (2) IN A MOTOR VEHICLE *OWNED BY* THAT *INSURED* IF THE MOTOR VEHICLE WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;

b. If Other Underinsured Motor Vehicle Coverage Applies

Item 4. is changed to read:

4. If:

- a. *you* sustain *bodily injury* or *property damage* while *occupying* a motor vehicle other than *your car* that is *owned by*:

- (1) *you*, then this coverage applies only to the extent of the underinsured motor vehicle coverage applicable to the motor vehicle that *you* were *occupying*; or

- (2) any *resident relative*, then, in addition to the amount paid from the policy insuring the motor vehicle *you* were *occupying*, the maximum amount that may be paid from all other policies combined that are issued to *you* or any *resident relative* by the *State Farm Companies* is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

- b. a *resident relative* sustains *bodily injury* or *property damage* while *occupying* a motor vehicle other than *your car* that is *owned by*:

- (1) *you*, then, in addition to the amount paid from the policy insuring the motor vehicle that that *resident relative* was *occupying*, the maximum amount that may be paid from all other

policies combined that are issued to *you* or any *resident relative* by the *State Farm Companies* is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment;

(2) that *resident relative*, then this coverage applies only to the extent of the underinsured motor vehicle coverage applicable to the motor vehicle that that *resident relative* was *occupying*; or

(3) a different *resident relative*, then, in addition to the amount paid from the policy insuring the motor vehicle that that *resident relative* was *occupying*, the maximum amount that may be paid from all other policies combined that are issued to *you* or any *resident relative* by the *State Farm Companies* is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

7. PHYSICAL DAMAGE COVERAGES

a. The paragraph that reads:

If a deductible applies to Comprehensive Coverage, then it is shown

on the Declarations Page. The deductible that applies to Collision Coverage is shown on the Declarations Page.

is changed to read:

Deductible

1. If "D" is shown under "SYMBOLS" on the Declarations Page, then the deductible that applies to Comprehensive Coverage, if any, is the dollar amount shown on the Declarations Page next to the title of this coverage. However, *we* will not deduct more than \$500 for any *loss* to a *newly acquired car*.

2. If "G" is shown under "SYMBOLS" on the Declarations Page, then the deductible that applies to Collision Coverage is the dollar amount shown on the Declarations Page next to the title of this coverage. However, *we* will not deduct more than \$500 for any *loss caused by collision* to a *newly acquired car*.

b. Insuring Agreements

Car Rental and Travel Expenses Coverage

Item 4.a. Car Rental Expense is changed to read:

Car Rental Expense

We will pay the *daily rental charge* incurred when an *insured* rents a *car* from a *car business* while *your car* or a *newly acquired car* is:

- (1) not drivable; or
- (2) being repaired

as a result of a *loss* which would be payable under Comprehensive Coverage or Collision Coverage.

We will pay this *daily rental charge* incurred during a period that:

- (1) starts on the date:
 - (a) the vehicle is not drivable as a result of the *loss*; or
 - (b) the vehicle is left at a repair facility if the vehicle is drivable; and
- (2) ends on the earliest of:
 - (a) the date the vehicle has been repaired or replaced;
 - (b) the date *we* offer to pay for the *loss* if the vehicle is repairable but *you* choose to delay repairs; or
 - (c) seven days after *we* offer to pay for the *loss* if the vehicle is:
 - (i) a total loss as determined by *us*; or
 - (ii) stolen and not recovered.

The amount of any such *daily rental charge* incurred by an *insured* must be reported to *us* before *we* will pay such amount.

c. Exclusions

Exclusion 3. is changed to read:

THERE IS NO COVERAGE FOR ANY **COVERED VEHICLE** WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY *PERSONS* FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;

8. INSURED'S DUTIES

- a. Item 6.a.(3) is changed to read:

A *person* making claim under:

- a. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage, must:

- (3) provide written authorization for *us* to obtain medical bills, medical records, wage information, salary information, employment information, and any other information *we* deem necessary to substantiate the claim.

Such authorizations must not:

- (a) restrict *us* from performing *our* business functions in:
 - (i) obtaining records, bills, information, and data; nor
 - (ii) using or retaining records, bills, information, and data collected or received by *us*;
- (b) require *us* to violate federal or state laws or regulations;

- (c) prevent *us* from fulfilling *our* data reporting and data retention obligations to insurance regulators; or
- (d) prevent *us* from disclosing claim information and data:
 - (i) to enable performance of *our* business functions;
 - (ii) to meet *our* reporting obligations to insurance regulators;
 - (iii) to meet *our* reporting obligations to insurance data consolidators; and
 - (iv) as otherwise permitted by law.

If an injured *insured* is a minor, unable to act, or dead, then his or her legal representative must provide *us* with the written authorization.

If the holder of the information refuses to provide it to *us* despite the authorization, then at *our* request the *person* making claim or his or her legal representative must obtain the information and promptly provide it to *us*; and

- b. The following is added to item 6.:

A *person* making claim under Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage,

or Death, Dismemberment and Loss of Sight Coverage, must submit to *us* all information *we* need to comply with federal and state laws and regulations.

9. GENERAL TERMS

- a. The following is added to **Newly Owned or Newly Leased Car:**

If a *resident relative* wants to insure a *car* newly owned by the *resident relative* with the *State Farm Companies* after that *car* ceases to be a *newly acquired car*, then the *resident relative* must apply to the *State Farm Companies* for a separate policy to insure the *car* newly owned by the *resident relative*. Such policy will be issued only if both the applicant and the vehicle are eligible for coverage at the time of the application.

- b. The following are added to **GENERAL TERMS:**

Electronic Delivery

With *your* consent, *we* may, if allowed by law, electronically deliver any document or notice, including a notice to renew, nonrenew, or cancel, instead of mailing it or delivering it by other means. Proof of transmission will be sufficient proof of notice.

Our Rights Regarding Claim Information

- a. *We* will collect, receive, obtain, use, and retain all the items described in item b.(1) below and use and retain the information described in item b.(3)(b) below, in accordance with applicable federal and state laws and regulations and consistent with the performance of *our* business functions.

- b. Subject to a. above, *we* will not be restricted in or prohibited from:
- (1) collecting, receiving, or obtaining records, receipts, invoices, medical bills, medical records, wage information, salary information, employment information, data, and any other information;
 - (2) using any of the items described in item b.(1) above; or
 - (3) retaining:
 - (a) any of the items in item b.(1) above; or
 - (b) any other information *we* have in *our* possession as a result of *our* processing, handling, or otherwise resolving claims submitted under this policy.
- c. *We* may disclose any of the items in item b.(1) above and any of the information described in item b.(3)(b) above:
- (1) to enable performance of *our* business functions;
 - (2) to meet *our* reporting obligations to insurance regulators;
 - (3) to meet *our* reporting obligations to insurance data consolidators;
 - (4) to meet other obligations required by law; and
 - (5) as otherwise permitted by law.
- d. *Our* rights under a., b., and c. above shall not be impaired by any:
- (1) authorization related to any claim submitted under this policy; or
 - (2) act or omission of an *insured* or a legal representative acting on an *insured's* behalf.



Please read the policy carefully. If there is an accident, contact your State Farm agent or one of our Claim Offices at once. (See "INSURED'S DUTIES" in this policy booklet.)

Georgia-South Carolina Office
11350 Johns Creek Parkway
Duluth, GA 30098-0001
Phone: (770) 418-5000

State Farm® Car Policy Booklet

South Carolina
Policy Form 9840A

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THIS POLICY

1. This policy consists of:
 - a. the most recently issued Declarations Page;
 - b. the policy booklet version shown on that Declarations Page; and
 - c. any endorsements that apply, including those listed on that Declarations Page as well as those issued in connection with any subsequent renewal of this policy.
2. This policy contains all of the agreements between all named insureds who are shown on the Declarations Page and all applicants and:
 - a. us; and
 - b. any of our agents.
3. We agree to provide insurance according to the terms of this policy:
 - a. based on payment of premium for the coverages chosen; and
 - b. unless otherwise stated in "EXCEPTIONS, POLICY BOOKLET, & ENDORSEMENTS" on the Declarations Page, in reliance on the following statements:
 - (1) The named insured shown on the Declarations Page is the sole owner of your car.
 - (2) Neither you nor any member of your household has, within the past three years, had:
 - (a) vehicle insurance canceled or nonrenewed by an insurer; or
 - (b) either:
 - (i) a license to drive; or
 - (ii) a vehicle registration suspended, revoked, or refused.

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- (3) Your car is used for pleasure and business.
4. All named insureds shown on the Declarations Page and all applicants agree by acceptance of this policy that:
 - a. the statements in 3.b. above are made by such named insured or applicant and are true; and
 - b. we provide this insurance on the basis those statements are true.
5. Your purchase of this policy may allow you to purchase certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other policies from the State Farm Companies, subject to their applicable eligibility rules.

DEFINITIONS

We define certain words and phrases below for use throughout the policy. Each coverage includes additional definitions only for use with that coverage. These definitions apply to the singular, plural, possessive, and any other form of these words and phrases. Defined words and phrases are printed in boldface italics.

Bodily Injury means bodily injury to a person and sickness, disease, or death that results from it.

Car means a land motor vehicle with four or more wheels, designed for use primarily on public roads. *Car* does not include:

1. Any vehicle while located for use as a dwelling or other premises; or
2. A truck-tractor designed to pull any type of trailer.

Car Business means a business or job where the purpose is to sell, lease, rent, repair, service, modify, transport, store, or park land motor vehicles or any type of trailer.

Financial Responsibility Act means the Motor Vehicle Financial Responsibility Act of South Carolina.

Fungi means any type or form of fungus or fungi and includes:

1. Mold;
2. Mildew; and

3. Any of the following that are produced or released by fungi:
 - a. Mycotoxins;
 - b. Spores;
 - c. Scents; or
 - d. Byproducts.

Newly Acquired Car means a car newly owned by you. A car ceases to be a newly acquired car on the earlier of:

1. the effective date and time of a policy, including any binder, issued by us or any other company that describes the car as an insured vehicle; or
2. the end of the 14th calendar day immediately following the date the car is delivered to you.

If a newly acquired car is not otherwise afforded comprehensive coverage or collision coverage by this or any other policy, then this policy will provide Comprehensive Coverage or Collision Coverage for that newly acquired car, subject to a deductible of \$500. Any coverage provided as a result of this paragraph will apply only until the end of the 5th calendar day immediately following the date the newly acquired car is delivered to you.

Non-Owned Car means a car that is in the lawful possession of you or any resident relative and that neither:

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1. is *owned by*:
 - a. *you*;
 - b. any *resident relative*;
 - c. any other *person* who resides primarily in *your* household; or
 - d. an employer of any *person* described in a., b., or c. above; nor
2. has been operated by, rented by, or in the possession of:
 - a. *you*; or
 - b. any *resident relative*

Occupying means in, on, entering, or exiting.

Our means the Company issuing this policy as shown on the Declarations Page.

Owned By means:

1. owned by;
2. registered to; or
3. leased, if the lease is written for a period of 31 or more consecutive days, to.

Pedestrian means a *person* who is not *occupying*:

1. a motorized vehicle; or
2. a vehicle designed to be pulled by a motorized vehicle.

Person means a human being.

Private Passenger Car means:

1. a *car* of the private passenger type, other than a pickup truck, van, minivan, or sport utility vehicle, designed primarily to carry *persons* and their luggage; or
2. a pickup truck, van, minivan, or sport utility vehicle:
 - a. that is not used for:
 - (1) wholesale; or
 - (2) retail

pickup or delivery; and

- b. that has a Gross Vehicle Weight Rating of 10,000 pounds or less.

Resident Relative means a *person*, other than *you*, who resides primarily with the first *person* shown as a named insured on the Declarations Page and who is:

1. related to that named insured or his or her spouse by blood, marriage, or adoption, including an unmarried and unemancipated child of either who is away at school and otherwise maintains his or her primary residence with that named insured; or
2. a ward or a foster child of that named insured, his or her spouse, or a *person* described in 1. above.

State Farm Companies means one or more of the following:

1. State Farm Mutual Automobile Insurance Company;
2. State Farm Fire and Casualty Company; and
3. Subsidiaries or affiliates of either 1. or 2. above.

Temporary Substitute Car means a *car* that is in the lawful possession of the *person* operating it and that:

1. replaces *your car* for a short time while *your car* is out of use due to its:
 - a. breakdown;
 - b. repair;
 - c. servicing;
 - d. damage; or
 - e. theft; and
2. neither *you* nor the *person* operating it own or have registered.

If a *car* qualifies as both a *non-owned car* and a *temporary substitute car*, then it is considered a *temporary substitute car* only.

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Trailer means:

1. a trailer:
 - a. designed to be pulled by a *private passenger car*;
 - b. not designed to carry *persons*; and
 - c. while not used as premises for office, store, or display purposes; or
2. a farm implement or farm wagon while being pulled on public roads by a *car*.

Us means the Company issuing this policy as shown on the Declarations Page.

We means the Company issuing this policy as shown on the Declarations Page.

You or *Your* means the named insured or named insureds shown on the Declarations Page. If a named insured shown on the Declarations Page is a *person*, then "*you*" or "*your*"

includes the spouse of the first *person* shown as a named insured if the spouse resides primarily with that named insured.

Your Car means the vehicle shown under "YOUR CAR" on the Declarations Page. *Your car* does not include a vehicle that *you* no longer own or lease.

If a *car* is shown on the Declarations Page under "YOUR CAR", and *you* ask us to replace it with a *car* newly owned by *you*, then the *car* being replaced will continue to be considered *your car* until the earliest of:

1. the end of the 30th calendar day immediately following the date the *car* newly owned by *you* is delivered to *you*;
2. the date this policy is no longer in force; or
3. the date *you* no longer own or lease the *car* being replaced.

LIABILITY COVERAGE

This policy provides Liability Coverage if "A" is shown under "SYMBOLS" on the Declarations Page.

Additional Definition

Insured means:

1. *you* and *resident relatives* for:
 - a. the ownership, maintenance, or use of:
 - (1) *your car*;
 - (2) a *newly acquired car*; or
 - (3) a *trailer*; and
 - b. the maintenance or use of:
 - (1) a *non-owned car*; or
 - (2) a *temporary substitute car*;
2. the first *person* shown as a named insured on the Declarations Page and that named insured's spouse who resides primarily with that named insured for the maintenance or

use of a *car* that is *owned by*, or furnished by an employer to, a *person* who resides primarily in *your* household, but only if such *car* is neither *owned by*, nor furnished by an employer to, the first *person* shown as a named insured on the Declarations Page or that *person's* spouse;

3. any other *person* for his or her use of:
 - a. *your car*;
 - b. a *newly acquired car*;
 - c. a *temporary substitute car*; or
 - d. a *trailer* while attached to a *car* described in a., b., or c. above.

Such vehicle must be used with the expressed or implied consent of *you*; and

4. any other *person* or organization vicariously liable for the use of a vehicle by an insured as defined in 1., 2., or 3. above, but only for such vicarious liability. This

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provision applies only if the vehicle is neither owned by, nor hired by, that other person or organization.

Insured does not include the United States of America or any of its agencies.

Insuring Agreement

1. We will pay:

- a. damages an *insured* becomes legally liable to pay because of:
 - (1) *bodily injury* to others; and
 - (2) damage to propertycaused by an accident that involves a vehicle for which that *insured* is provided Liability Coverage by this policy;
- b. attorney fees for attorneys chosen by us to defend an *insured* who is sued for such damages; and
- c. court costs charged to an *insured* and resulting from that part of a lawsuit:
 - (1) that seeks damages payable under this policy's Liability Coverage; and
 - (2) against which we defend an *insured* with attorneys chosen by us.

We have no duty to pay attorney fees and court costs incurred after we deposit in court or pay the amount due under this policy's Liability Coverage.

2. We have the right to:

- a. investigate, negotiate, and settle any claim or lawsuit;
- b. defend an *insured* in any claim or lawsuit, with attorneys chosen by us; and
- c. appeal any award or legal decision for damages payable under this policy's Liability Coverage.

Supplementary Payments

We will pay, in addition to the damages, fees, and costs described in the Insuring Agreement

above, the interest, premiums, costs, and expenses listed below that result from such accident:

1. Interest on damages owed by the *insured* that accrues:

- a. before a judgment, where owed by law, but only on that part of the judgment we pay; and
- b. after a judgment. We will not pay interest on damages paid or payable by a party other than the *insured* or us.

We have no duty to pay interest that accrues after we deposit in court, pay, or offer to pay, the amount due under this policy's Liability Coverage;

2. Premiums for bonds, provided by a company chosen by us, required to appeal a decision in a lawsuit against an *insured*. We have no duty to:

- a. pay for bonds that exceed this policy's applicable Liability Coverage limit;
- b. furnish or apply for any bonds; or
- c. pay premiums for bonds purchased after we deposit in court, pay, or offer to pay, the amount due under this policy's Liability Coverage; and

3. The following costs and expenses if related to and incurred after a lawsuit has been filed against an *insured*:

- a. Loss of wages or salary, but not other income, up to \$200 for each day an *insured* attends, at our request:
 - (1) an arbitration;
 - (2) a mediation; or
 - (3) a trial of a lawsuit; and
- b. Reasonable expenses incurred by an *insured* at our request other than loss of wages, salary, or other income.

The amount of any of the costs or expenses listed above that are incurred by an *insured* must be reported to us before we will pay such incurred costs or expenses.

Limits

1. The Liability Coverage limits for *bodily injury* are shown on the Declarations Page under "Liability Coverage - Bodily Injury Limits - Each Person, Each Accident."

- a. The limit shown under "Each Person" is the most we will pay for all damages resulting from *bodily injury* to any one person injured in any one accident. "Bodily injury to any one person" includes all injury and damages to other persons resulting from that *bodily injury*, and all emotional distress resulting from that *bodily injury* sustained by other persons who do not sustain that *bodily injury*.
- b. The limit shown under "Each Accident" is the most we will pay, subject to the limit for "Each Person", for all damages resulting from *bodily injury* to two or more persons injured in the same accident.

2. The Liability Coverage limit for damage to property is shown on the Declarations Page under "Liability Coverage - Property Damage Limit - Each Accident". The limit shown is the most we will pay for all damages resulting from damage to property in any one accident.

3. These Liability Coverage limits are the most we will pay regardless of the number of:

- a. *insureds*;
- b. claims made;
- c. vehicles insured; or
- d. vehicles involved in the accident.

Nonduplication

We will not pay any damages or expenses under Liability Coverage that have already been paid under Uninsured Motor Vehicle Coverage of any policy issued by the State Farm Companies to you or any resident relative.

Exclusions

THERE IS NO COVERAGE FOR AN *INSURED*:

1. TO THE EXTENT THE LIABILITY COVERAGE LIMITS OF THIS POLICY EXCEED THE LIABILITY COVERAGE LIMITS REQUIRED BY THE FINANCIAL RESPONSIBILITY ACT IF SUCH INSURED INTENTIONALLY CAUSES BODILY INJURY OR DAMAGE TO PROPERTY;

2. OR FOR THAT *INSURED'S* INSURER FOR ANY OBLIGATION UNDER ANY TYPE OF WORKERS' COMPENSATION, DISABILITY, OR SIMILAR LAW;

3. FOR BODILY INJURY TO THAT *INSURED'S* EMPLOYEE WHICH ARISES OUT OF THAT EMPLOYEE'S EMPLOYMENT. This exclusion does not apply to that *insured's* household employee who is neither covered, nor required to be covered, under workers' compensation insurance;

4. FOR BODILY INJURY TO THAT *INSURED'S* FELLOW EMPLOYEE WHILE THE FELLOW EMPLOYEE IS IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT. This exclusion does not apply to you and resident relatives who are legally liable for *bodily injury* to fellow employees;

5. FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN *INSURED*;

6. FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to the use of a private passenger car on a share-the-expense basis;

7. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH

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THAT *INSURED'S* EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A *CAR BUSINESS*. This exclusion does not apply to:

- a. *you*;
- b. any *resident relative*; or
- c. any agent, employee, or business partner of *you* or any *resident relative*; or
- d. any *person* other than a *person* described in a., b., or c. above up to the liability coverage limits required by the *Financial Responsibility Act*;

while maintaining or using *your car*, a *newly acquired car*, a *temporary substitute car*, or a *trailer owned by you*;

8. WHILE THAT *INSURED* IS VALET PARKING A VEHICLE. This exclusion does not apply up to the liability coverage limits required by the *Financial Responsibility Act* while an *insured* is valet parking *your car*, a *newly acquired car*, a *temporary substitute car*, or a *trailer owned by you*;
9. WHILE MAINTAINING OR USING ANY VEHICLE OTHER THAN *YOUR CAR*, A *NEWLY ACQUIRED CAR*, A *TEMPORARY SUBSTITUTE CAR*, OR A *TRAILER* IN ANY BUSINESS OR OCCUPATION OTHER THAN A *CAR BUSINESS* OR VALET PARKING. This exclusion does not apply to the maintenance or use of a *private passenger car*;

10. FOR DAMAGE TO PROPERTY WHILE IT IS:

- a. OWNED BY;
- b. RENTED TO;
- c. USED BY;
- d. IN THE CARE OF; OR
- e. TRANSPORTED BY

YOU, A *RESIDENT RELATIVE*, OR THE *PERSON* WHO IS LEGALLY LIABLE FOR THE DAMAGE. This exclusion does not apply to damage to a:

- a. motor vehicle *owned by* the employer of *you* or any *resident relative* if such damage is caused by an *insured* while operating another motor vehicle;
- b. residence while rented to or leased to an *insured*; or
- c. private garage while rented to or leased to an *insured*;

11. FOR LIABILITY ASSUMED UNDER ANY CONTRACT OR AGREEMENT;

12. FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION;

13. WHILE USING A *TRAILER* WITH A MOTOR VEHICLE IF THAT *INSURED* IS NOT PROVIDED LIABILITY COVERAGE BY THIS POLICY FOR THE USE OF THAT MOTOR VEHICLE;

14. FOR THE OWNERSHIP, MAINTENANCE, OR USE OF ANY VEHICLE WHILE IT IS:

- a. OFF PUBLIC ROADS AND BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (14.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

This exclusion (14.) does not apply to *your car* up to the liability coverage limits required by the *Financial Responsibility Act*; OR

15. WHO IS AN EMPLOYEE OF THE UNITED STATES OF AMERICA OR ANY OF ITS AGENCIES, IF THE PROVISIONS OF THE FEDERAL TORT CLAIMS ACT APPLY.

If Other Liability Coverage Applies

1. If Liability Coverage provided by this policy and one or more other Car Policies issued to *you* or any *resident relative* by the *State Farm Companies* apply to the same accident, then:

- a. the Liability Coverage limits of such policies will not be added together to determine the most that may be paid; and
- b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

2. The Liability Coverage provided by this policy applies as primary coverage for the ownership, maintenance, or use of *your car* or a *trailer* attached to it.

- a. If:

- (1) this is the only Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Liability Coverage which applies to the accident as primary coverage; and
- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,

then *we* will pay the proportion of damages payable as primary that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other liability coverage that apply as primary coverage.

- b. If:

- (1) more than one Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Liability Coverage which applies to the accident as primary coverage; and

- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,

then the *State Farm Companies* will pay the proportion of damages payable as primary that the maximum amount that may be paid by the *State Farm Companies* as determined in 1. above bears to the sum of such amount and the limits of all other liability coverage that apply as primary coverage.

3. Except as provided in 2. above, the Liability Coverage provided by this policy applies as excess coverage.

- a. If:

- (1) this is the only Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Liability Coverage which applies to the accident as excess coverage; and
- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then *we* will pay the proportion of damages payable as excess that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other liability coverage that apply as excess coverage.

- b. If:

- (1) more than one Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Liability Coverage which applies to the accident as excess coverage; and
- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then the *State Farm Companies* will pay the proportion of damages payable as excess that the maximum amount that may be paid by the *State Farm Companies* as determined in 1. above bears to the sum of such amount and the limits of all other liability coverage that apply as excess coverage.

Required Out-of-State Liability Coverage
If:

1. an *Insured* is in another state of the United States of America, a territory or possession of the United States of America, the District of Columbia, or any province or territory of Canada, and as a nonresident becomes subject to its motor vehicle compulsory insurance law,

financial responsibility law, or similar law; and

2. this policy does not provide at least the minimum liability coverage required by such law for such nonresident,

then this policy will be interpreted to provide the minimum liability coverage required by such law.

This provision does not apply to liability coverage required by law for motor carriers of passengers or motor carriers of property.

Financial Responsibility Certification

When this policy is certified under any law as proof of future financial responsibility, and while required during the policy period, this policy will comply with such law to the extent required.

PERSONAL INJURY PROTECTION COVERAGE

This policy provides Personal Injury Protection Coverage if "P" with a number beside it is shown under "SYMBOLS" on the Declarations Page. "P" with a number beside it is your "coverage symbol".

Check your coverage symbol with the Schedule in the provision titled Limits for the choice of coverage you made.

Additional Definitions

Insured means:

1. *you and resident relatives:*

- a. while occupying a motor vehicle other than a motorcycle; or
- b. if struck as a pedestrian by a motor vehicle; or

2. any other person while occupying:

- a. your car;
- b. a newly acquired car;

- a. a temporary substitute car; or

- d. a trailer while attached to a car described in a, b, or c. above.

Such vehicle must be used with the expressed or implied consent of you.

Medical Expenses mean reasonable expenses for medical services.

Medical Services mean treatments, procedures, products, and other services that are:

1. necessary to achieve maximum medical improvement for the *bodily injury*;
2. rendered by a healthcare provider:
 - a. who is licensed as a healthcare provider if a license is required by law; and
 - b. within the legally authorized scope of that healthcare provider's practice;
3. commonly and customarily recognized throughout the medical profession and

within the United States of America as appropriate for the treatment of the *bodily injury*;

4. primarily designed to serve a medical purpose;
5. not experimental; and
6. not for research purposes.

Motor Vehicle means a vehicle or trailer of a kind required to be registered under South Carolina law.

Reasonable Expenses mean the lowest one of the following charges:

1. The usual and customary fees charged by a majority of healthcare providers who provide similar *medical services* in the geographical area in which the charges were incurred;
2. The fee specified in any fee schedule:
 - a. applicable to medical payments coverage, no-fault coverage, or personal injury protection coverage included in motor vehicle liability policies issued in the state where *medical services* are provided; and
 - b. as prescribed or authorized by the law of the state where *medical services* are provided;
3. The fees agreed to by both the *insured's* healthcare provider and us; or
4. The fees agreed upon between the *insured's* healthcare provider and a third party when we have a contract with such third party.

Insuring Agreement

Medical Expenses and Funeral Expenses apply to all Personal Injury Protection Coverages. Loss of Income and Essential Services Expenses apply only to coverages with coverage symbol P1, P2, P3, P4, P5, P6, and P7.

1. **Medical Expenses**

We will pay *medical expenses* incurred because of *bodily injury* that is sustained by an *insured* and caused by accident resulting from the maintenance or use of a motor vehicle as a vehicle if:

- a. that *insured* is first provided *medical services* within one year immediately following the date of the accident; and
- b. such *medical expenses* are for *medical services* that are provided within three years immediately following the date of the accident.

2. **Funeral Expenses**

We will pay funeral expenses incurred for an *insured* who dies within three years immediately following the date of a motor vehicle accident if the death is a direct result of *bodily injury* sustained in such accident.

3. **Loss of Income**

We will pay 85% of an *insured's* actual loss of earnings from work due to *bodily injury* that is sustained by an *insured* and caused by a motor vehicle accident. This applies only if the *insured* was receiving earnings from work at the time of the accident. The loss must be incurred within three years of the date of the accident and while the *insured* is living.

4. **Essential Services Expenses**

We will pay reasonable expenses incurred for needed services the *insured* would have done for his or her family, but is unable to do because of *bodily injury* that is sustained by that *insured* and caused by a motor vehicle accident. This benefit applies only if the *insured* was not receiving earnings from work at the time of the accident. The expense must be incurred within three years of the date of the accident and while the *insured* is living.

Determining Medical Expenses

We have the right to:

1. obtain and use:

- utilization reviews;
 - peer reviews; and
 - medical bill reviews
- to determine if the incurred charges are *medical expenses*;

2. use a medical examination of the *insured* to determine if:

- the *bodily injury* was caused by a *motor vehicle* accident; and
- the expenses incurred are *medical expenses*; and

3. enter into a contract with a third party that has an agreement with the *insured's* healthcare provider to charge fees as determined by that agreement.

Arbitration

1. If there is a disagreement as to:

- whether incurred charges are *medical expenses*; or
- the amount due under this coverage for Funeral Expenses, Loss of Income, or Essential Services Expenses

then the disagreement will be resolved by arbitration upon written request of the *insured* or us.

2. The arbitration will take place in the county in which the *insured* resides unless the parties agree to another location.

The *insured* and we will each select a competent arbitrator. These two arbitrators will select a third competent arbitrator. If they are unable to agree on the third arbitrator within 30 days, then either the *insured* or we may petition a court that has jurisdiction to select the third arbitrator.

Each party will pay the cost of its own arbitrator, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third arbitrator.

3. The arbitrators shall only decide whether incurred charges are *medical expenses* and the amount due under this coverage for Funeral Expenses, Loss of Income, or Essential Services Expenses. Arbitrators shall have no authority to decide any other questions of fact, decide any questions of law, or conduct arbitration on a class-wide or class-representative basis.

4. A written decision that is both agreed upon by and signed by any two arbitrators, and that also contains an explanation of how they arrived at their decision, will be binding on:

- us;
- the *insured*;
- any assignee of the *insured*; and
- any *person* or organization with whom the *insured* expressly or impliedly contracts for *medical services*, funeral services, or essential services.

5. Subject to 1., 2., 3., and 4. above, state court rules governing procedure and admission of evidence will be used.

6. We do not waive any of our rights by submitting to arbitration.

Limits

1. The most we will pay is the amount shown under "Aggregate Limit" in the Schedule for your coverage symbol. This limit is the most we will pay for all loss and expense combined, incurred by or on behalf of any one *insured* as a result of any one accident, regardless of the number of:

- insureds;
- claims made;
- vehicles insured; or
- vehicles involved in the accident.

2. Subject to the aggregate limit shown in the Schedule for your coverage symbol, the most we will pay for funeral expenses incurred for any one *insured* is \$3,000.

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3. Schedule

Coverage Symbol	Medical Expenses	Funeral Expenses	Loss of Income	Essential Services Expenses	Aggregate Limit
P1	Yes	Yes	Yes	Yes	\$1,000
P2	Yes	Yes	Yes	Yes	\$1,500
P3	Yes	Yes	Yes	Yes	\$2,000
P4	Yes	Yes	Yes	Yes	\$2,500
P5	Yes	Yes	Yes	Yes	\$5,000
P6	Yes	Yes	Yes	Yes	\$10,000
P7	Yes	Yes	Yes	Yes	\$25,000
P8	Yes	Yes	No	No	\$1,000
P9	Yes	Yes	No	No	\$1,500
P10	Yes	Yes	No	No	\$2,000
P11	Yes	Yes	No	No	\$2,500
P12	Yes	Yes	No	No	\$5,000
P13	Yes	Yes	No	No	\$10,000
P14	Yes	Yes	No	No	\$25,000

Exclusions

THERE IS NO COVERAGE FOR AN *INSURED*:

- WHO INTENTIONALLY CAUSES AN ACCIDENT WHICH RESULTS IN THAT *INSURED'S BODILY INJURY*;
- WHILE VOLUNTARILY OCCUPYING A MOTOR VEHICLE KNOWN BY THAT PERSON TO BE STOLEN;
- WHILE COMMITTING A FELONY;
- WHILE ATTEMPTING TO ELUDE A POLICE OFFICER;
- WHILE OCCUPYING, USING, OR MAINTAINING A MOTORCYCLE;
- WHO IS EITHER OCCUPYING OR STRUCK AS A PEDESTRIAN BY A VEHICLE, OWNED BY THAT *INSURED*, YOU, OR ANY RESIDENT RELATIVE IF IT IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR;
- WHO IS OCCUPYING A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN *INSURED*;

8. WHO IS OCCUPYING A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to:

- the use of a *private passenger car* on a share-the-expense basis; or
- an *insured* while occupying a *non-owned car* as a passenger;

9. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH THAT *INSURED'S* EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A CAR BUSINESS. This exclusion does not apply to:

- you;
- any *resident relative*; or
- any agent, employee, or business partner of a. or b. above

while maintaining or using your car, a newly acquired car, a temporary substitute car, or a trailer owned by you;

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10. WHILE THAT *INSURED* IS VALET PARKING A VEHICLE;
11. WHILE MAINTAINING OR USING A *NON-OWNED CAR* IN ANY BUSINESS OR OCCUPATION OTHER THAN A *CAR BUSINESS* OR VALET PARKING. This exclusion does not apply to the maintenance or use of a *private passenger car*;
12. WHO IS EITHER *OCCUPYING* OR STRUCK AS A *PEDESTRIAN* BY A VEHICLE THAT:
 - a. IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS;
 - b. RUNS ON RAILS OR CRAWLER-TREADS; OR
 - c. IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES;
13. WHOSE *BODILY INJURY* RESULTS FROM WAR OF ANY KIND;
14. WHOSE *BODILY INJURY* RESULTS FROM:
 - a. NUCLEAR REACTION;
 - b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
 - c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
15. WHOSE *BODILY INJURY* RESULTS FROM THE DISCHARGE OF A FIRE-ARM;
16. WHOSE *BODILY INJURY* RESULTS FROM EXPOSURE TO *FUNGUS*; OR
17. WHO IS *OCCUPYING* A VEHICLE WHILE IT IS:
 - a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR

- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (17.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

If Other Personal Injury Protection Coverage or Similar Vehicle Insurance Applies

1. An *insured* shall not recover for the same expense or loss under both this coverage and other similar vehicle insurance.
2. If Personal Injury Protection Coverage is provided by this policy and one or more other vehicle policies issued to *you* or any *resident relative* by the *State Farm Companies* apply to the same *bodily injury*, then:
 - a. the Personal Injury Protection Coverage limits of such policies shall not be added together to determine the most that may be paid; and
 - b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.
3. The Personal Injury Protection Coverage provided by this policy applies as primary coverage for an *insured* who sustains *bodily injury* while *occupying your car* or a trailer attached to it.
 - a. If:
 - (1) this is the only vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as primary coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,

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then *we* will pay the proportion of expenses or loss payable as primary that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as primary coverage.

- b. If:
 - (1) more than one vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as primary coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,
 then the *State Farm Companies* will pay the proportion of expenses or loss payable as primary that the maximum amount that may be paid by the *State Farm Companies* as determined in 2. above bears to the sum of such amount and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as primary coverage.

4. Except as provided in 3. above, the Personal Injury Protection Coverage provided by this policy applies as excess coverage, but only in the amount by which the limits of this coverage exceed the primary coverage.

- a. If:
 - (1) this is the only vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance

provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then *we* will pay the proportion of expenses or loss payable as excess that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as excess coverage.

- b. If:
 - (1) more than one vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then the *State Farm Companies* will pay the proportion of expenses or loss payable as excess that the maximum amount that may be paid by the *State Farm Companies* as determined in 2. above bears to the sum of such amount and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as excess coverage.

Workers' Compensation Coordination

Any Personal Injury Protection Coverage provided by this policy applies as excess over any benefits recovered under any workers' compensation law or any other similar law.

Our Payment Options

We may, at *our* option, make payment to one or more of the following:

1. The *insured*;
2. The *insured's* surviving spouse;

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3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person;
4. A person authorized by law to receive such payment; or
5. Any person or organization that provides the *medical services*, funeral services, or other services payable under this coverage.

MEDICAL PAYMENTS COVERAGE

This policy provides Medical Payments Coverage if "C" is shown under "SYMBOLS" on the Declarations Page.

Additional Definitions

Insured means:

1. you and resident relatives:
 - a. while occupying:
 - (1) your car;
 - (2) a newly acquired car;
 - (3) a temporary substitute car;
 - (4) a non-owned car; or
 - (5) a trailer while attached to a car described in (1), (2), (3), or (4) above; or
 - b. if struck as a pedestrian by a motor vehicle or any type of trailer; and
2. any other person while occupying:
 - a. your car;
 - b. a newly acquired car;
 - c. a temporary substitute car; or
 - d. a trailer while attached to a car described in a., b., or c. above.

Such vehicle must be used with the expressed or implied consent of you.

Medical Expenses mean reasonable expenses for medical services.

Medical Services mean treatments, procedures, products, and other services that are:

1. necessary to achieve maximum medical improvement for the *bodily injury*;
2. rendered by a healthcare provider:
 - a. who is licensed as a healthcare provider or if a license is required by law; and
 - b. within the legally authorized scope of that healthcare provider's practice;
3. commonly and customarily recognized throughout the medical profession and within the United States of America as appropriate for the treatment of the *bodily injury*;
4. primarily designed to serve a medical purpose;
5. not experimental; and
6. not for research purposes.

Reasonable Expenses mean the lowest ones of the following charges:

1. The usual and customary fees charged by a majority of healthcare providers who provide similar *medical services* in the geographical area in which the charges were incurred;
2. The fee specified in any fee schedule:
 - a. applicable to medical payments coverage, no-fault coverage, or personal injury protection coverage included in motor vehicle liability policies issued in the state where *medical services* are provided; and
 - b. as prescribed or authorized by the law of the state where *medical services* are provided;
3. The fees agreed to by both the *insured's* healthcare provider and us; or

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4. The fees agreed upon between the *insured's* healthcare provider and a third party when we have a contract with such third party.

Insuring Agreement

We will pay:

1. *medical expenses* incurred because of *bodily injury* that is sustained by an *insured* and caused by accident resulting from the maintenance or use of a motor vehicle as a vehicle if:
 - a. that *insured* is first provided *medical services* within one year immediately following the date of the accident; and
 - b. such *medical expenses* are for *medical services* that are provided within three years immediately following the date of the accident; and
2. funeral expenses incurred for an *insured* who dies within three years immediately following the date of a motor vehicle accident if the death is a direct result of *bodily injury* sustained in such accident.

Determining Medical Expenses

We have the right to:

1. obtain and use:
 - a. utilization reviews;
 - b. peer reviews; and
 - c. medical bill reviews
 to determine if the incurred charges are *medical expenses*;
2. use a medical examination of the *insured* to determine if:
 - a. the *bodily injury* was caused by a motor vehicle accident; and
 - b. the expenses incurred are *medical expenses*; and
3. enter into a contract with a third party that has an agreement with the *insured's* healthcare provider to charge fees as determined by that agreement.

Arbitration

1. If there is a disagreement as to whether incurred charges are *medical expenses*, then the disagreement will be resolved by arbitration upon written request of the *insured* or us.

2. The arbitration will take place in the county in which the *insured* resides unless the parties agree to another location.

The *insured* and we will each select a competent arbitrator. These two arbitrators will select a third competent arbitrator. If they are unable to agree on the third arbitrator within 30 days, then either the *insured* or we may petition a court that has jurisdiction to select the third arbitrator.

Each party will pay the cost of its own arbitrator, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third arbitrator.

3. The arbitrators shall only decide whether incurred charges are *medical expenses*. Arbitrators shall have no authority to decide any other questions of fact, decide any questions of law, or conduct arbitration on a class-wide or class-representative basis.

4. A written decision that is both agreed upon by and signed by any two arbitrators, and that also contains an explanation of how they arrived at their decision, will be binding on:
 - a. us;
 - b. the *insured*;
 - c. any assignee of the *insured*; and
 - d. any person or organization with whom the *insured* expressly or impliedly contracts for *medical services*.

5. Subject to 1., 2., 3., and 4. above, state court rules governing procedure and admission of evidence will be used.
6. We do not waive any of our rights by submitting to arbitration.

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Limit

The Medical Payments Coverage limit is shown on the Declarations Page under "Medical Payments Coverage - Limit - Each Person". This limit is the most we will pay for the medical expenses and funeral expenses combined, incurred by or on behalf of any one insured as a result of any one accident, regardless of the number of:

1. insureds;
2. claims made;
3. vehicles insured; or
4. vehicles involved in the accident.

Subject to the limit shown on the Declarations Page, the most we will pay for funeral expenses incurred for any one insured is \$3,000.

Exclusions

THERE IS NO COVERAGE FOR AN INSURED:

1. WHO IS STRUCK AS A PEDESTRIAN BY A MOTOR VEHICLE, OWNED BY THAT INSURED OR YOU, IF IT IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR;
2. IF ANY WORKERS' COMPENSATION LAW OR ANY SIMILAR LAW APPLIES TO THAT INSURED'S BODILY INJURY;
3. WHO IS OCCUPYING A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN INSURED;
4. WHO IS OCCUPYING A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to:
 - a. the use of a private passenger car on a share-the-expense basis; or
 - b. an insured while occupying a non-owned car as a passenger;
5. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH THAT INSURED'S EMPLOYMENT IN

OR ENGAGEMENT OF ANY KIND IN A CAR BUSINESS. This exclusion does not apply to:

- a. you;
- b. any resident relative; or
- c. any agent, employee, or business partner of a. or b. above

while maintaining or using your car, a newly acquired car, a temporary substitute car, or a trailer owned by you;

6. WHILE THAT INSURED IS VALET PARKING A VEHICLE;
7. WHILE MAINTAINING OR USING A NON-OWNED CAR IN ANY BUSINESS OR OCCUPATION OTHER THAN A CAR BUSINESS OR VALET PARKING. This exclusion does not apply to the maintenance or use of a private passenger car;
8. WHO IS EITHER OCCUPYING OR STRUCK AS A PEDESTRIAN BY A VEHICLE THAT IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES;
9. WHO IS STRUCK AS A PEDESTRIAN BY A VEHICLE THAT:
 - a. IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS; OR
 - b. RUNS ON RAILS OR CRAWLER-TREADS;
10. WHOSE BODILY INJURY RESULTS FROM WAR OF ANY KIND;
11. WHOSE BODILY INJURY RESULTS FROM:
 - a. NUCLEAR REACTION;
 - b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
 - c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;

12. WHOSE BODILY INJURY RESULTS FROM THE DISCHARGE OF A FIRE-ARM;

13. WHOSE BODILY INJURY RESULTS FROM EXPOSURE TO FUNGI; OR

14. WHO IS OCCUPYING A VEHICLE WHILE IT IS:

- a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (14.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

If Other Medical Payments Coverage or Similar Vehicle Insurance Applies

1. An insured shall not recover for the same medical expenses or funeral expenses under both this coverage and other medical payments coverage or similar vehicle insurance.
2. If Medical Payments Coverage provided by this policy and one or more other vehicle policies issued to you or any resident relative by the State Farm Companies apply to the same bodily injury, then:
 - a. the Medical Payments Coverage limits of such policies shall not be added together to determine the most that may be paid; and
 - b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. We may choose one or more policies from which to make payment.
3. If other medical payments coverage, personal injury protection coverage, or similar

vehicle insurance applies, then the Medical Payments Coverage provided by this policy applies as excess coverage.

a. If:

(1) this is the only vehicle policy issued to you or any resident relative by the State Farm Companies that provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and

(2) medical payments coverage or other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same accident,

then we will pay the proportion of medical expenses and funeral expenses payable as excess that our applicable limit bears to the sum of our applicable limit and the limits of all other medical payments coverage or similar vehicle insurance that apply as excess coverage.

b. If:

(1) more than one vehicle policy issued to you or any resident relative by the State Farm Companies provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and

(2) medical payments coverage or other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same accident,

then the State Farm Companies will pay the proportion of medical expenses and funeral expenses payable as excess that the maximum amount that may be paid by the State Farm Companies as determined in 2. above

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bears to the sum of such amount and the limits of all other medical payments coverage or similar vehicle insurance that apply as excess coverage.

Our Payment Options

We may, at our option, make payment to one or more of the following:

1. The *Insured*;

2. The *insured's* surviving spouse;
3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person;
4. A person authorized by law to receive such payment; or
5. Any person or organization that provides the medical services or funeral services.

UNINSURED MOTOR VEHICLE COVERAGE

This policy provides Uninsured Motor Vehicle Coverage if "U" is shown under "SYMBOLS" on the Declarations Page.

Additional Definitions

Insured means:

1. *you*;
2. *resident relatives*;
3. any other person while occupying or using:
 - a. *your car*;
 - b. a *newly acquired car*; or
 - c. a *temporary substitute car*;
 with the expressed or implied consent of *you*; and
4. any person to the extent he or she may recover damages under a state wrongful death statute because of the death of an *insured* under 1., 2., or 3. above.

Motor Vehicle means a self-propelled vehicle or trailer designed for use on public roads, but does not include tractor engines, road rollers, farm trailers, tractor cranes, power shovels, well drillers, or electric trolleys.

Property Damage means damage to property of the *insured*.

Uninsured Motor Vehicle means a motor vehicle:

1. the ownership, maintenance, and use of which is:

- a. not insured or bonded for bodily injury and property damage liability at the time of the accident; or
- b. insured or bonded for bodily injury and property damage liability at the time of the accident; but
 - (1) the limits are less than required by the *Financial Responsibility Act*;
 - (2) the insuring company:
 - (a) denies that its policy provides liability coverage for damages that result from the accident; or
 - (b) is or becomes insolvent; or
 - (3) a cause of action for the *bodily injury* or *property damage* is barred by the South Carolina Tort Claims Act; or
2. the owner and driver of which remain unknown, but only if:
 - a. the *bodily injury* or *property damage* was caused by physical contact with the unknown vehicle, or the accident was witnessed by someone other than the owner or driver of the insured vehicle. The witness must sign an affidavit attesting to the truth of the facts of the accident contained in the affidavit; and

- b. the *insured* was not negligent in failing to determine the identity of the other vehicle and the driver of the other vehicle at the time of the accident.

Uninsured Motor Vehicle does not include a motor vehicle owned by:

1. a self-insurer in accordance with the applicable provisions of law; or
2. the State or any of its political subdivisions when the vehicle is operated by a person with proper authorization.

Insuring Agreement

We will pay damages for *bodily injury* and *property damage* an *insured* is legally entitled to recover from the owner or driver of an *uninsured motor vehicle*. The *bodily injury* must be sustained by an *insured*. The *bodily injury* and *property damage* must be caused by an accident that involves the operation, maintenance, or use of an *uninsured motor vehicle*.

Our Right to Defend

We have the right to appear and defend in the name of the owner and driver of the *uninsured motor vehicle* on the issues of legal liability of, and the damages owed by, such owner or driver.

Limits

1. The Uninsured Motor Vehicle Coverage limits for *bodily injury* are shown on the Declarations Page under "Uninsured Motor Vehicle Coverage - Bodily Injury Limits - Each Person, Each Accident".
 - a. The most we will pay for all damages resulting from *bodily injury* to any one person injured in any one accident is the lesser of:
 - (1) the amount of all damages resulting from that *bodily injury* reduced by the sum of all payments for damages resulting from that *bodily injury* made by or on behalf of any person or organization who is or may be held legally liable for that *bodily injury*; or

- (2) the limit shown under "Each Person".

"*Bodily injury* to any one person" includes all injury and damages to other persons resulting from that *bodily injury*, and all emotional distress resulting from that *bodily injury* sustained by other persons who do not sustain that *bodily injury*.

- b. Subject to a. above, the most we will pay for all damages resulting from *bodily injury* to two or more *insureds* injured in the same accident is the limit shown under "Each Accident".

2. The Uninsured Motor Vehicle Coverage limit for *property damage* is shown on the Declarations Page under "Uninsured Motor Vehicle Coverage - Property Damage Limit - Each Accident". The most we will pay for *property damage* is the lesser of:

- a. the amount of *property damage* reduced by the sum of all payments made by or on behalf of any person or organization who is or may be held legally liable for that *property damage*; or

- b. the limit shown under "Each Accident".

3. These Uninsured Motor Vehicle Coverage limits are the most we will pay regardless of the number of:

- a. *insureds*;
- b. claims made;
- c. vehicles insured; or
- d. vehicles involved in the accident.

Nonduplication

We will not pay under Uninsured Motor Vehicle Coverage any damages:

1. that have already been paid to or for the *insured*;
 - a. by or on behalf of any person or organization who is or may be held legally liable for the *bodily injury* to the *insured*; or

- b. for *bodily injury* under Liability Coverage of any policy issued by the *State Farm Companies* to you or any *resident relative*;
2. that:
- have already been paid;
 - could have been paid; or
 - could be paid
- to or for the *insured* under any workers' compensation law, disability benefits law, or similar law; or
3. that are *property damage* paid or payable under any policy of property insurance.
- Exclusions**
THERE IS NO COVERAGE:
- FOR AN *INSURED* WHO, WITHOUT OUR WRITTEN CONSENT, SETTLES WITH ANY *PERSON* OR ORGANIZATION WHO MAY BE LIABLE FOR THE *BODILY INJURY* OR *PROPERTY DAMAGE* AND THEREBY IMPAIRS OUR RIGHT TO RECOVER *OUR* PAYMENTS;
 - TO THE EXTENT THE UNINSURED MOTOR VEHICLE COVERAGE LIMITS OF THIS POLICY EXCEED THE COVERAGE LIMITS REQUIRED BY THE *FINANCIAL RESPONSIBILITY ACT*:
- FOR AN *INSURED* WHO SUSTAINS *BODILY INJURY* WHILE OCCUPYING A MOTOR VEHICLE OWNED BY YOU OR ANY *RESIDENT RELATIVE* IF:
 - THE MOTOR VEHICLE IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR; AND
 - IT WAS NOT INSURED FOR UNINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;
- IF THE UNINSURED MOTOR VEHICLE IS OWNED BY YOU OR ANY *RESIDENT RELATIVE*; OR
 - FOR *PROPERTY DAMAGE*:
 - TO A MOTOR VEHICLE; OR
 - IN A MOTOR VEHICLE OWNED BY YOU OR ANY *RESIDENT RELATIVE* IF THE MOTOR VEHICLE WAS NOT INSURED FOR UNINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;
 - FOR *PROPERTY DAMAGE* THAT WAS PROXIMATELY CAUSED BY THE DRIVER OF YOUR CAR OR A NEWLY ACQUIRED CAR;
 - TO THE EXTENT IT BENEFITS:
 - ANY WORKERS' COMPENSATION OR DISABILITY BENEFITS INSURANCE COMPANY;
 - A SELF-INSURER UNDER ANY WORKERS' COMPENSATION LAW, DISABILITY BENEFITS LAW, OR SIMILAR LAW; OR
 - ANY PROPERTY INSURER;
 - FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION; OR
 - FOR THE FIRST \$200 OF *PROPERTY DAMAGE* SUSTAINED BY EACH *INSURED* IN EACH ACCIDENT.

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2. Except as provided in item 1. above, the Uninsured Motor Vehicle Coverage provided by this policy applies as excess coverage.
3. if:
- you or any *resident relative* sustains *bodily injury* or *property damage*:
 - while occupying a motor vehicle not owned by you or any *resident relative*; or
 - while not occupying a motor vehicle; and
 - Uninsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to you or any *resident relative* by the *State Farm Companies* apply to the same *bodily injury* or *property damage*, then

the maximum amount that may be paid from all such policies combined is the single highest limit provided by any one of the policies. We may choose one or more policies from which to make payment.
 - If you or any *resident relative* sustains *bodily injury* or *property damage* while occupying a motor vehicle other than your car that is owned by you or any *resident relative*, then this coverage applies only to the extent of the uninsured motor vehicle coverage applicable to the motor vehicle that the *insured* was occupying.
- However, if the motor vehicle that the *insured* was occupying was not insured for uninsured motor vehicle coverage at the time of the accident, then the maximum amount that may be paid from all policies combined that are issued to you or any *resident relative* by the *State Farm Companies* is the minimum limits required by the *Financial Responsibility Act*. We may choose one or more policies from which to make payment.
5. Subject to items 1., 2., 3., and 4. above, if this policy and one or more other sources provide uninsured motor vehicle coverage for the same damages on a:
- primary basis, then we will pay the proportion of damages payable as primary that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits of all other uninsured motor vehicle coverage that apply as primary coverage; or
 - excess basis, then we will pay the proportion of damages payable as excess that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits of all other uninsured motor vehicle coverage that apply as excess coverage.
- Our Payment Options**
We may, at our option, make payment to one or more of the following:
- The *insured*;
 - The *insured's* surviving spouse;
 - A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person; or
 - A person authorized by law to receive such payment.

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UNDERINSURED MOTOR VEHICLE COVERAGE

This policy provides Underinsured Motor Vehicle Coverage if "W" is shown under "SYMBOLS" on the Declarations Page.

Additional Definitions

Insured means:

1. *you*;
2. *resident relatives*;
3. any other *person* while *occupying* or using:
 - a. *your car*;
 - b. a *newly acquired car*; or
 - c. a *temporary substitute car*;
 with the expressed or implied consent of *you*; and
4. any *person* to the extent he or she may recover damages under a state wrongful death statute because of the death of an *insured* under 1., 2., or 3. above.

Motor Vehicle means a self-propelled vehicle or trailer designed for use on public roads, but does not include tractor engines, road rollers, farm trailers, tractor cranes, power shovels, well drillers, or electric trolleys.

Property Damage means damage to property of the *insured*.

Underinsured Motor Vehicle means a *motor vehicle* the ownership, maintenance, and use of which is either:

1. insured or bonded for bodily injury and property damage liability at the time of the accident; or
2. self-insured under any motor vehicle financial responsibility law, any motor carrier law, or any similar law

in an amount that is at least equal to the amount required by the *Financial Responsibility Act* and:

1. the amount of the insurance, bonds, and self-insurance from all sources is less than the amount of the *insured's* damages; or

2. the *insured's* damages exceed any damages cap or limitation imposed by statute.

Underinsured Motor Vehicle does not include a motor vehicle while located for use as a dwelling or other premises.

Insuring Agreement

We will pay damages for *bodily injury* and *property damage* an *insured* is legally entitled to recover from the owner or driver of an *underinsured motor vehicle*. The *bodily injury* must be sustained by an *insured*. The *bodily injury* and *property damage* must be caused by an accident that involves the operation, maintenance, or use of an *underinsured motor vehicle*.

We will pay only if all bodily injury and property damage liability bonds, policies, and self-insurance plans that apply to the *insured's bodily injury* or *property damage* have been:

1. used up by payment of judgments or settlements; or
2. paid to the extent required by any damages cap or limitation imposed by statute.

Our Right to Defend

We have the right to appear and defend in the name of the owner and driver of the *underinsured motor vehicle* on the issues of legal liability of, and the damages owed by, such owner or driver.

Limits

1. The Underinsured Motor Vehicle Coverage limits are shown on the Declarations Page under "Underinsured Motor Vehicle Coverage - Bodily Injury Limits - Each Person, Each Accident".

- a. The most we will pay for all damages resulting from *bodily injury* to any one *person* injured in any one accident is the lesser of:

- (1) the amount of all damages resulting from that *bodily injury* reduced by the sum of all payments for damages resulting from that

bodily injury made by or on behalf of any *person* or organization who is or may be held legally liable for that *bodily injury*; or

- (2) the limit shown under "Each Person".

"*Bodily injury* to any one *person*" includes all injury and damages to other *persons* resulting from that *bodily injury*, and all emotional distress resulting from that *bodily injury* sustained by other *persons* who do not sustain that *bodily injury*.

- b. Subject to a. above, the most we will pay for all damages resulting from *bodily injury* to two or more *insureds* injured in the same accident is the limit shown under "Each Accident".

2. The Underinsured Motor Vehicle Coverage limit for *property damage* is shown on the Declarations Page under "Underinsured Motor Vehicle Coverage - Property Damage Limit - Each Accident". The most we will pay for *property damage* is the lesser of:

- a. the amount of *property damage* reduced by the sum of all payments made by or on behalf of any *person* or organization who is or may be held legally liable for that *property damage*; or
- b. the limit shown under "Each Accident".

3. These Underinsured Motor Vehicle Coverage limits are the most we will pay regardless of the number of:

- a. *insureds*;
- b. claims made;
- c. vehicles insured; or
- d. vehicles involved in the accident.

Non duplication

We will not pay under Underinsured Motor Vehicle Coverage any damages:

1. that have already been paid to or for the *insured*;
- a. by or on behalf of any *person* or organization who is or may be held

legally liable for the *bodily injury* to the *insured*; or

- b. for *bodily injury* under Liability Coverage of any policy issued by the *State Farm Companies* to *you* or any *resident relative*;

2. that:

- a. have already been paid;
- b. could have been paid; or
- c. could be paid

to or for the *insured* under any workers' compensation law, disability benefits law, or similar law; or

3. that are *property damage* paid or payable under any policy of property insurance.

Exclusions

THERE IS NO COVERAGE:

1. FOR AN *INSURED* WHO, WITHOUT *OUR* WRITTEN CONSENT, SETTLES WITH ANY *PERSON* OR ORGANIZATION WHO MAY BE LIABLE FOR THE *BODILY INJURY* OR *PROPERTY DAMAGE* AND THEREBY IMPAIRS *OUR* RIGHT TO RECOVER *OUR* PAYMENTS;

2. TO THE EXTENT THE UNDERINSURED MOTOR VEHICLE COVERAGE LIMITS OF THIS POLICY EXCEED THE COVERAGE LIMITS REQUIRED BY THE *FINANCIAL RESPONSIBILITY ACT*:

- a. FOR AN *INSURED* WHO SUSTAINS *BODILY INJURY* WHILE *OCCUPYING* A MOTOR VEHICLE *OWNED BY YOU* OR ANY *RESIDENT RELATIVE* IF:

- (1) THE MOTOR VEHICLE IS NOT *YOUR CAR* OR A *NEWLY ACQUIRED CAR*; AND

- (2) IT WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE

COVERAGE AT THE TIME OF THE ACCIDENT;

- b. IF THE UNDERINSURED MOTOR VEHICLE IS OWNED BY YOU OR ANY RESIDENT RELATIVE; OR
- c. FOR PROPERTY DAMAGE:
 - (1) TO A MOTOR VEHICLE; OR
 - (2) IN A MOTOR VEHICLE OWNED BY YOU OR ANY RESIDENT RELATIVE IF THE MOTOR VEHICLE WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;
3. FOR PROPERTY DAMAGE THAT WAS PROXIMATELY CAUSED BY THE DRIVER OF YOUR CAR OR A NEWLY ACQUIRED CAR;
4. FOR AN INSURED WHOSE BODILY INJURY RESULTS FROM THE DISCHARGE OF A FIREARM;
5. TO THE EXTENT IT BENEFITS:
 - a. ANY WORKERS' COMPENSATION OR DISABILITY BENEFITS INSURANCE COMPANY;
 - b. A SELF-INSURER UNDER ANY WORKERS' COMPENSATION LAW, DISABILITY BENEFITS LAW, OR SIMILAR LAW; OR
 - c. ANY PROPERTY INSURER; OR
6. FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION.

If Other Underinsured Motor Vehicle Coverage Applies

1. The Underinsured Motor Vehicle Coverage provided by this policy applies as primary coverage for an insured who sustain bodily injury or property damage while occupying your car.

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2. Except as provided in item 1. above, the Underinsured Motor Vehicle Coverage provided by this policy applies as excess coverage.

3. If:
 - a. you or any resident relative sustains bodily injury or property damage:
 - (1) while occupying a motor vehicle not owned by you or any resident relative; or
 - (2) while not occupying a motor vehicle; and
 - b. Underinsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to you or any resident relative by the State Farm Companies apply to the same bodily injury or property damage, then

the maximum amount that may be paid from all such policies combined is the single highest limit provided by any one of the policies. We may choose one or more policies from which to make payment.

4. If you or any resident relative sustains bodily injury or property damage while occupying a motor vehicle other than your car that is owned by you or any resident relative, then this coverage applies only to the extent of the underinsured motor vehicle coverage applicable to the motor vehicle that the insured was occupying.

However, if the motor vehicle that the insured was occupying was not insured for underinsured motor vehicle coverage at the time of the accident, then the maximum amount that may be paid from all policies combined that are issued to you or any resident relative by the State Farm Companies is the minimum limits required by the Financial Responsibility Act. We may choose one or more policies from which to make payment.

5. Subject to items 1., 2., 3., and 4. above, if this policy and one or more other sources

provide underinsured motor vehicle coverage for the same damages on a:

- a. primary basis, then we will pay the proportion of damages payable as primary that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits of all other underinsured motor vehicle coverage that apply as primary coverage; or
- b. excess basis, then we will pay the proportion of damages payable as excess that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits

of all other underinsured motor vehicle coverage that apply as excess coverage.

Our Payment Options

We may, at our option, make payment to one or more of the following:

1. The insured;
2. The insured's surviving spouse;
3. A parent or guardian of the insured, if the insured is a minor or an incompetent person; or
4. A person authorized by law to receive such payment.

PHYSICAL DAMAGE COVERAGES

The physical damage coverages are Comprehensive Coverage, Collision Coverage, Emergency Road Service Coverage, and Car Rental and Travel Expenses Coverage.

This policy provides:

1. Comprehensive Coverage if "D";
2. Collision Coverage if "G";
3. Emergency Road Service Coverage if "H";
4. Car Rental and Travel Expenses Coverage if "RI"

is shown under "SYMBOLS" on the Declarations Page.

If a deductible applies to Comprehensive Coverage, then it is shown on the Declarations Page. The deductible that applies to Collision Coverage is shown on the Declarations Page.

Additional Definitions

Covered Vehicle means:

1. your car;

2. a newly acquired car;
3. a temporary substitute car;
4. a camper that is designed to be mounted on a pickup truck and shown on the Declarations Page;
5. a non-owned car while it is:
 - a. being driven by an insured; or
 - b. in the custody of an insured if at the time of the loss it is:
 - (1) not being driven; or
 - (2) being driven by a person other than an insured and being occupied by an insured;
6. a non-owned trailer while it is being used by an insured; and
7. a non-owned camper while it is being used by an insured;

including its parts and its equipment that are common to the use of the vehicle as a vehicle. However, parts and equipment of trailers and

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campers must be securely fixed as a permanent part of the trailer or camper.

Daily Rental Charge means the sum of:

1. the daily rental rate;
2. mileage charges; and
3. related taxes.

Insured means you and resident relatives.

Loss means:

1. direct, sudden, and accidental damage to; or
2. total or partial theft of

a covered vehicle. **Loss** does not include any reduction in the value of any covered vehicle after it has been repaired, as compared to its value before it was damaged.

Loss Caused By Collision means a loss caused by:

1. a covered vehicle hitting or being hit by another vehicle or another object; or
2. the overturning of a covered vehicle.

Any loss caused by missiles, falling objects, windstorm, hail, fire, explosion, earthquake, water, flood, total or partial theft, malicious mischief, vandalism, riot, civil commotion, or hitting or being hit by a bird or an animal is not a **Loss Caused By Collision**.

Non-Owned Camper means a camper designed to be mounted on a pickup truck that is in the lawful possession of an insured and that neither:

1. is owned by:
 - a. an insured;
 - b. any other person who resides primarily in your household; or
 - c. an employer of any person described in a. or b. above; nor
2. has been used by, rented by, or in the possession of an insured during any part of each of the 31 or more consecutive days immediately prior to the date of the loss.

Non-Owned Trailer means a trailer that is in the lawful possession of an insured and that neither:

1. is owned by:
 - a. an insured;
 - b. any other person who resides primarily in your household; or
 - c. an employer of any person described in a. or b. above; nor
2. has been used by, rented by, or in the possession of an insured during any part of each of the 31 or more consecutive days immediately prior to the date of the loss.

Insuring Agreements

1. Comprehensive Coverage

We will pay:

- a. for loss, except loss caused by collision, to a covered vehicle; and
- b. transportation expenses incurred by an insured as a result of the total theft of your car or a newly acquired car. These transportation expenses are payable:

(1) during the period that:

- (a) starts on the date you report the theft to us; and

(b) ends on the earliest of:

- (i) the date the vehicle is returned to your possession in a drivable condition;
- (ii) the date we offer to pay for the loss if the vehicle has not yet been recovered; or
- (iii) the date we offer to pay for the loss if the vehicle is recovered, but is a total loss as determined by us; and

(2) during the period that:

- (a) starts on the date the vehicle is left at a repair facility if the

stolen vehicle is recovered, returned to your possession in a drivable condition, and has unrepaired damage that resulted from the total theft; and

- (b) ends on the date the vehicle is repaired.

These transportation expenses must be reported to us before we will pay such incurred expenses.

2. Collision Coverage

We will pay for loss caused by collision to a covered vehicle.

3. Emergency Road Service Coverage

We will pay the fair cost incurred by an insured for:

- a. up to one hour of labor to repair a covered vehicle at the place of its breakdown;
- b. towing to the nearest repair facility where necessary repairs can be made if a covered vehicle is not drivable;
- c. towing a covered vehicle out of a location where it is stuck if the vehicle is on or immediately next to a public road;
- d. delivery of gas, oil, battery, or tire necessary to return a covered vehicle to driving condition. We do not pay the cost of the gas, oil, battery, or tire; and
- e. up to one hour of labor for locksmith services to unlock a covered vehicle if its key is lost, stolen, or locked inside the vehicle.

4. Car Rental and Travel Expenses Coverage

a. Car Rental Expense

We will pay the daily rental charge incurred when you rent a car from a car business while your car or a newly acquired car is:

- (1) not drivable; or

(2) being repaired

as a result of a loss which would be payable under Comprehensive Coverage or Collision Coverage.

We will pay this daily rental charge incurred during a period that:

(1) starts on the date:

- (a) the vehicle is not drivable as a result of the loss; or

- (b) the vehicle is left at a repair facility if the vehicle is drivable; and

(2) ends on the earliest of:

- (a) the date the vehicle has been repaired or replaced;

- (b) the date we offer to pay for the loss if the vehicle is repairable but you choose to delay repairs; or

- (c) five days after we offer to pay for the loss if the vehicle is:

- (i) a total loss as determined by us; or

- (ii) stolen and not recovered.

The amount of any such daily rental charge incurred by you must be reported to us before we will pay such amount.

b. Travel Expenses

We will pay expenses for commercial transportation, lodging, and meals if your car or a newly acquired car is not drivable as a result of a loss which would be payable under Comprehensive Coverage or Collision Coverage. The loss must occur more than 50 miles from your home. We will only pay these expenses if they are incurred by:

(1) an insured during the period that:

- (a) starts after the loss occurs; and

- (b) ends on the earlier of:

- (i) the *insured's* arrival at his or her destination or home if the vehicle is left behind for repairs; or
- (ii) the repair of the vehicle if the *insured* waits for repairs before continuing on to his or her destination or returning home; and
- (2) you, or any person you choose, to travel to retrieve the vehicle and drive it to either the original destination or your home if the vehicle was left behind for repairs.
- These expenses must be reported to us before we will pay such incurred expenses.
- c. **Rental Car – Repayment of Deductible Expense**
- We will pay the comprehensive deductible or collision deductible an *insured* is required to pay the owner of a car rented from a car business.
- Supplementary Payments – Comprehensive Coverage and Collision Coverage**
- If the *covered vehicle* sustains loss for which we make a payment under Comprehensive Coverage or Collision Coverage, then we will pay reasonable expenses incurred to:
1. tow the *covered vehicle* immediately after the loss;
 - a. for a reasonable distance from the location of the loss to any one repair facility chosen by an *insured* or the owner of the *covered vehicle*, if the *covered vehicle* is not drivable; or
 - b. to any one repair facility or commercial storage facility, neither of which was chosen by an *insured* or the owner of the *covered vehicle*. We will also pay reasonable expenses incurred to tow the *covered vehicle* for a reasonable distance from this facility to any one repair facility chosen by an
 2. store the *covered vehicle*, if it is not drivable immediately after the loss, at:
 - a. any one repair facility or commercial storage facility, neither of which was chosen by an *insured* or the owner of the *covered vehicle*; and
 - b. any one repair facility chosen by the owner of the *covered vehicle*, and we determine such vehicle is a total loss.

If the owner of the *covered vehicle* consents, then we may move the *covered vehicle* at our expense to reduce storage costs. If the owner of the *covered vehicle* does not consent, then we will pay only the storage costs that would have resulted if we had moved the damaged *covered vehicle*; and
 3. clean up debris from the *covered vehicle* at the location of the loss. The most we will pay to clean up the debris is \$250 for any one loss.
- Limits and Loss Settlement – Comprehensive Coverage and Collision Coverage**
1. We have the right to choose to settle with you or the owner of the *covered vehicle* in one of the following ways:
 - a. Pay the cost to repair the *covered vehicle* minus any applicable deductible. The deductible amount does not apply to loss to safety glass.
 - (1) We have the right to choose one of the following to determine the cost to repair the *covered vehicle*:
 - (a) The cost agreed to by both the owner of the *covered vehicle* and us;
 - (b) A bid or repair estimate approved by us; or
 - (c) A repair estimate that is written based upon or adjusted to:

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- (i) the prevailing competitive price;
- (ii) the lower of paintless dent repair pricing established by an agreement we have with a third party or the paintless dent repair price that is competitive in the market; or
- (iii) a combination of (i) and (ii) above.
- The prevailing competitive price means prices charged by a majority of the repair market in the area where the *covered vehicle* is to be repaired as determined by a survey made by us. If asked, we will identify some facilities that will perform the repairs at the prevailing competitive price. The estimate will include parts sufficient to restore the *covered vehicle* to its pre-loss condition.
- You agree with us that the repair estimate may include new, used, recycled, and reconditioned parts. Any of these parts may be either original equipment manufacturer parts or non-original equipment manufacturer parts.
- You also agree that replacement glass need not have any insignia, logo, trademark, etching, or other marking that was on the replaced glass.
- (2) The cost to repair the *covered vehicle* does not include any reduction in the value of the *covered vehicle* after it has been repaired, as compared to its value before it was damaged.
 - (3) If the repair or replacement of a part results in betterment of that part, then you or the owner of the *covered vehicle* must pay for the amount of the betterment;
- b. Pay the actual cash value of the *covered vehicle* minus any applicable deductible.
- (1) The owner of the *covered vehicle* and we must agree upon the actual cash value of the *covered vehicle*. If there is disagreement as to the actual cash value of the *covered vehicle*, then the disagreement will be resolved by appraisal upon written request of the owner or us, using the following procedures:
- (a) The owner and we will each select a competent appraiser.
 - (b) The two appraisers will select a third competent appraiser. If they are unable to agree on a third appraiser within 30 days, then either the owner or we may petition a court that has jurisdiction to select the third appraiser.
 - (c) Each party will pay the cost of its own appraiser, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third appraiser.
 - (d) The appraisers shall only determine the actual cash value of the *covered vehicle*. Appraisers shall have no authority to decide any other questions of fact, decide any questions of law, or conduct appraisal on a class-wide or class-representative basis.
 - (e) A written appraisal that is both agreed upon by and signed by any two appraisers, and that also contains an explanation of how they arrived at their appraisal, will be binding on the

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- owner of the *covered vehicle* and us.
- (1) We do not waive any of our rights by submitting to an appraisal.
- (2) The damaged *covered vehicle* must be given to us in exchange for our payment, unless we agree that the owner may keep it. If the owner keeps the *covered vehicle*, then our payment will be reduced by the value of the *covered vehicle* after the loss; or
- c. Return the stolen *covered vehicle* to its owner and pay, as described in 1.a. above, for any direct, sudden, and accidental damage that resulted from the theft.
2. The most we will pay for transportation expenses under Comprehensive Coverage is \$25 per day subject to an aggregate limit of \$750 per loss.
3. The most we will pay for loss to a *non-owned trailer* or a *non-owned camper* is \$2,500.
- Limits - Car Rental and Travel Expenses Coverage**
1. **Car Rental Expense**
- The limit for Car Rental Expense is shown on the Declarations Page under "Limit - Car Rental Expense - Each Day, Each Loss".
- a. The limit shown under "Each Day" is the most we will pay for the *daily rental charge*. If:
- (1) a dollar amount is shown, then we will pay the *daily rental charge* up to that dollar amount;
- (2) a percentage amount is shown, then we will pay that percentage of the *daily rental charge*.
- b. Subject to the "Each Day" limit, the limit shown under "Each Loss" is the
- most we will pay for Car Rental Expense incurred as a result of any one loss.
2. **Travel Expenses**
- The most we will pay for Travel Expenses incurred by all *insureds* as a result of any one loss is \$500.
3. **Rental Car - Repayment of Deductible Expense**
- The most we will pay for Rental Car - Repayment of Deductible Expense incurred as a result of any one loss is \$500.
- Nonduplication**
- We will not pay for any loss or expense under the Physical Damage Coverages for which the *insured* or owner of the *covered vehicle* has already received payment from, or on behalf of, a party who is legally liable for the loss or expense.
- Exclusions**
- THERE IS NO COVERAGE FOR:
1. ANY *COVERED VEHICLE* THAT IS:
- a. INTENTIONALLY DAMAGED; OR
- b. STOLEN
- BY OR AT THE DIRECTION OF AN *INSURED*;
2. ANY *COVERED VEHICLE* WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN *INSURED*;
3. ANY *COVERED VEHICLE* WHILE IT IS USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;
4. ANY *COVERED VEHICLE* DUE TO:
- a. THEFT;
- b. CONVERSION;
- c. EMBEZZLEMENT; OR
- d. SECRETION

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- BY AN *INSURED*, A CONSIGNEE, AN AGENT OF A CONSIGNEE, OR A PERSON WHO OBTAINS POSSESSION OF THE *COVERED VEHICLE* WITH THE PERMISSION OF A CONSIGNEE OR AGENT OF A CONSIGNEE;
5. **LOSS TO YOUR CAR OR A NEWLY ACQUIRED CAR IF AN *INSURED* VOLUNTARILY RELINQUISHES POSSESSION OF THAT CAR TO A PERSON OR ORGANIZATION UNDER AN ACTUAL OR PRESUMED SALES AGREEMENT;**
6. **ANY *COVERED VEHICLE* TO THE EXTENT OUR PAYMENT WOULD BENEFIT ANY CARRIER OR OTHER BAILEE FOR HIRE THAT IS LIABLE FOR LOSS TO SUCH *COVERED VEHICLE*;**
7. **LOSS TO ANY *COVERED VEHICLE* DUE TO FUNGI. THIS APPLIES REGARDLESS OF WHETHER OR NOT THE FUNGI RESULT FROM A LOSS THAT IS PAYABLE UNDER ANY OF THE PHYSICAL DAMAGE COVERAGES. WE WILL ALSO NOT PAY FOR ANY TESTING OR REMEDIATION OF FUNGI, OR ANY ADDITIONAL COSTS REQUIRED TO REPAIR ANY *COVERED VEHICLE* THAT ARE DUE TO THE EXISTENCE OF FUNGI;**
8. **LOSS TO ANY *COVERED VEHICLE* THAT RESULTS FROM:**
- a. NUCLEAR REACTION;
- b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
- c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
9. **LOSS TO ANY *COVERED VEHICLE* THAT RESULTS FROM THE TAKING OF OR SEIZURE OF THAT *COVERED VEHICLE* BY ANY GOVERNMENTAL AUTHORITY;**
10. **LOSS TO ANY *COVERED VEHICLE* THAT RESULTS FROM WAR OF ANY KIND;**
11. **YOUR CAR WHILE SUBJECT TO ANY:**
- a. LIEN AGREEMENT;
- b. RENTAL AGREEMENT;
- c. LEASE AGREEMENT; OR
- d. SALES AGREEMENT
- NOT SHOWN ON THE DECLARATIONS PAGE;
12. **ANY *NON-OWNED CAR* WHILE IT IS:**
- a. BEING MAINTAINED OR USED BY ANY PERSON WHILE THAT PERSON IS EMPLOYED IN OR ENGAGED IN ANY WAY IN A CAR BUSINESS; OR
- b. USED IN ANY BUSINESS OR OCCUPATION OTHER THAN A CAR BUSINESS. This exclusion (12.b.) does not apply to a *private passenger car*;
13. **ANY PART OR EQUIPMENT OF A *COVERED VEHICLE* IF THAT PART OR EQUIPMENT:**
- a. FAILS OR IS DEFECTIVE; OR
- b. IS DAMAGED AS A DIRECT RESULT OF:
- (1) WEAR AND TEAR;
- (2) FREEZING; OR
- (3) MECHANICAL, ELECTRICAL, OR ELECTRONIC BREAKDOWN OR MALFUNCTION OF THAT PART OR EQUIPMENT.
- This exclusion does not apply if the loss is the result of theft of the *covered vehicle*;
14. **ANY PART OR EQUIPMENT:**
- a. THAT IS NOT LEGAL FOR USE IN OR ON THE *COVERED VEHICLE*

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- IN THE JURISDICTION WHERE THE COVERED VEHICLE IS REGISTERED; OR
- b. THE USE OF WHICH IS NOT LEGAL IN THE JURISDICTION WHERE THE COVERED VEHICLE IS REGISTERED BECAUSE OF HOW OR WHERE THAT PART OR EQUIPMENT IS INSTALLED IN OR ON THE COVERED VEHICLE.
- However, if there is a legal version of the part or equipment that is necessary for the safe operation of the covered vehicle, then we will pay the cost that we would otherwise have paid to repair the vehicle with the legal version of the part or equipment. We will not pay any cost necessary to modify the vehicle for installation of the legal version of the part or equipment;
15. TIRES. This exclusion does not apply if:
- loss is caused by missiles, falling objects, windstorm, hail, fire, explosion, earthquake, water, flood, total or partial theft, malicious mischief, vandalism, riot, civil commotion, or hitting or being hit by a bird or an animal; or
 - loss caused by collision to another part of the covered vehicle causes loss to tires;
16. REMOVABLE PRODUCTS USED FOR STORAGE OF AUDIO, VIDEO, OR OTHER DATA, INCLUDING BUT NOT LIMITED TO TAPES, DISCS, AND MEMORY CARDS, NOR IS THERE COVERAGE FOR THE RECONSTRUCTION OF DATA CONTAINED THEREIN;
17. ANY EQUIPMENT USED TO DETECT OR INTERFERE WITH SPEED MEASURING DEVICES;
18. A CAMPER, INCLUDING ITS PARTS AND ITS EQUIPMENT, THAT IS:
- DESIGNED TO BE MOUNTED ON A PICKUP TRUCK;
- b. OWNED BY AN INSURED; AND
- c. NOT SHOWN ON THE DECLARATIONS PAGE; OR
19. ANY COVERED VEHICLE WHILE IT IS:
- BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
 - ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (19.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.
- If Other Physical Damage Coverage or Similar Coverage Applies
- If the same loss or expense is payable under more than one of the physical damage coverages provided by this policy, then only the one coverage that pays the most for that loss or expense applies.
 - If any of the physical damage coverages provided by this policy and one or more other policies issued to an insured by the State Farm Companies apply to the same loss or expense, then only one policy applies. We will select a policy that pays the most for the loss or expense.
 - The physical damage coverages provided by this policy apply as primary coverage for a loss to your car.
- If similar coverage provided by one or more sources other than the State Farm Companies also applies as primary coverage for the same loss or expense, then the State Farm Companies will pay the proportion of the loss or expense payable as primary that the maximum amount that may be paid by the State Farm Companies bears to the sum of such amount and the limits of

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- all other similar coverage that applies as primary coverage.
4. Except as provided in 3, above, the physical damage coverages provided by this policy apply as excess coverage.
- If similar coverage provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same loss or expense, then the State Farm Companies will pay the proportion of the loss or expense payable as excess that the maximum amount that may be paid by the State Farm Companies bears to the sum of such amount and the limits of all other similar coverage that applies as excess coverage.
- Financed Vehicle
- If a creditor is shown on the Declarations Page, then any Comprehensive Coverage or Collision Coverage provided by this policy applies to that creditor's interest in your car. Coverage for the creditor's interest is only provided for a loss that is payable to you.
- However, if this policy is cancelled or non-renewed, then we will provide coverage for the creditor's interest until we notify the creditor of the termination of such coverage. This coverage for the creditor's interest is only provided for a loss that would have been payable to you if this policy had not been cancelled or nonrenewed. The date such termination is effective will be at least 10 days after the date we mail or electronically transmit a notice of the termination to the creditor.
- If we pay such creditor, then we are entitled to the creditor's right of recovery against you to the extent of our payment.

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Our right of recovery does not impair the creditor's right to recover the full amount of its claim.

Our Payment Options

- Comprehensive Coverage and Collision Coverage
 - We may, at our option, make payment to one or more of the following for loss to a covered vehicle owned by you:
 - You;
 - The repairer; or
 - A creditor shown on the Declarations Page, to the extent of its interest.
 - We may, at our option, make payment to one or more of the following for loss to a covered vehicle not owned by you:
 - You;
 - The owner of such vehicle;
 - The repairer; or
 - A creditor, to the extent of its interest.
- Emergency Road Service Coverage and Car Rental and Travel Expenses Coverage

We may, at our option, make payment to one or more of the following:

 - You;
 - The insured who incurred the expense; or
 - Any party that provided the service for which payment is owed.

DEATH, DISMEMBERMENT AND LOSS OF SIGHT COVERAGE

This policy provides Death, Dismemberment and Loss of Sight Coverage if "S" is shown under "SYMBOLS" on the Declarations Page.

Additional Definition

Insured means a person whose name is shown under "Death, Dismemberment and Loss of Sight Coverage - Persons Insured" on the Declarations Page.

Insuring Agreement

We will pay the highest applicable benefit shown in the following Death, Dismemberment and Loss of Sight Benefits Schedules if an *insured*:

1. dies; or
2. suffers dismemberment or permanent loss of sight, as described in the schedule

as the direct result of an accident that involves the use of a land motor vehicle or any type of trailer as a vehicle and not due to any other cause.

The *insured* must be *occupying* or be struck as a *pedestrian* by a land motor vehicle or any type of trailer at the time of the accident. The death, dismemberment, or permanent loss of sight must occur within 90 days immediately following the date of the accident.

Benefit

The applicable benefit shown in the schedule is the most we will pay for any one *insured* in any one accident. Any benefit paid or payable for dismemberment or permanent loss of sight reduces the death benefit.

The benefits shown in the schedules are doubled for an *insured* who at the time of the accident was *occupying a private passenger car* and using a seat belt in the manner recommended by the vehicle's manufacturer.

Death, Dismemberment and Loss of Sight Benefits Schedules

If the amount shown on the Declarations Page for the *insured* is \$5,000, then we will pay the applicable benefit shown below for death or for the described dismemberment or permanent loss of sight:

Death	\$5,000
Loss of both hands; both feet; all sight of both eyes; one hand and one foot; or one hand or one foot and all sight of one eye	\$5,000
Loss of one hand or one foot; or all sight of one eye	\$2,500
Loss of the thumb and a finger on one hand; or any three fingers	\$1,500
Loss of any two fingers	\$1,000

The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.

If the amount shown on the Declarations Page for the *insured* is \$10,000, then we will pay the applicable benefit shown below for death or for the described dismemberment or permanent loss of sight:

Death	\$10,000
Loss of both hands; both feet; all sight of both eyes; one hand and one foot; or one hand or one foot and all sight of one eye	\$10,000
Loss of one hand or one foot; or all sight of one eye	\$5,000
Loss of the thumb and a finger on one hand; or any three fingers	\$3,000
Loss of any two fingers	\$2,000

The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.

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Exclusions

DEATH, DISMEMBERMENT AND LOSS OF SIGHT COVERAGE DOES NOT APPLY TO AN *INSURED*:

1. WHILE IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT IN A *CAR BUSINESS*;
2. WHILE *OCCUPYING*, LOADING, OR UNLOADING:
 - a. AN EMERGENCY VEHICLE IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT;
 - b. A VEHICLE, OTHER THAN AN EMERGENCY VEHICLE, WHILE USED IN THE:
 - (1) *INSURED'S BUSINESS*; OR
 - (2) COURSE AND SCOPE OF HIS OR HER EMPLOYMENT IN OTHER THAN A *CAR BUSINESS*.

This exclusion (2.b.) does not apply if the vehicle is a *private passenger car*.

- c. A MILITARY VEHICLE; OR
- d. A VEHICLE WHILE IT IS:

- (1) BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
- (2) ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (2.d.(2)) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving;

3. WHILE *OCCUPYING*, LOADING, UNLOADING, OR WHO IS STRUCK AS A *PEDESTRIAN* BY:

- a. A MOTOR VEHICLE THAT RUNS ON RAILS OR CRAWLER-TREADS;
- b. A MOTOR VEHICLE THAT IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS; OR
- c. A MOTOR VEHICLE OR ANY TYPE OF TRAILER, EITHER OF WHICH IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES; OR

4. FOR DEATH, DISMEMBERMENT, LOSS OF SIGHT, OR *TOTAL DISABILITY* THAT RESULTS FROM:

- a. WAR OF ANY KIND;
- b. NUCLEAR REACTION, RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE, OR THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
- c. THE DISCHARGE OF A FIREARM;
- d. EXPOSURE TO *FUNGI*;
- e. SUICIDE OR ATTEMPTED SUICIDE REGARDLESS OF WHETHER THE *INSURED* WAS SANE OR INSANE; OR
- f. DISEASE except pus-forming infection due to *bodily injury* sustained in the accident.

Our Payment Options

We may, at our option, make payment to one or more of the following:

1. The *insured*;
2. The *insured's* surviving spouse;
3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person; or
4. A person or organization authorized by law to receive such payment.

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INSURED'S DUTIES

1. Notice to Us of an Accident or Loss

The *insured* must give *us* or one of *our* agents notice of the accident or loss as soon as reasonably possible. The notice must give *us*:

- a. *your* name;
- b. the names and addresses of all *persons* involved in the accident or loss;
- c. the hour, date, place, and facts of the accident or loss; and
- d. the names and addresses of witnesses to the accident or loss.

2. Notice to Us of a Claim or Lawsuit

- a. If a claim is made against an *insured*, then that *insured* must immediately send *us* every demand, notice, and claim received.
- b. If a lawsuit is filed against an *insured*, then that *insured* must immediately send *us* every summons and legal process received.

3. Insured's Duty to Cooperate With Us

- a. The *insured* must cooperate with *us* and, when asked, assist *us* in:

- (1) making settlements;
- (2) securing and giving evidence;
- (3) attending, and getting witnesses to attend, depositions, hearings, and trials; and
- (4) preserving his or her right to recover damages from others.

- b. The *insured* must not, except at his or her own cost, voluntarily:

- (1) make any payment to others; or
- (2) assume any obligation to others unless authorized by the terms of this policy.

- c. Any *person* or organization making claim under this policy must, when *we*

require, give *us* proof of loss on forms *we* furnish.

4. Questioning Under Oath

Under:

- a. Liability Coverage, each *insured*;
- b. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage, each *insured*, or any other *person* or organization making claim or seeking payment; and

c. Physical Damage Coverages, each *insured* or owner of a *covered vehicle*, or any other *person* or organization making claim or seeking payment; must, at *our* option, submit to an examination under oath, provide a statement under oath, or do both, as reasonably often as *we* require. Such *person* or organization must answer questions under oath, asked by anyone *we* name, and sign copies of the answers. *We* may require each *person* or organization answering questions under oath to answer the questions with only that *person's* or organization's legal representative, *our* representatives, any *person* or *persons* designated by *us* to record the questions and answers, and no other *person* present.

5. Other Duties Under the Physical Damage Coverages

When there is a *loss*, *you* or the owner of the *covered vehicle* must:

- a. protect the *covered vehicle* from additional damage. *We* will pay any reasonable expense incurred to do so that is reported to *us*;
- b. make a prompt report to the police when the *loss* is the result of theft;
- c. allow *us* to:

- (1) inspect any damaged property before its repair or disposal;

- (2) test any part or equipment before that part or equipment is removed or repaired; and

- (3) move the *covered vehicle* at *our* expense in order to conduct such inspection or testing;

d. provide *us* all:

- (1) records;
- (2) receipts; and
- (3) invoices

that *we* request and allow *us* to make copies; and

e. not abandon the *covered vehicle* to *us*.

6. Other Duties Under Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, and Death, Dismemberment and Loss of Sight Coverage

A *person* making claim under:

- a. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage must:

- (1) notify *us* of the claim and give *us* all the details about the death, injury, treatment, and other information that *we* may need as soon as reasonably possible after the injured *insured* is first examined or treated for the injury. If the *insured* is unable to give *us* notice, then any other *person* may give *us* the required notice;

- (2) be examined as reasonably often as *we* may require by physicians chosen and paid by *us*. A copy of the report will be sent to the *person* upon written request;

- (3) provide written authorization for *us* to obtain:

- (a) medical bills;
- (b) medical records;
- (c) wage, salary, and employment information; and
- (d) any other information *we* deem necessary to substantiate the claim.

If an injured *insured* is a minor, unable to act, or dead, then his or her legal representative must provide *us* with the written authorization.

If the holder of the information refuses to provide it to *us* despite the authorization, then at *our* request the *person* making claim or his or her legal representative must obtain the information and promptly provide it to *us*; and

- (4) allow *us* to inspect the vehicle that the *insured* occupied in the accident;

- b. Uninsured Motor Vehicle Coverage must report an accident, involving a motor vehicle whose owner and driver remain unknown, to the police and to *us* within a reasonable period of time; and

- c. Uninsured Motor Vehicle Coverage and Underinsured Motor Vehicle Coverage must:

- (1) send *us* immediately a copy of all lawsuit papers if the *insured* files a lawsuit against the party liable for the accident; and

- (2) if making a claim for *property damage*:

- (a) allow *us* to:

- (i) inspect any *property damage* before its repair or disposal;

- (ii) test any part or equipment before that part or equipment is removed or repaired; and
- (iii) move the damaged property at *our* expense in order to conduct such inspection or testing; and
- (b) protect the damaged property from additional damage. *We* will pay any reasonable expense incurred to do so that is reported to us;
- (c) provide us all:
 - (i) records;
 - (ii) receipts; and
 - (iii) invoices

- that *we* request and allow us to make copies;
- (d) not abandon the damaged property to us; and
- (e) give us sworn proof of claim within 60 days of the accident. This proof of claim must state:
 - (i) who owns the property and how much they own;
 - (ii) the amount of any claims or liens on the property;
 - (iii) the value of the property at the time of the accident;
 - (iv) details of the accident; and
 - (v) details of any other insurance applicable to the property.

GENERAL TERMS

1. When Coverage Applies

The coverages provided by this policy are shown on the Declarations Page and apply to accidents and losses that occur during the policy period. The policy period is shown on the Declarations Page and is for successive periods of six months each for which the renewal premium is paid. The policy period begins and ends at 12:01 AM Standard Time at the address shown on the Declarations Page.

2. Where Coverage Applies

The coverages provided by this policy are shown on the Declarations Page and apply to accidents and losses that occur:

- a. in the United States of America and its territories and possessions;
- b. in Canada; and
- c. while a vehicle for which coverage is provided by this policy is being

shipped between the ports of the United States of America, its territories, its possessions, and Canada.

The Liability Coverage, Personal Injury Protection Coverage, Medical Payments Coverage, and Physical Damage Coverages also apply in Mexico within 50 miles of the United States border. A Physical Damage Coverage *loss* in Mexico is determined on the basis of cost at the nearest United States point.

Death, Dismemberment and Loss of Sight Coverage applies anywhere in the world.

3. Newly Owned or Newly Leased Car

If you want to insure a car newly owned by you with the State Farm Companies after that car ceases to be a newly acquired car, then you must either:

- a. request we replace the car currently shown on the Declarations Page of this policy with the car newly owned by

you and pay us any added amount due. If you make such request while this policy is in force and:

- (1) before the car newly owned by you ceases to be a newly acquired car, then that car newly owned by you will be insured by this policy as your car beginning on the date the car newly owned by you is delivered to you. The added amount due will be calculated based on that date; or
- (2) after the car newly owned by you ceases to be a newly acquired car, then that car newly owned by you will be insured by this policy as your car beginning on the date and time you make the request. The added amount due will be calculated based on that date; or

- b. apply to the State Farm Companies for a separate policy to insure the car newly owned by you. Such policy will be issued only if both the applicant and the vehicle are eligible for coverage at the time of the application.

4. Changes to This Policy

a. Changes in Policy Provisions

We may only change the provisions of this policy by:

- (1) issuing a revised policy booklet, a revised Declarations Page, or an endorsement; or
- (2) revising this policy to give broader coverage without an additional premium charge. If any coverage provided by this policy is changed to give broader coverage, then we will give you the broader coverage as of the date we make the change effective in the state of South Carolina without issuing a revised policy booklet, a revised Declarations Page, or an endorsement.

b. Change of Interest

- (1) No change of interest in this policy is effective unless we consent in writing.
- (2) Except under Death, Dismemberment and Loss of Sight Coverage, if a named insured shown on the Declarations Page dies, then the definition of insured under each of the coverages provided by this policy is changed to include:
 - (a) any person with lawful custody of your car, a newly acquired car, or a temporary substitute car until a legal representative is qualified; and then
 - (b) the legal representative of the deceased named insured.

This only applies while such person is maintaining or using your car, a newly acquired car, or a temporary substitute car.

Policy notice requirements are met by mailing the notice to the most recent policy address that we have on record for the deceased named insured.

c. Joint and Individual Interests

If you consists of more than one person or entity, then each acts for all to change or cancel the policy.

d. Change of Policy Address

We may change the named insured's policy address as shown on the Declarations Page and in our records to the most recent address provided to us by:

- (1) you; or
- (2) the United States Postal Service.

5. Premium

a. Unless as otherwise provided by an alternative payment plan in effect with the *State Farm Companies* with respect to the premium for this policy, the premium is due and payable in full on or before the first day of the policy period shown on the most recently issued Declarations Page or Renewal Notice.

b. The renewal premium for this policy will be based upon the rates in effect, the coverages carried, the applicable limits, deductibles, and other elements that affect the premium that apply at the time of renewal.

c. The premium for this policy may vary based upon the purchase of other insurance from the *State Farm Companies*.

d. The premium for this policy is based upon information we have received from you or other sources. You must inform us if any information regarding the following is incorrect or incomplete, or changes during the policy period, and you must answer questions we ask regarding the following:

- (1) Your car, or its use, including annual mileage;
- (2) The persons who regularly drive your car, including newly licensed family members;
- (3) Your marital status; or
- (4) The location where your car is primarily garaged.

If the above information or any other information used to determine the premium is incorrect, incomplete, changes during the policy period, or is not provided to us when we ask, then we may decrease or increase the premium during the policy period. If we decrease the premium during the policy period, then we will provide a refund or a credit in

the amount of the decrease. If we increase the premium during the policy period, then you must pay the amount of the increase.

6. Renewal

We agree to renew this policy for the next policy period upon payment of the renewal premium when due, unless we mail or deliver a nonrenewal notice or a cancellation notice as set forth in 7. and 8. below.

7. Nonrenewal

If we decide not to renew this policy, then, at least 30 days before the end of the current policy period, we will mail or deliver a nonrenewal notice to the most recent policy address that we have on record for the named insured who is shown on the Declarations Page.

8. Cancellation

a. How You May Cancel

You may cancel this policy by providing to us advance notice of the date cancellation is effective. We may confirm the cancellation in writing.

b. How and When We May Cancel

We may cancel this policy by mailing or delivering a written notice to the most recent policy address that we have on record for the named insured who is shown on the Declarations Page. The notice will provide the date cancellation is effective.

- (1) If we mail or deliver a cancellation notice:

(a) during the first 90 days following this policy's effective date; or

(b) because the premium is not paid when due,

then the date cancellation is effective will be at least 15 days after the date we mail or deliver the cancellation notice.

Otherwise, the date cancellation is effective will be at least 20 days after the date we mail or deliver the cancellation notice.

- (2) After this policy has been in force for more than 90 days, we will not cancel this policy before the end of the current policy period unless:

(a) the premium is not paid when due; or

(b) you, any resident relative, or any other person who usually drives your car has had his or her driver's license under suspension or revocation:

- (1) during the policy period; or

(2) if the policy is a renewal, during its policy period or the 90 days immediately preceding the last anniversary of the effective date of the policy.

c. Return of Unearned Premium

If you cancel this policy, then premium may be earned on a short rate basis. If we cancel this policy, then premium will be earned on a pro rata basis.

Any unearned premium may be returned within a reasonable time after cancellation. Delay in the return of any unearned premium does not affect the cancellation date.

9. Assignment

No assignment of benefits or other transfer of rights is binding upon us unless approved by us.

10. Bankruptcy or Insolvency of the Insured

Bankruptcy or insolvency of the insured or his or her estate will not relieve us of our obligations under this policy.

11. Concealment or Fraud

There is no coverage under this policy if you or any other person insured under this

policy has made false statements with the intent to conceal or misrepresent any material fact or circumstance in connection with any claim under this policy.

12. Our Right to Recover Our Payments

a. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, and Death, Dismemberment and Loss of Sight Coverage payments are not recoverable by us.

b. To the extent allowed by law, under Uninsured Motor Vehicle Coverage:

- (1) the right of recovery of the insured passes to us, to the extent of our payments;

(2) we will pay our share of the reasonable costs of any recovery. Our share is the percent that our recovery bears to the total recovery. We reserve the right to select an attorney to handle the recovery; and

(3) an insured making claim for property damage must assign to us, to the extent of our payments, the right to any other compensation for it. We do not have to make any payment until the insured has done this.

c. Under all other coverages, the following apply:

(1) Subrogation

If we are obligated under this policy to make payment to or for a person or organization who has a legal right to collect from another person or organization, then we will be subrogated to that right to the extent of our payment.

The person or organization to or for whom we make payment must help us recover our payments by:

- (a) doing nothing to impair that legal right;

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(b) executing any documents we may need to assert that legal right; and

(c) taking legal action through *our* representatives when we ask.

(2) Reimbursement

If we make payment under this policy and the *person* or organization to or for whom we make payment recovers or has recovered from another *person* or organization, then the *person* or organization to or for whom we make payment must:

(a) hold in trust for us the proceeds of any recovery; and

(b) reimburse us to the extent of *our* payment.

13. Legal Action Against Us

Legal action may not be brought against *us* until there has been full compliance with all the provisions of this policy. In addition, legal action may only be brought against *us* regarding:

a. Liability Coverage after the amount of damages an *insured* is legally liable to pay has been finally determined by:

(1) judgment after an actual trial, and any appeals of that judgment if any appeals are taken; or

(2) agreement between the claimant and *us*.

b. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, and Physical Damage Coverages if the legal action relating to these coverages is brought against *us* within three years immediately following the date of the accident.

c. Underinsured Motor Vehicle Coverage If copies of the pleadings in the action

establishing liability are served upon *us* in the manner provided by law.

14. Choice of Law

Without regard to choice of law rules, the law of the state of:

a. South Carolina will control, except as provided in b. below, in the event of any disagreement as to the interpretation and application of any provision in this policy; and

b. Illinois will control in the event of any disagreement as to the interpretation and application of this policy's:

(1) Mutual Conditions provision found on the most recently issued Declarations Page, if this policy was issued by the State Farm Mutual Automobile Insurance Company; or

(2) Participating Policy provision found on the most recently issued Declarations Page, if this policy was issued by any subsidiary or affiliate of the State Farm Mutual Automobile Insurance Company.

15. Severability

If any provision of this policy is held invalid or unenforceable by a court that has jurisdiction, then:

a. such provision will remain in full force to the extent not held invalid or unenforceable; and

b. all other provisions of this policy will remain valid and enforceable.

16. Conformity to Law

The coverage provided by this policy is done so in accordance with South Carolina insurance law. If any provisions of this policy are in conflict with South Carolina statutes, the policy is amended to conform to the minimum requirements of the statutes.

EXHIBIT C
Policy Number 186 1877-E07-40B
NISSAN CREW CAB POLICY



Certified Policy Record

I, the undersigned, do hereby confirm that I am custodian of the records pertaining to the issuance of policies by State Farm Mutual Automobile Insurance Company.

I certify that the attached documents represent a true and accurate record of the terms and conditions of Policy Number 186 1877-E07-40B including any endorsements, if applicable, for the policy term(s) May 07, 2018 to November 07, 2018 and insuring Glen Bauer Jr based on available records.

The following endorsements are included:

6940A Amendatory Endorsement - effective date 11-07-11.

6126MT Amendatory Endorsement - effective date 05-07-17.

6128DP Amendatory Endorsement - effective date 05-07-17.

It is State Farm's business practice to print a new Declarations Page only when a policy issuance transaction such as a change of coverage occurs. Therefore, the included Declarations Page which was in effect at the time of loss will indicate the policy period of the last policy issuance transaction.

The policy was in effect on the loss date of June 11, 2018.

Tom Callueng

Underwriter

Date: 11/06/2018

State Farm Mutual Automobile Insurance Company
11350 Johns Creek Parkway
Duluth GA 30098

09275-5-F

MUTL VOL

DECLARATIONS PAGE

NAMED INSURED

AT1 000201 40-1556-54BF A
BAUER, GLEN JR
3005 TEN ACRE RD
ANDREWS SC 29510-6552

POLICY NUMBER 186 1877-E07-40B
POLICY PERIOD APR 18 2011 to NOV 07 2011
12:01 A.M. Standard Time

AGENT

PAT SIAU INS AGENCY INC
330 CHURCH ST
GEORGETOWN, SC 29440-2406

PHONE: (843)546-4511

DO NOT PAY PREMIUMS SHOWN ON THIS PAGE.
IF AN AMOUNT IS DUE, THEN A SEPARATE STATEMENT IS ENCLOSE D.

YOUR CAR

YEAR	MAKE	MODEL	BODY STYLE	VEHICLE ID NUMBER	CLASS
2003	NISSAN	CREW CAB	PICKUP	1N6ED29Y43C443718	6F3H401000

SYMBOLS	COVERAGE & LIMITS	PREMIUMS
A	Liability Coverage	\$170.76
	Bodily Injury Limits	
	Each Person, Each Accident	
	\$50,000 \$100,000	
	Property Damage Limit	
	Each Accident	
	\$50,000	
D	Comprehensive Coverage - \$250 Deductible	\$82.60
G	Collision Coverage - \$250 Deductible	\$98.68
H	Emergency Road Service Coverage	\$2.40
U	Uninsured Motor Vehicle Coverage	\$14.76
	Bodily Injury Limits	
	Each Person, Each Accident	
	\$50,000 \$100,000	
	Property Damage Limit	
	Each Accident	
	\$50,000	
W	Underinsured Motor Vehicle Coverage	\$41.08
	Bodily Injury Limits	
	Each Person, Each Accident	
	\$50,000 \$100,000	
	Property Damage Limit	
	Each Accident	
	\$50,000	
Total premium for APR 18 2011 to NOV 07 2011		\$410.28 This is not a bill

IMPORTANT MESSAGES

Replaced policy number 1861877-40A.

Your total renewal premium for MAY 07 2011 to NOV 07 2011 is \$371.16.

* The total premium listed above reflects a recent change to your policy and the 6 month renewal premium.

EXCEPTIONS, POLICY BOOKLET & ENDORSEMENTS (See policy booklet & individual endorsements for coverage details.)

YOUR POLICY CONSISTS OF THIS DECLARATIONS PAGE, THE POLICY BOOKLET - FORM 9840A, AND ANY ENDORSEMENTS THAT APPLY, INCLUDING THOSE ISSUED TO YOU WITH ANY SUBSEQUENT RENEWAL NOTICE.
CREDITOR- GEORGETOWN KRAFT CREDIT UNION, 1530 BOURNE ST, GEORGETOWN SC 29440-4775.

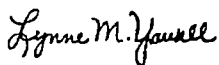
ELECTRONICALLY FILED - 2019 Feb 04 11:24 AM - GEORGETOWN - COMMON PLEAS - CASE#2018CP2200869

This policy is issued by State Farm Mutual Automobile Insurance Company.

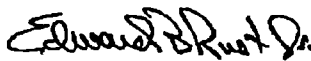
MUTUAL CONDITIONS

1. **Membership.** While this policy is in force, the first insured shown on the Declarations Page is entitled to vote at all meetings of members and to receive dividends the Board of Directors in its discretion may declare in accordance with reasonable classifications and groupings of policyholders established by such Board.
2. **No Contingent Liability.** This policy is non-assessable.
3. **Annual Meeting.** The annual meeting of the members of the company shall be held at its home office at Bloomington, Illinois, on the second Monday of June at the hour of 10:00 A.M., unless the Board of Directors shall elect to change the time and place of such meeting, in which case, but not otherwise, due notice shall be mailed each member at the address disclosed in this policy at least 10 days prior thereto.

In Witness Whereof, the State Farm Mutual Automobile Insurance Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.



Secretary



President

6940A AMENDATORY ENDORSEMENT

This endorsement is a part of the policy. Except for the changes this endorsement makes, all other provisions of the policy remain the same and apply to this endorsement.

1. THIS POLICY

Item 5. is changed to read:

Your purchase of this policy may allow:

- a. *you* to purchase or obtain certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other products from the *State Farm Companies*, subject to their applicable eligibility rules; or
- b. the premium or price for other products or services purchased by *you*, including non-insurance products or services, to vary. Such other products or services must be provided by the *State Farm Companies* or by an organization that has entered into an agreement or contract with the *State Farm Companies*. The *State Farm Companies* do not warrant the merchantability, fitness, or quality of any product or service offered or provided by that organization.

2. LIABILITY COVERAGE

Insuring Agreement and Supplementary Payments are replaced by the following:

Insuring Agreement

1. *We* will pay damages an *insured* becomes legally liable to pay because of:
 - a. *bodily injury* to others; and
 - b. damage to property caused by an accident that involves a vehicle for which that *insured* is

provided Liability Coverage by this policy.

2. *We* have the right to:

- a. investigate, negotiate, and settle any claim or lawsuit;
- b. defend an *insured* in any claim or lawsuit, with attorneys chosen by *us*; and
- c. appeal any award or legal decision

for damages payable under this policy's Liability Coverage.

Supplementary Payments

We will pay, in addition to the damages described in the **Insuring Agreement** of this policy's Liability Coverage, those items listed below that result from such accident:

1. Attorney fees for attorneys chosen by *us* to defend an *insured* who is sued for such damages. *We* have no duty to pay attorney fees incurred after *we* deposit in court or pay the amount due under the **Insuring Agreement** of this policy's Liability Coverage;
2. Court costs awarded by the court against an *insured* and resulting from that part of the lawsuit:
 - a. that seeks damages payable under this policy's Liability Coverage; and
 - b. against which *we* defend an *insured* with attorneys chosen by *us*.

We have no duty to pay court costs incurred after *we* deposit in court or pay the amount due under the **Insuring Agreement** of this policy's Liability Coverage;

3. Interest the *insured* is legally liable to pay on damages payable under the **Insuring Agreement** of this policy's Liability Coverage:

a. before a judgment, but only the interest on the lesser of:

(1) that part of the damages *we* pay; or

(2) this policy's applicable Liability Coverage limit; and

b. after a judgment.

We have no duty to pay interest that accrues after *we* deposit in court, pay, or offer to pay, the amount due under the **Insuring Agreement** of this policy's Liability Coverage. *We* also have no duty to pay interest that accrues on any damages paid or payable by a party other than the *insured* or *us*;

4. Premiums for bonds, provided by a company chosen by *us*, required to appeal a decision in a lawsuit against an *insured*. *We* have no duty to:

a. pay for any bond with a face amount that exceeds this policy's applicable Liability Coverage limit;

b. furnish or apply for any bonds; or

c. pay premiums for bonds purchased after *we* deposit in court, pay, or offer to pay, the amount due under the **Insuring Agreement** of this policy's Liability Coverage; and

5. The following costs and expenses if related to and incurred after a lawsuit has been filed against an *insured*:

a. Loss of wages or salary, but not other income, up to \$200 for each day an *insured* attends, at *our* request:

(1) an arbitration;

(2) a mediation; or

(3) a trial of a lawsuit; and

b. Reasonable expenses incurred by an *insured* at *our* request other than loss of wages, salary, or other income.

The amount of any of the costs or expenses listed above that are incurred by an *insured* must be reported to *us* before *we* will pay such incurred costs or expenses.

3. GENERAL TERMS

- a. The paragraph under **Where Coverage Applies** that reads:

Liability Coverage, Personal Injury Protection Coverage, Medical Payments Coverage, and Physical Damage Coverages also apply in Mexico within 50 miles of the United States of America border. A Physical Damage Coverage *loss* in Mexico is determined on the basis of cost at the nearest United States of America point.

is deleted.

- b. The following is added:

Limited Coverage in Mexico

This policy does not provide Mexican auto insurance and does not comply with Mexican auto insurance requirements. If *you* or any other *insured* plan to drive in Mexico, then auto insurance providing

coverage in Mexico should be purchased from a Mexican insurance company.

Subject to the above paragraph, the following coverages apply in Mexico, but only for accidents and *losses* that occur in Mexico within 50 miles of the United States of America border and only for *insureds* as defined under each of the following coverages:

a. **Liability Coverage**

For claims brought against an *insured* in Mexico, the **Supplementary Payments** provision of this policy's Liability Coverage is changed to read:

We may, in addition to the damages described in item 1. of the **Insuring Agreement** of this policy's Liability Coverage, pay or reimburse, at our option, reasonable attorney fees for an attorney licensed in Mexico to appear for and provide advice to *insureds* as defined under this policy's Liability Coverage. The amount of such attorney fees incurred by an *insured* must be reported to *us* before *we* will make payment.

b. **Personal Injury Protection Coverage**

c. **Medical Payments Coverage**

d. **Physical Damage Coverages**

Any amount payable for the repair or replacement of the *covered vehicle* under the **Limits and Loss Settlement – Comprehensive Coverage and Collision Coverage** provision of this policy will be limited to the cost to repair or replace the

covered vehicle in the United States of America.

WE HAVE NO DUTY TO PROVIDE A DEFENSE FOR *YOU* OR ANY OTHER *INSURED* IN ANY CRIMINAL, CIVIL, OR OTHER ACTION.

WE HAVE NO DUTY TO PAY ANY CLAIM OR COST THAT WOULD NOT BE PAYABLE UNDER THIS POLICY IF THE ACCIDENT OR *LOSS* HAD OCCURRED IN THE STATE OF SOUTH CAROLINA IN THE UNITED STATES OF AMERICA.

All other policy provisions not in conflict with the provisions in this **Limited Coverage in Mexico** provision of this policy apply.

If Other Coverage Applies

Any coverage provided by this **Limited Coverage in Mexico** provision is excess over any other applicable insurance.

Legal Action Against Us

Any legal action against *us* arising out of an accident or *loss* occurring in Mexico must be brought in a court that has jurisdiction in the state of South Carolina in the United States of America.

c. Paragraph c. of 5. **Premium** is changed to read:

c. The premium for this policy may vary based upon:

- (1) the purchase of other products or services from the **State Farm Companies**;
- (2) the purchase of products or services from an organization that has entered into an agreement or contract with

the *State Farm Companies*.
The *State Farm Companies*
do not warrant the merchant-
ability, fitness, or quality of
any product or service of-
fered or provided by that or-
ganization; or

- (3) an agreement, concerning
the insurance provided by
this policy, that the *State
Farm Companies* has with
an organization of which
you are a member, employ-
ee, subscriber, licensee, or
franchisee.

6126MT AMENDATORY ENDORSEMENT

This endorsement is a part of the policy. Except for the changes this endorsement makes, all other provisions of the policy remain the same and apply to this endorsement.

THIS POLICY

The following has been added to item 5.:

Your purchase of this policy may allow *you* to purchase an excess and surplus lines policy from the *State Farm Companies*, subject to applicable eligibility rules.

6128DP AMENDATORY ENDORSEMENT

This endorsement is a part of the policy. Except for the changes this endorsement makes, all other provisions of the policy remain the same and apply to this endorsement.

1. DEFINITIONS

Newly Acquired Car is changed to read:

Newly Acquired Car means a *car* newly *owned by you* or a *resident relative*.

A *car* ceases to be a *newly acquired car* on the earlier of:

1. the effective date and time of a policy, including any binder, issued by *us* or any other company that describes the *car* as an insured vehicle; or
2. the end of the 14th calendar day immediately following the date the *car* is delivered to *you* or a *resident relative*.

If a *newly acquired car* is not otherwise afforded comprehensive coverage or collision coverage by this or any other policy, then this policy will provide Comprehensive Coverage or Collision Coverage for that *newly acquired car*, subject to a deductible of \$500.

2. LIABILITY COVERAGE**a. Additional Definition**

Item 4. of *Insured* is changed to read:

Insured means any other *person* or organization vicariously liable for the use of a vehicle by an *insured* as defined in 1., 2., or 3. above, but only for such vicarious liability. This provision applies only if the vehicle is:

- a. neither *owned by*, nor hired by, that other *person* or organization; and

- b. neither available for, nor being used for, carrying *persons* for a charge.

b. Exclusions

(1) Exclusion 6. is changed to read:

THERE IS NO COVERAGE FOR AN *INSURED* FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY *PERSONS* FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;

(2) The exception to exclusion 10. is changed to read:

This exclusion does not apply to damage to a:

- a. motor vehicle *owned by* the employer of *you* or the employer of any *resident relative* if such damage is caused by an *insured* while operating another motor vehicle;
- b. residence while rented to or leased to an *insured*; or
- c. private garage while rented to or leased to an *insured*;

3. PERSONAL INJURY PROTECTION COVERAGE

a. Additional Definitions

Item 1.a. of *Insured* is changed to read:

Insured means *you* and *resident relatives* while *occupying*:

- (1) *your car*;
- (2) a *newly acquired car*; or
- (3) a *motor vehicle*, other than a motorcycle, not *owned by you* or any *resident relative*; or

b. Exclusions

(1) Exclusion 6. is changed to read:

THERE IS NO COVERAGE FOR AN **INSURED** WHO IS STRUCK AS A PEDESTRIAN BY A **MOTOR VEHICLE**, **OWNED BY THAT INSURED OR YOU**, IF IT IS NOT **YOUR CAR OR A NEWLY ACQUIRED CAR**;

(2) Exclusion 8. is changed to read:

THERE IS NO COVERAGE FOR AN **INSURED** WHO IS **OCCUPYING** A VEHICLE WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY **PERSONS** FOR A CHARGE. This exclusion does not apply to:

- a. the use of a *private passenger car* on a share-the-expense basis; or
- b. an *insured* while *occupying* a *non-owned car* as a passenger;

4. MEDICAL PAYMENTS COVERAGE

Exclusions

Exclusion 4. is changed to read:

THERE IS NO COVERAGE FOR AN **INSURED** WHO IS **OCCUPYING** A VEHICLE WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY **PERSONS** FOR A CHARGE. This exclusion does not apply to:

- a. the use of a *private passenger car* on a share-the-expense basis; or
- b. an *insured* while *occupying* a *non-owned car* as a passenger;

5. UNINSURED MOTOR VEHICLE COVERAGE

a. Exclusions

Exclusion 2. is changed to read:

THERE IS NO COVERAGE FOR

- a. AN **INSURED** WHO SUSTAINS **BODILY INJURY** WHILE **OCCUPYING** A MOTOR VEHICLE **OWNED BY THAT INSURED** IF:

(1) THE MOTOR VEHICLE IS NOT **YOUR CAR OR A NEWLY ACQUIRED CAR**; AND

(2) IT WAS NOT INSURED FOR UNINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT; OR

- b. **PROPERTY DAMAGE** SUSTAINED BY AN **INSURED**:

(1) TO A MOTOR VEHICLE; OR

(2) IN A MOTOR VEHICLE
OWNED BY THAT INSURED
 IF THE MOTOR VEHICLE
 WAS NOT INSURED FOR
 UNINSURED MOTOR VEHICLE
 COVERAGE AT THE
 TIME OF THE ACCIDENT;

**b. If Other Uninsured Motor Vehicle
 Coverage Applies**

Item 4. is changed to read:

4. If:

a. *you* sustain ***bodily injury*** or
property damage while *oc-*
cupying a motor vehicle
 other than *your car* that is
owned by:

(1) *you*, then this coverage
 applies only to the ex-
 tent of the uninsured
 motor vehicle coverage
 applicable to the motor
 vehicle that *you* were
occupying; or

(2) any ***resident relative***,
 then, in addition to the
 amount paid from the
 policy insuring the mo-
 tor vehicle *you* were *oc-*
cupying, the maximum
 amount that may be
 paid from all other poli-
 cies combined that are
 issued to *you* or any
resident relative by the
State Farm Companies
 is the single highest
 limit provided by any
 one of the policies. *We*
 may choose one or
 more policies from
 which to make pay-
 ment.

b. a ***resident relative*** sustains
bodily injury or ***property***
damage while *occupying* a
 motor vehicle other than
your car that is *owned by*:

(1) *you*, then, in addition to
 the amount paid from
 the policy insuring the
 motor vehicle that that
resident relative was
occupying, the maxi-
 mum amount that may
 be paid from all other
 policies combined that
 are issued to *you* or
 any ***resident relative***
 by the ***State Farm***
Companies is the sin-
 gle highest limit pro-
 vided by any one of the
 policies. *We* may
 choose one or more
 policies from which to
 make payment;

(2) that ***resident relative***,
 then this coverage ap-
 plies only to the extent
 of the uninsured motor
 vehicle coverage appli-
 cable to the motor vehi-
 cle that that ***resident***
relative was *occupying*;
 or

(3) a different ***resident rel-***
ative, then, in addition
 to the amount paid from
 the policy insuring the
 motor vehicle that that
resident relative was
occupying, the maxi-
 mum amount that may
 be paid from all other
 policies combined that
 are issued to *you* or
 any ***resident relative***
 by the ***State Farm***

Companies is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

6. UNDERINSURED MOTOR VEHICLE COVERAGE

a. Exclusions

Exclusion 2. is changed to read:

THERE IS NO COVERAGE FOR

- a. AN **INSURED** WHO SUSTAINS **BODILY INJURY** WHILE **OCCUPYING** A MOTOR VEHICLE **OWNED BY** THAT **INSURED** IF:

- (1) THE MOTOR VEHICLE IS NOT **YOUR CAR** OR A **NEWLY ACQUIRED CAR**; AND
- (2) IT WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT; OR

- b. **PROPERTY DAMAGE** SUSTAINED BY AN **INSURED**:

- (1) TO A MOTOR VEHICLE: OR
- (2) IN A MOTOR VEHICLE **OWNED BY** THAT **INSURED** IF THE MOTOR VEHICLE WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;

b. If Other Underinsured Motor Vehicle Coverage Applies

Item 4. is changed to read:

4. If:

- a. *you* sustain **bodily injury** or **property damage** while **occupying** a motor vehicle other than **your car** that is **owned by**:

- (1) *you*, then this coverage applies only to the extent of the underinsured motor vehicle coverage applicable to the motor vehicle that *you* were **occupying**; or

- (2) any **resident relative**, then, in addition to the amount paid from the policy insuring the motor vehicle *you* were **occupying**, the maximum amount that may be paid from all other policies combined that are issued to *you* or any **resident relative** by the **State Farm Companies** is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

- b. a **resident relative** sustains **bodily injury** or **property damage** while **occupying** a motor vehicle other than **your car** that is **owned by**:

- (1) *you*, then, in addition to the amount paid from the policy insuring the motor vehicle that that **resident relative** was **occupying**, the maximum amount that may be paid from all other

6128DP

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policies combined that are issued to *you* or any *resident relative* by the *State Farm Companies* is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment;

- (2) that *resident relative*, then this coverage applies only to the extent of the underinsured motor vehicle coverage applicable to the motor vehicle that that *resident relative* was *occupying*; or
- (3) a different *resident relative*, then, in addition to the amount paid from the policy insuring the motor vehicle that that *resident relative* was *occupying*, the maximum amount that may be paid from all other policies combined that are issued to *you* or any *resident relative* by the *State Farm Companies* is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

7. PHYSICAL DAMAGE COVERAGES

- a. The paragraph that reads:

If a deductible applies to Comprehensive Coverage, then it is shown

on the Declarations Page. The deductible that applies to Collision Coverage is shown on the Declarations Page.

is changed to read:

Deductible

1. If "D" is shown under "SYMBOLS" on the Declarations Page, then the deductible that applies to Comprehensive Coverage, if any, is the dollar amount shown on the Declarations Page next to the title of this coverage. However, *we* will not deduct more than \$500 for any *loss* to a *newly acquired car*.
2. If "G" is shown under "SYMBOLS" on the Declarations Page, then the deductible that applies to Collision Coverage is the dollar amount shown on the Declarations Page next to the title of this coverage. However, *we* will not deduct more than \$500 for any *loss caused by collision* to a *newly acquired car*.

b. Insuring Agreements

Car Rental and Travel Expenses Coverage

Item 4.a. **Car Rental Expense** is changed to read:

Car Rental Expense

We will pay the *daily rental charge* incurred when an *insured* rents a *car* from a *car business* while *your car* or a *newly acquired car* is:

- (1) not drivable; or
- (2) being repaired

as a result of a *loss* which would be payable under Comprehensive Coverage or Collision Coverage.

We will pay this *daily rental charge* incurred during a period that:

- (1) starts on the date:
 - (a) the vehicle is not drivable as a result of the *loss*; or
 - (b) the vehicle is left at a repair facility if the vehicle is drivable; and
- (2) ends on the earliest of:
 - (a) the date the vehicle has been repaired or replaced;
 - (b) the date *we* offer to pay for the *loss* if the vehicle is repairable but *you* choose to delay repairs; or
 - (c) seven days after *we* offer to pay for the *loss* if the vehicle is:
 - (i) a total loss as determined by *us*; or
 - (ii) stolen and not recovered.

The amount of any such *daily rental charge* incurred by an *insured* must be reported to *us* before *we* will pay such amount.

c. Exclusions

Exclusion 3. is changed to read:

THERE IS NO COVERAGE FOR ANY **COVERED VEHICLE** WHILE IT IS:

- a. MADE AVAILABLE; OR
- b. BEING USED

TO CARRY **PERSONS** FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;

8. INSURED'S DUTIES

- a. Item 6.a.(3) is changed to read:

A *person* making claim under:

- a. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage, must:

- (3) provide written authorization for *us* to obtain medical bills, medical records, wage information, salary information, employment information, and any other information *we* deem necessary to substantiate the claim.

Such authorizations must not:

- (a) restrict *us* from performing *our* business functions in:
 - (i) obtaining records, bills, information, and data; nor
 - (ii) using or retaining records, bills, information, and data collected or received by *us*;
- (b) require *us* to violate federal or state laws or regulations;

- (c) prevent *us* from fulfilling *our* data reporting and data retention obligations to insurance regulators; or
- (d) prevent *us* from disclosing claim information and data:
 - (i) to enable performance of *our* business functions;
 - (ii) to meet *our* reporting obligations to insurance regulators;
 - (iii) to meet *our* reporting obligations to insurance data consolidators; and
 - (iv) as otherwise permitted by law.

If an injured *insured* is a minor, unable to act, or dead, then his or her legal representative must provide *us* with the written authorization.

If the holder of the information refuses to provide it to *us* despite the authorization, then at *our* request the *person* making claim or his or her legal representative must obtain the information and promptly provide it to *us*; and

- b. The following is added to item 6.:

A *person* making claim under Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage,

or Death, Dismemberment and Loss of Sight Coverage, must submit to *us* all information *we* need to comply with federal and state laws and regulations.

9. GENERAL TERMS

- a. The following is added to **Newly Owned or Newly Leased Car:**

If a *resident relative* wants to insure a *car* newly owned by the *resident relative* with the *State Farm Companies* after that *car* ceases to be a *newly acquired car*, then the *resident relative* must apply to the *State Farm Companies* for a separate policy to insure the *car* newly owned by the *resident relative*. Such policy will be issued only if both the applicant and the vehicle are eligible for coverage at the time of the application.

- b. The following are added to **GENERAL TERMS:**

Electronic Delivery

With *your* consent, *we* may, if allowed by law, electronically deliver any document or notice, including a notice to renew, nonrenew, or cancel, instead of mailing it or delivering it by other means. Proof of transmission will be sufficient proof of notice.

Our Rights Regarding Claim Information

- a. *We* will collect, receive, obtain, use, and retain all the items described in item b.(1) below and use and retain the information described in item b.(3)(b) below, in accordance with applicable federal and state laws and regulations and consistent with the performance of *our* business functions.

- b. Subject to a. above, *we* will not be restricted in or prohibited from:
- (1) collecting, receiving, or obtaining records, receipts, invoices, medical bills, medical records, wage information, salary information, employment information, data, and any other information;
 - (2) using any of the items described in item b.(1) above; or
 - (3) retaining:
 - (a) any of the items in item b.(1) above; or
 - (b) any other information *we* have in *our* possession as a result of *our* processing, handling, or otherwise resolving claims submitted under this policy.
- c. *We* may disclose any of the items in item b.(1) above and any of the information described in item b.(3)(b) above:
- (1) to enable performance of *our* business functions;
 - (2) to meet *our* reporting obligations to insurance regulators;
 - (3) to meet *our* reporting obligations to insurance data consolidators;
 - (4) to meet other obligations required by law; and
 - (5) as otherwise permitted by law.
- d. *Our* rights under a., b., and c. above shall not be impaired by any:
- (1) authorization related to any claim submitted under this policy; or
 - (2) act or omission of an *insured* or a legal representative acting on an *insured's* behalf.



Please read the policy carefully. If there is an accident, contact your State Farm agent or one of our Claim Offices at once. (See "INSURED'S DUTIES" in this policy booklet)

Georgia-South Carolina Office
11350 Johns Creek Parkway
Duluth, GA 30098-0001
Phone: (770) 418-5000

State Farm® Car Policy Booklet

South Carolina
Policy Form 9840A

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THIS POLICY

1. This policy consists of:
 - a. the most recently issued Declarations Page;
 - b. the policy booklet version shown on that Declarations Page; and
 - c. any endorsements that apply, including those listed on that Declarations Page as well as those issued in connection with any subsequent renewal of this policy.
2. This policy contains all of the agreements between all named insureds who are shown on the Declarations Page and all applicants and:
 - a. us; and
 - b. any of our agents.
3. We agree to provide insurance according to the terms of this policy:
 - a. based on payment of premium for the coverages chosen; and
 - b. unless otherwise stated in "EXCEPTIONS, POLICY BOOKLET, & ENDORSEMENTS" on the Declarations Page, in reliance on the following statements:
 - (1) The named insured shown on the Declarations Page is the sole owner of your car.
 - (2) Neither you nor any member of your household has, within the past three years, had:
 - (a) vehicle insurance canceled or nonrenewed by an insurer; or
 - (b) either:
 - (i) a license to drive; or
 - (ii) a vehicle registration suspended, revoked, or refused.

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- (3) Your car is used for pleasure and business.
4. All named insureds shown on the Declarations Page and all applicants agree by acceptance of this policy that:
 - a. the statements in 3.b. above are made by such named insured or applicant and are true; and
 - b. we provide this insurance on the basis those statements are true.
5. Your purchase of this policy may allow you to purchase certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other policies from the *State Farm Companies*, subject to their applicable eligibility rules.

DEFINITIONS

We define certain words and phrases below for use throughout the policy. Each coverage includes additional definitions only for use with that coverage. These definitions apply to the singular, plural, possessive, and any other form of these words and phrases. Defined words and phrases are printed in boldface italics.

Bodily Injury means bodily injury to a person and sickness, disease, or death that results from it.

Car means a land motor vehicle with four or more wheels, designed for use primarily on public roads. **Car** does not include:

1. Any vehicle while located for use as a dwelling or other premises; or
2. A truck-tractor designed to pull any type of trailer.

Car Business means a business or job where the purpose is to sell, lease, rent, repair, service, modify, transport, store, or park land motor vehicles or any type of trailer.

Financial Responsibility Act means the Motor Vehicle Financial Responsibility Act of South Carolina.

Fungl means any type or form of fungus or fungi and includes:

1. Mold;
2. Mildew; and

3. Any of the following that are produced or released by fungi:
 - a. Mycotoxins;
 - b. Spores;
 - c. Scents; or
 - d. Byproducts.

Newly Acquired Car means a car newly owned by you. A car ceases to be a newly acquired car on the earlier of:

1. the effective date and time of a policy, including any binder, issued by us or any other company that describes the car as an insured vehicle; or
2. the end of the 14th calendar day immediately following the date the car is delivered to you.

If a newly acquired car is not otherwise afforded comprehensive coverage or collision coverage by this or any other policy, then this policy will provide Comprehensive Coverage or Collision Coverage for that newly acquired car, subject to a deductible of \$500. Any coverage provided as a result of this paragraph will apply only until the end of the 5th calendar day immediately following the date the newly acquired car is delivered to you.

Non-Owned Car means a car that is in the lawful possession of you or any resident relative and that neither:

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1. is *owned by*:
- you*;
 - any *resident relative*;
 - any other *person* who resides primarily in *your* household; or
 - an employer of any *person* described in a., b., or c. above; nor
2. has been operated by, rented by, or in the possession of:
- you*; or
 - any *resident relative*
- during any part of each of the 31 or more consecutive days immediately prior to the date of the accident or loss.
- Occupying* means in, on, entering, or exiting.
- Our* means the Company issuing this policy as shown on the Declarations Page.
- Owned By* means:
- owned by;
 - registered to; or
 - leased, if the lease is written for a period of 31 or more consecutive days, to.
- Pedestrian* means a *person* who is not occupying:
- a motorized vehicle; or
 - a vehicle designed to be pulled by a motorized vehicle.
- Person* means a human being.
- Private Passenger Car* means:
- a *car* of the private passenger type, other than a pickup truck, van, minivan, or sport utility vehicle, designed primarily to carry *persons* and their luggage; or
 - a pickup truck, van, minivan, or sport utility vehicle:
 - that is not used for:
 - wholesale; or
 - retail
- pickup or delivery; and
- that has a Gross Vehicle Weight Rating of 10,000 pounds or less.
- Resident Relative* means a *person*, other than *you*, who resides primarily with the first *person* shown as a named insured on the Declarations Page and who is:
- related to that named insured or his or her spouse by blood, marriage, or adoption, including an unmarried and unemancipated child of either who is away at school and otherwise maintains his or her primary residence with that named insured; or
 - a ward or a foster child of that named insured, his or her spouse, or a *person* described in 1. above.
- State Farm Companies* means one or more of the following:
- State Farm Mutual Automobile Insurance Company;
 - State Farm Fire and Casualty Company; and
 - Subsidiaries or affiliates of either 1. or 2. above.
- Temporary Substitute Car* means a *car* that is in the lawful possession of the *person* operating it and that:
- replaces *your car* for a short time while *your car* is out of use due to its:
 - breakdown;
 - repair;
 - servicing;
 - damage; or
 - theft; and
 - neither *you* nor the *person* operating it own or have registered.
- If a *car* qualifies as both a *non-owned car* and a *temporary substitute car*, then it is considered a *temporary substitute car* only.

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Trailer means:

- a trailer:
 - designed to be pulled by a *private passenger car*;
 - not designed to carry *persons*; and
 - while not used as premises for office, store, or display purposes; or
 - a farm implement or farm wagon while being pulled on public roads by a *car*.
- Us* means the Company issuing this policy as shown on the Declarations Page.
- We* means the Company issuing this policy as shown on the Declarations Page.
- You* or *Your* means the named insured or named insureds shown on the Declarations Page. If a named insured shown on the Declarations Page is a *person*, then "*you*" or "*your*"

includes the spouse of the first *person* shown as a named insured if the spouse resides primarily with that named insured.

Your Car means the vehicle shown under "YOUR CAR" on the Declarations Page. *Your car* does not include a vehicle that *you* no longer own or lease.

If a *car* is shown on the Declarations Page under "YOUR CAR", and *you* ask *us* to replace it with a *car* newly *owned by you*, then the *car* being replaced will continue to be considered *your car* until the earliest of:

- the end of the 30th calendar day immediately following the date the *car* newly *owned by you* is delivered to *you*;
- the date this policy is no longer in force; or
- the date *you* no longer own or lease the *car* being replaced.

LIABILITY COVERAGE

This policy provides Liability Coverage if "A" is shown under "SYMBOLS" on the Declarations Page.

Additional Definition

Insured means:

- you* and *resident relatives* for:
 - the ownership, maintenance, or use of:
 - your car*;
 - a *newly acquired car*; or
 - a *trailer*; and
 - the maintenance or use of:
 - a *non-owned car*; or
 - a *temporary substitute car*;
- the first *person* shown as a named insured on the Declarations Page and that named insured's spouse who resides primarily with that named insured for the maintenance or

use of a *car* that is *owned by*, or furnished by an employer to, a *person* who resides primarily in *your* household, but only if such *car* is neither *owned by*, nor furnished by an employer to, the first *person* shown as a named insured on the Declarations Page or that *person's* spouse;

any other *person* for his or her use of:

- your car*;
- a *newly acquired car*;
- a *temporary substitute car*; or
- a *trailer* while attached to a *car* described in a., b., or c. above.

Such vehicle must be used with the expressed or implied consent of *you*; and

- any other *person* or organization vicariously liable for the use of a vehicle by an *insured* as defined in 1., 2., or 3. above, but only for such vicarious liability. This

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provision applies only if the vehicle is neither owned by, nor hired by, that other person or organization.

Insured does not include the United States of America or any of its agencies.

Insuring Agreement

1. We will pay:

- a. damages an *insured* becomes legally liable to pay because of:
 - (1) *bodily injury* to others; and
 - (2) damage to propertycaused by an accident that involves a vehicle for which that *insured* is provided Liability Coverage by this policy;
- b. attorney fees for attorneys chosen by us to defend an *insured* who is sued for such damages; and
- c. court costs charged to an *insured* and resulting from that part of a lawsuit:
 - (1) that seeks damages payable under this policy's Liability Coverage; and
 - (2) against which we defend an *insured* with attorneys chosen by us.

We have no duty to pay attorney fees and court costs incurred after we deposit in court or pay the amount due under this policy's Liability Coverage.

2. We have the right to:

- a. investigate, negotiate, and settle any claim or lawsuit;
- b. defend an *insured* in any claim or lawsuit, with attorneys chosen by us; and
- c. appeal any award or legal decision for damages payable under this policy's Liability Coverage.

Supplementary Payments

We will pay, in addition to the damages, fees, and costs described in the Insuring Agreement

above, the interest, premiums, costs, and expenses listed below that result from such accident:

1. Interest on damages owed by the *insured* that accrues:

- a. before a judgment, where owed by law, but only on that part of the judgment we pay; and
- b. after a judgment. We will not pay interest on damages paid or payable by a party other than the *insured* or us.

We have no duty to pay interest that accrues after we deposit in court, pay, or offer to pay, the amount due under this policy's Liability Coverage;

2. Premiums for bonds, provided by a company chosen by us, required to appeal a decision in a lawsuit against an *insured*. We have no duty to:

- a. pay for bonds that exceed this policy's applicable Liability Coverage limit;
- b. furnish or apply for any bonds; or
- c. pay premiums for bonds purchased after we deposit in court, pay, or offer to pay, the amount due under this policy's Liability Coverage; and

3. The following costs and expenses if related to and incurred after a lawsuit has been filed against an *insured*:

- a. Loss of wages or salary, but not other income, up to \$200 for each day an *insured* attends, at our request:
 - (1) an arbitration;
 - (2) a mediation; or
 - (3) a trial of a lawsuit; and
- b. Reasonable expenses incurred by an *insured* at our request other than loss of wages, salary, or other income.

The amount of any of the costs or expenses listed above that are incurred by an *insured* must be reported to us before we will pay such incurred costs or expenses.

Limits

1. The Liability Coverage limits for *bodily injury* are shown on the Declarations Page under "Liability Coverage - Bodily Injury Limits - Each Person, Each Accident."

- a. The limit shown under "Each Person" is the most we will pay for all damages resulting from *bodily injury* to any one person injured in any one accident. "Bodily injury to any one person" includes all injury and damages to other persons resulting from that *bodily injury*, and all emotional distress resulting from that *bodily injury* sustained by other persons who do not sustain that *bodily injury*.
- b. The limit shown under "Each Accident" is the most we will pay, subject to the limit for "Each Person", for all damages resulting from *bodily injury* to two or more persons injured in the same accident.

2. The Liability Coverage limit for damage to property is shown on the Declarations Page under "Liability Coverage - Property Damage Limit - Each Accident". The limit shown is the most we will pay for all damages resulting from damage to property in any one accident.

3. These Liability Coverage limits are the most we will pay regardless of the number of:

- a. *insureds*;
- b. claims made;
- c. vehicles insured; or
- d. vehicles involved in the accident.

Nonduplication

We will not pay any damages or expenses under Liability Coverage that have already been paid under Uninsured Motor Vehicle Coverage of any policy issued by the State Farm Companies to you or any resident relative.

Exclusions

THERE IS NO COVERAGE FOR AN *INSURED*:

1. TO THE EXTENT THE LIABILITY COVERAGE LIMITS OF THIS POLICY EXCEED THE LIABILITY COVERAGE LIMITS REQUIRED BY THE FINANCIAL RESPONSIBILITY ACT IF SUCH *INSURED* INTENTIONALLY CAUSES *BODILY INJURY* OR DAMAGE TO PROPERTY;

2. OR FOR THAT *INSURED'S* INSURER FOR ANY OBLIGATION UNDER ANY TYPE OF WORKERS' COMPENSATION, DISABILITY, OR SIMILAR LAW;

3. FOR *BODILY INJURY* TO THAT *INSURED'S* EMPLOYEE WHICH ARISES OUT OF THAT EMPLOYEE'S EMPLOYMENT. This exclusion does not apply to that *insured's* household employee who is neither covered, nor required to be covered, under workers' compensation insurance;

4. FOR *BODILY INJURY* TO THAT *INSURED'S* FELLOW EMPLOYEE WHILE THE FELLOW EMPLOYEE IS IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT. This exclusion does not apply to you and resident relatives who are legally liable for *bodily injury* to fellow employees;

5. FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN *INSURED*;

6. FOR DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to the use of a private passenger car on a share-the-expense basis;

7. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH

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THAT *INSURED'S* EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A *CAR BUSINESS*. This exclusion does not apply to:

- a. *you*;
- b. any *resident relative*; or
- c. any agent, employee, or business partner of *you* or any *resident relative*; or
- d. any *person* other than a *person* described in a., b., or c. above up to the liability coverage limits required by the *Financial Responsibility Act*;

while maintaining or using *your car*, a *newly acquired car*, a *temporary substitute car*, or a *trailer owned by you*;

8. WHILE THAT *INSURED* IS VALET PARKING A VEHICLE. This exclusion does not apply up to the liability coverage limits required by the *Financial Responsibility Act* while an *insured* is valet parking *your car*, a *newly acquired car*, a *temporary substitute car*, or a *trailer owned by you*;

9. WHILE MAINTAINING OR USING ANY VEHICLE OTHER THAN *YOUR CAR*, A *NEWLY ACQUIRED CAR*, A *TEMPORARY SUBSTITUTE CAR*, OR A *TRAILER* IN ANY BUSINESS OR OCCUPATION OTHER THAN A *CAR BUSINESS* OR VALET PARKING. This exclusion does not apply to the maintenance or use of a *private passenger car*;

10. FOR DAMAGE TO PROPERTY WHILE IT IS:

- a. *OWNED BY*;
- b. *RENTED TO*;
- c. *USED BY*;
- d. *IN THE CARE OF*; OR
- e. *TRANSPORTED BY*

YOU, A *RESIDENT RELATIVE*, OR THE *PERSON* WHO IS LEGALLY LIABLE FOR THE DAMAGE. This exclusion does not apply to damage to a:

- a. motor vehicle *owned by* the employer of *you* or any *resident relative* if such damage is caused by an *insured* while operating another motor vehicle;
- b. residence while rented to or leased to an *insured*; or
- c. private garage while rented to or leased to an *insured*;

11. FOR LIABILITY ASSUMED UNDER ANY CONTRACT OR AGREEMENT;

12. FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION;

13. WHILE USING A *TRAILER* WITH A MOTOR VEHICLE IF THAT *INSURED* IS NOT PROVIDED LIABILITY COVERAGE BY THIS POLICY FOR THE USE OF THAT MOTOR VEHICLE;

14. FOR THE OWNERSHIP, MAINTENANCE, OR USE OF ANY VEHICLE WHILE IT IS:

- a. OFF PUBLIC ROADS AND BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR

- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (14.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

This exclusion (14.) does not apply to *your car* up to the liability coverage limits required by the *Financial Responsibility Act*; OR

15. WHO IS AN EMPLOYEE OF THE UNITED STATES OF AMERICA OR ANY OF ITS AGENCIES, IF THE PROVISIONS OF THE FEDERAL TORT CLAIMS ACT APPLY.

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If Other Liability Coverage Applies

1. If Liability Coverage provided by this policy and one or more other Car Policies issued to *you* or any *resident relative* by the *State Farm Companies* apply to the same accident, then:

- a. the Liability Coverage limits of such policies will not be added together to determine the most that may be paid; and

- b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. We may choose one or more policies from which to make payment.

2. The Liability Coverage provided by this policy applies as primary coverage for the ownership, maintenance, or use of *your car* or a *trailer* attached to it.

- a. If:

- (1) this is the only Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Liability Coverage which applies to the accident as primary coverage; and

- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,

then we will pay the proportion of damages payable as primary that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other liability coverage that apply as primary coverage.

- b. If:

- (1) more than one Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Liability Coverage which applies to the accident as primary coverage; and

- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,

then the *State Farm Companies* will pay the proportion of damages payable as primary that the maximum amount that may be paid by the *State Farm Companies* as determined in 1. above bears to the sum of such amount and the limits of all other liability coverage that apply as primary coverage.

3. Except as provided in 2. above, the Liability Coverage provided by this policy applies as excess coverage.

- a. If:

- (1) this is the only Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Liability Coverage which applies to the accident as excess coverage; and

- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then we will pay the proportion of damages payable as excess that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other liability coverage that apply as excess coverage.

- b. If:

- (1) more than one Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Liability Coverage which applies to the accident as excess coverage; and

- (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

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then the *State Farm Companies* will pay the proportion of damages payable as excess that the maximum amount that may be paid by the *State Farm Companies* as determined in 1. above bears to the sum of such amount and the limits of all other liability coverage that apply as excess coverage.

Required Out-of-State Liability Coverage
If:

1. an *insured* is in another state of the United States of America, a territory or possession of the United States of America, the District of Columbia, or any province or territory of Canada, and as a nonresident becomes subject to its motor vehicle compulsory insurance law,

financial responsibility law, or similar law; and

2. this policy does not provide at least the minimum liability coverage required by such law for such nonresident,

then this policy will be interpreted to provide the minimum liability coverage required by such law.

This provision does not apply to liability coverage required by law for motor carriers of passengers or motor carriers of property.

Financial Responsibility Certification

When this policy is certified under any law as proof of future financial responsibility, and while required during the policy period, this policy will comply with such law to the extent required.

PERSONAL INJURY PROTECTION COVERAGE

This policy provides Personal Injury Protection Coverage if "P" with a number beside it is shown under "SYMBOLS" on the Declarations Page. "P" with a number beside it is your "coverage symbol".

Check your coverage symbol with the Schedule in the provision titled Limits for the choice of coverage you made.

Additional Definitions

Insured means:

1. *you and resident relatives*:
 - a. while occupying a motor vehicle other than a motorcycle; or
 - b. if struck as a pedestrian by a motor vehicle; or
2. any other person while occupying:
 - a. your car;
 - b. a newly acquired car;

- c. a temporary substitute car; or
- d. a trailer while attached to a car described in a, b, or c. above.

Such vehicle must be used with the expressed or implied consent of you.

Medical Expenses mean reasonable expenses for medical services.

Medical Services mean treatments, procedures, products, and other services that are:

1. necessary to achieve maximum medical improvement for the *bodily injury*;
2. rendered by a healthcare provider:
 - a. who is licensed as a healthcare provider or if a license is required by law; and
 - b. within the legally authorized scope of that healthcare provider's practice;
3. commonly and customarily recognized throughout the medical profession and

within the United States of America as appropriate for the treatment of the *bodily injury*;

4. primarily designed to serve a medical purpose;
5. not experimental; and
6. not for research purposes.

Motor Vehicle means a vehicle or trailer of a kind required to be registered under South Carolina law.

Reasonable Expenses mean the lowest one of the following charges:

1. The usual and customary fees charged by a majority of healthcare providers who provide similar *medical services* in the geographical area in which the charges were incurred;
2. The fee specified in any fee schedule:
 - a. applicable to medical payments coverage, no-fault coverage, or personal injury protection coverage included in motor vehicle liability policies issued in the state where *medical services* are provided; and
 - b. as prescribed or authorized by the law of the state where *medical services* are provided;
3. The fees agreed to by both the *insured's* healthcare provider and us; or
4. The fees agreed upon between the *insured's* healthcare provider and a third party when we have a contract with such third party.

Insuring Agreement

Medical Expenses and *Funeral Expenses* apply to all Personal Injury Protection Coverages. *Loss of Income* and *Essential Services Expenses* apply only to coverages with coverage symbol F1, F2, F3, F4, F5, F6, and F7.

1. Medical Expenses

We will pay *medical expenses* incurred because of *bodily injury* that is sustained by an *insured* and caused by accident resulting from the maintenance or use of a *motor vehicle* as a vehicle if:

- a. that *insured* is first provided *medical services* within one year immediately following the date of the accident; and
- b. such *medical expenses* are for *medical services* that are provided within three years immediately following the date of the accident.

2. Funeral Expenses

We will pay funeral expenses incurred for an *insured* who dies within three years immediately following the date of a *motor vehicle* accident if the death is a direct result of *bodily injury* sustained in such accident.

3. Loss of Income

We will pay 85% of an *insured's* actual loss of earnings from work due to *bodily injury* that is sustained by an *insured* and caused by a *motor vehicle* accident. This applies only if the *insured* was receiving earnings from work at the time of the accident. The loss must be incurred within three years of the date of the accident and while the *insured* is living.

4. Essential Services Expenses

We will pay reasonable expenses incurred for needed services the *insured* would have done for his or her family, but is unable to do because of *bodily injury* that is sustained by that *insured* and caused by a *motor vehicle* accident. This benefit applies only if the *insured* was not receiving earnings from work at the time of the accident. The expense must be incurred within three years of the date of the accident and while the *insured* is living.

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Determining Medical Expenses

We have the right to:

1. obtain and use:
 - a. utilization reviews;
 - b. peer reviews; and
 - c. medical bill reviews
 to determine if the incurred charges are *medical expenses*;
2. use a medical examination of the *insured* to determine if:
 - a. the *bodily injury* was caused by a *motor vehicle* accident; and
 - b. the expenses incurred are *medical expenses*; and
3. enter into a contract with a third party that has an agreement with the *insured's* healthcare provider to charge fees as determined by that agreement.

Arbitration

1. If there is a disagreement as to:
 - a. whether incurred charges are *medical expenses*; or
 - b. the amount due under this coverage for Funeral Expenses, Loss of Income, or Essential Services Expenses
 then the disagreement will be resolved by arbitration upon written request of the *insured* or us.
2. The arbitration will take place in the county in which the *insured* resides unless the parties agree to another location. The *insured* and we will each select a competent arbitrator. These two arbitrators will select a third competent arbitrator. If they are unable to agree on the third arbitrator within 30 days, then either the *insured* or we may petition a court that has jurisdiction to select the third arbitrator. Each party will pay the cost of its own arbitrator, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third arbitrator.

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3. The arbitrators shall only decide whether incurred charges are *medical expenses* and the amount due under this coverage for Funeral Expenses, Loss of Income, or Essential Services Expenses. Arbitrators shall have no authority to decide any other questions of fact, decide any questions of law, or conduct arbitration on a class-wide or class-representative basis.
 4. A written decision that is both agreed upon by and signed by any two arbitrators, and that also contains an explanation of how they arrived at their decision, will be binding on:
 - a. us;
 - b. the *insured*;
 - c. any assignee of the *insured*; and
 - d. any *person* or organization with whom the *insured* expressly or impliedly contracts for *medical services*, funeral services, or essential services.
 5. Subject to 1., 2., 3., and 4. above, state court rules governing procedure and admission of evidence will be used.
 6. We do not waive any of our rights by submitting to arbitration.
- Limits**
1. The most we will pay is the amount shown under "Aggregate Limit" in the Schedule for *your* coverage symbol. This limit is the most we will pay for all loss and expense combined, incurred by or on behalf of any one *insured* as a result of any one accident, regardless of the number of:
 - a. insureds;
 - b. claims made;
 - c. vehicles insured; or
 - d. vehicles involved in the accident.
 2. Subject to the aggregate limit shown in the Schedule for *your* coverage symbol, the most we will pay for funeral expenses incurred for any one *insured* is \$3,000.

3. Schedule

Coverage Symbol	Medical Expenses	Funeral Expenses	Loss of Income	Essential Services Expenses	Aggregate Limit
P1	Yes	Yes	Yes	Yes	\$1,000
P2	Yes	Yes	Yes	Yes	\$1,500
P3	Yes	Yes	Yes	Yes	\$2,000
P4	Yes	Yes	Yes	Yes	\$2,500
P5	Yes	Yes	Yes	Yes	\$5,000
P6	Yes	Yes	Yes	Yes	\$10,000
P7	Yes	Yes	Yes	Yes	\$25,000
P8	Yes	Yes	No	No	\$1,000
P9	Yes	Yes	No	No	\$1,500
P10	Yes	Yes	No	No	\$2,000
P11	Yes	Yes	No	No	\$2,500
P12	Yes	Yes	No	No	\$5,000
P13	Yes	Yes	No	No	\$10,000
P14	Yes	Yes	No	No	\$25,000

Exclusions

THERE IS NO COVERAGE FOR AN *INSURED*:

1. WHO INTENTIONALLY CAUSES AN ACCIDENT WHICH RESULTS IN THAT *INSURED'S* BODILY INJURY;
2. WHILE VOLUNTARILY OCCUPYING A MOTOR VEHICLE KNOWN BY THAT PERSON TO BE STOLEN;
3. WHILE COMMITTING A FELONY;
4. WHILE ATTEMPTING TO ELUDE A POLICE OFFICER;
5. WHILE OCCUPYING, USING, OR MAINTAINING A MOTORCYCLE;
6. WHO IS EITHER OCCUPYING OR STRUCK AS A PEDESTRIAN BY A VEHICLE, OWNED BY THAT *INSURED*, YOU, OR ANY RESIDENT RELATIVE IF IT IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR;
7. WHO IS OCCUPYING A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN *INSURED*;
8. WHO IS OCCUPYING A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to:
 - a. the use of a *private passenger car* on a share-the-expense basis; or
 - b. an *insured* while occupying a *non-owned car* as a passenger;
9. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH THAT *INSURED'S* EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A CAR BUSINESS. This exclusion does not apply to:
 - a. you;
 - b. any *resident relative*; or
 - c. any agent, employee, or business partner of a. or b. above
 while maintaining or using *your car*, a *newly acquired car*, a *temporary substitute car*, or a *trailer owned by you*;

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10. WHILE THAT *INSURED* IS VALET PARKING A VEHICLE;
11. WHILE MAINTAINING OR USING A *NON-OWNED CAR* IN ANY BUSINESS OR OCCUPATION OTHER THAN A *CAR BUSINESS* OR VALET PARKING. This exclusion does not apply to the maintenance or use of a *private passenger car*;
12. WHO IS EITHER *OCCUPYING* OR STRUCK AS A *PEDESTRIAN* BY A VEHICLE THAT:
 - a. IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS;
 - b. RUNS ON RAILS OR CRAWLER-TREADS; OR
 - c. IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES;
13. WHOSE *BODILY INJURY* RESULTS FROM WAR OF ANY KIND;
14. WHOSE *BODILY INJURY* RESULTS FROM:
 - a. NUCLEAR REACTION;
 - b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
 - c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
15. WHOSE *BODILY INJURY* RESULTS FROM THE DISCHARGE OF A FIRE-ARM;
16. WHOSE *BODILY INJURY* RESULTS FROM EXPOSURE TO *FUNGUS*; OR
17. WHO IS *OCCUPYING* A VEHICLE WHILE IT IS:
 - a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR

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- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (17.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

If Other Personal Injury Protection Coverage or Similar Vehicle Insurance Applies

1. An *Insured* shall not recover for the same expense or loss under both this coverage and other similar vehicle insurance.
2. If Personal Injury Protection Coverage is provided by this policy and one or more other vehicle policies issued to *you* or any *resident relative* by the *State Farm Companies* apply to the same *bodily injury*, then:
 - a. the Personal Injury Protection Coverage limits of such policies shall not be added together to determine the most that may be paid; and
 - b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.
3. The Personal Injury Protection Coverage provided by this policy applies as primary coverage for an *Insured* who sustains *bodily injury* while *occupying your car* or a trailer attached to it.
 - a. If:
 - (1) this is the only vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as primary coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,

then *we* will pay the proportion of expenses or loss payable as primary that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as primary coverage.

- b. If:
 - (1) more than one vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as primary coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident,
 then the *State Farm Companies* will pay the proportion of expenses or loss payable as primary that the maximum amount that may be paid by the *State Farm Companies* as determined in 2. above bears to the sum of such amount and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as primary coverage.
4. Except as provided in 3. above, the Personal Injury Protection Coverage provided by this policy applies as excess coverage, but only in the amount by which the limits of this coverage exceed the primary coverage.
 - a. If:
 - (1) this is the only vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance

provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then *we* will pay the proportion of expenses or loss payable as excess that *our* applicable limit bears to the sum of *our* applicable limit and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as excess coverage.

- b. If:
 - (1) more than one vehicle policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Personal Injury Protection Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and
 - (2) personal injury protection coverage or other similar vehicle insurance provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident,

then the *State Farm Companies* will pay the proportion of expenses or loss payable as excess that the maximum amount that may be paid by the *State Farm Companies* as determined in 2. above bears to the sum of such amount and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as excess coverage.

Workers' Compensation Coordination

Any Personal Injury Protection Coverage provided by this policy applies as excess over any benefits recovered under any workers' compensation law or any other similar law.

Our Payment Options

We may, at *our* option, make payment to one or more of the following:

1. The *insured*;
2. The *insured's* surviving spouse;

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3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person;
4. A person authorized by law to receive such payment; or
5. Any person or organization that provides the *medical services*, funeral services, or other services payable under this coverage.

MEDICAL PAYMENTS COVERAGE

This policy provides Medical Payments Coverage if "C" is shown under "SYMBOLS" on the Declarations Page.

Additional Definitions

Insured means:

1. *you and resident relatives*:
 - a. while occupying:
 - (1) *your car*;
 - (2) a *newly acquired car*;
 - (3) a *temporary substitute car*;
 - (4) a *non-owned car*; or
 - (5) a *trailer* while attached to a *car* described in (1), (2), (3), or (4) above; or
 - b. if struck as a *pedestrian* by a motor vehicle or any type of trailer; and
2. any other person while occupying:
 - a. *your car*;
 - b. a *newly acquired car*;
 - c. a *temporary substitute car*; or
 - d. a *trailer* while attached to a *car* described in a., b., or c. above.

Such vehicle must be used with the expressed or implied consent of *you*.

Medical Expenses mean *reasonable expenses* for *medical services*.

Medical Services mean treatments, procedures, products, and other services that are:

1. necessary to achieve maximum medical improvement for the *bodily injury*;
2. rendered by a healthcare provider:
 - a. who is licensed as a healthcare provider or a license is required by law; and
 - b. within the legally authorized scope of that healthcare provider's practice;
3. commonly and customarily recognized throughout the medical profession and within the United States of America as appropriate for the treatment of the *bodily injury*;
4. primarily designed to serve a medical purpose;
5. not experimental; and
6. not for research purposes.

Reasonable Expenses mean the lowest one of the following charges:

1. The usual and customary fees charged by a majority of healthcare providers who provide similar *medical services* in the geographical area in which the charges were incurred;
2. The fee specified in any fee schedule:
 - a. applicable to medical payments coverage, no-fault coverage, or personal injury protection coverage included in motor vehicle liability policies issued in the state where *medical services* are provided; and
 - b. as prescribed or authorized by the law of the state where *medical services* are provided;
3. The fees agreed to by both the *insured's* healthcare provider and *us*; or

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4. The fees agreed upon between the *insured's* healthcare provider and a third party when *we* have a contract with such third party.

Insuring Agreement

We will pay:

1. *medical expenses* incurred because of *bodily injury* that is sustained by an *insured* and caused by accident resulting from the maintenance or use of a motor vehicle as a vehicle if:
 - a. that *insured* is first provided *medical services* within one year immediately following the date of the accident; and
 - b. such *medical expenses* are for *medical services* that are provided within three years immediately following the date of the accident; and
2. funeral expenses incurred for an *insured* who dies within three years immediately following the date of a motor vehicle accident if the death is a direct result of *bodily injury* sustained in such accident.

Determining Medical Expenses

We have the right to:

1. obtain and use:
 - a. utilization reviews;
 - b. peer reviews; and
 - c. medical bill reviews
 to determine if the incurred charges are *medical expenses*;
2. use a medical examination of the *insured* to determine if:
 - a. the *bodily injury* was caused by a motor vehicle accident; and
 - b. the expenses incurred are *medical expenses*; and
3. enter into a contract with a third party that has an agreement with the *insured's* healthcare provider to charge fees as determined by that agreement.

Arbitration

1. If there is a disagreement as to whether incurred charges are *medical expenses*, then the disagreement will be resolved by arbitration upon written request of the *insured* or *us*.

2. The arbitration will take place in the county in which the *insured* resides unless the parties agree to another location.

The *insured* and *we* will each select a competent arbitrator. These two arbitrators will select a third competent arbitrator. If they are unable to agree on the third arbitrator within 30 days, then either the *insured* or *we* may petition a court that has jurisdiction to select the third arbitrator.

Each party will pay the cost of its own arbitrator, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third arbitrator.

3. The arbitrators shall only decide whether incurred charges are *medical expenses*. Arbitrators shall have no authority to decide any other questions of fact, decide any questions of law, or conduct arbitration on a class-wide or class-representative basis.

4. A written decision that is both agreed upon by and signed by any two arbitrators, and that also contains an explanation of how they arrived at their decision, will be binding on:
 - a. *us*;
 - b. the *insured*;
 - c. any assignee of the *insured*; and
 - d. any person or organization with whom the *insured* expressly or impliedly contracts for *medical services*.

5. Subject to 1., 2., 3., and 4. above, state court rules governing procedure and admission of evidence will be used.
6. *We* do not waive any of our rights by submitting to arbitration.

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Limit

The Medical Payments Coverage limit is shown on the Declarations Page under "Medical Payments Coverage -- Limit -- Each Person". This limit is the most we will pay for the medical expenses and funeral expenses combined, incurred by or on behalf of any one insured as a result of any one accident, regardless of the number of:

1. insureds;
2. claims made;
3. vehicles insured; or
4. vehicles involved in the accident.

Subject to the limit shown on the Declarations Page, the most we will pay for funeral expenses incurred for any one insured is \$3,000.

Exclusions

THERE IS NO COVERAGE FOR AN INSURED:

1. WHO IS STRUCK AS A PEDESTRIAN BY A MOTOR VEHICLE, OWNED BY THAT INSURED OR YOU, IF IT IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR;
2. IF ANY WORKERS' COMPENSATION LAW OR ANY SIMILAR LAW APPLIES TO THAT INSURED'S BODILY INJURY;
3. WHO IS OCCUPYING A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN INSURED;
4. WHO IS OCCUPYING A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to:
 - a. the use of a private passenger car on a share-the-expense basis; or
 - b. an insured while occupying a non-owned car as a passenger;
5. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH THAT INSURED'S EMPLOYMENT IN

OR ENGAGEMENT OF ANY KIND IN A CAR BUSINESS. This exclusion does not apply to:

- a. you;
- b. any resident relative; or
- c. any agent, employee, or business partner of a, or b. above

while maintaining or using your car, a newly acquired car, a temporary substitute car, or a trailer owned by you;

6. WHILE THAT INSURED IS VALET PARKING A VEHICLE;
7. WHILE MAINTAINING OR USING A NON-OWNED CAR IN ANY BUSINESS OR OCCUPATION OTHER THAN A CAR BUSINESS OR VALET PARKING. This exclusion does not apply to the maintenance or use of a private passenger car;
8. WHO IS EITHER OCCUPYING OR STRUCK AS A PEDESTRIAN BY A VEHICLE THAT IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES;
9. WHO IS STRUCK AS A PEDESTRIAN BY A VEHICLE THAT:
 - a. IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS; OR
 - b. RUNS ON RAILS OR CRAWLER-TREADS;
10. WHOSE BODILY INJURY RESULTS FROM WAR OF ANY KIND;
11. WHOSE BODILY INJURY RESULTS FROM:
 - a. NUCLEAR REACTION;
 - b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
 - c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;

12. WHOSE BODILY INJURY RESULTS FROM THE DISCHARGE OF A FIRE-ARM;

13. WHOSE BODILY INJURY RESULTS FROM EXPOSURE TO FUNGI; OR

14. WHO IS OCCUPYING A VEHICLE WHILE IT IS:

- a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (14.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

If Other Medical Payments Coverage or Similar Vehicle Insurance Applies

1. An insured shall not recover for the same medical expenses or funeral expenses under both this coverage and other medical payments coverage or similar vehicle insurance.
2. If Medical Payments Coverage provided by this policy and one or more other vehicle policies issued to you or any resident relative by the State Farm Companies apply to the same bodily injury, then:
 - a. the Medical Payments Coverage limits of such policies shall not be added together to determine the most that may be paid; and
 - b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. We may choose one or more policies from which to make payment.
3. If other medical payments coverage, personal injury protection coverage, or similar

vehicle insurance applies, then the Medical Payments Coverage provided by this policy applies as excess coverage.

a. If:

- (1) this is the only vehicle policy issued to you or any resident relative by the State Farm Companies that provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and

- (2) medical payments coverage or other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same accident,

then we will pay the proportion of medical expenses and funeral expenses payable as excess that our applicable limit bears to the sum of our applicable limit and the limits of all other medical payments coverage or similar vehicle insurance that apply as excess coverage.

b. If:

- (1) more than one vehicle policy issued to you or any resident relative by the State Farm Companies provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and

- (2) medical payments coverage or other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same accident,

then the State Farm Companies will pay the proportion of medical expenses and funeral expenses payable as excess that the maximum amount that may be paid by the State Farm Companies as determined in 2. above

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bears to the sum of such amount and the limits of all other medical payments coverage or similar vehicle insurance that apply as excess coverage.

Our Payment Options

We may, at our option, make payment to one or more of the following:

1. The *insured*;

2. The *insured's* surviving spouse;
3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person;
4. A person authorized by law to receive such payment; or
5. Any person or organization that provides the medical services or funeral services.

UNINSURED MOTOR VEHICLE COVERAGE

This policy provides Uninsured Motor Vehicle Coverage if "U" is shown under "SYMBOLS" on the Declarations Page.

Additional Definitions

Insured means:

1. you;
2. resident relatives;
3. any other person while occupying or using:
 - a. your car;
 - b. a newly acquired car; or
 - c. a temporary substitute car;with the expressed or implied consent of you; and
4. any person to the extent he or she may recover damages under a state wrongful death statute because of the death of an *insured* under 1., 2., or 3. above.

Motor Vehicle means a self-propelled vehicle or trailer designed for use on public roads, but does not include tractor engines, road rollers, farm trailers, tractor cranes, power shovels, well drillers, or electric trolleys.

Property Damage means damage to property of the *insured*.

Uninsured Motor Vehicle means a motor vehicle:

1. the ownership, maintenance, and use of which is:

- a. not insured or bonded for bodily injury and property damage liability at the time of the accident; or
 - b. insured or bonded for bodily injury and property damage liability at the time of the accident; but
 - (1) the limits are less than required by the *Financial Responsibility Act*;
 - (2) the insuring company:
 - (a) denies that its policy provides liability coverage for damages that result from the accident; or
 - (b) is or becomes insolvent; or
 - (3) a cause of action for the *bodily injury* or *property damage* is barred by the South Carolina Tort Claims Act; or
2. the owner and driver of which remain unknown, but only if:
 - a. the *bodily injury* or *property damage* was caused by physical contact with the unknown vehicle, or the accident was witnessed by someone other than the owner or driver of the insured vehicle. The witness must sign an affidavit attesting to the truth of the facts of the accident contained in the affidavit; and

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- b. the *insured* was not negligent in failing to determine the identity of the other vehicle and the driver of the other vehicle at the time of the accident.

Uninsured Motor Vehicle does not include a motor vehicle owned by:

1. a self-insurer in accordance with the applicable provisions of law; or
2. the State or any of its political subdivisions when the vehicle is operated by a person with proper authorization.

Insuring Agreement

We will pay damages for *bodily injury* and *property damage* an *insured* is legally entitled to recover from the owner or driver of an *uninsured motor vehicle*. The *bodily injury* must be sustained by an *insured*. The *bodily injury* and *property damage* must be caused by an accident that involves the operation, maintenance, or use of an *uninsured motor vehicle*.

Our Right to Defend

We have the right to appear and defend in the name of the owner and driver of the *uninsured motor vehicle* on the issues of legal liability of, and the damages owed by, such owner or driver.

Limits

1. The Uninsured Motor Vehicle Coverage limits for *bodily injury* are shown on the Declarations Page under "Uninsured Motor Vehicle Coverage - Bodily Injury Limits - Each Person, Each Accident".
 - a. The most we will pay for all damages resulting from *bodily injury* to any one person injured in any one accident is the lesser of:
 - (1) the amount of all damages resulting from that *bodily injury* reduced by the sum of all payments for damages resulting from that *bodily injury* made by or on behalf of any person or organization who is or may be held legally liable for that *bodily injury*; or

- (2) the limit shown under "Each Person".

"*Bodily injury* to any one person" includes all injury and damages to other persons resulting from that *bodily injury*, and all emotional distress resulting from that *bodily injury* sustained by other persons who do not sustain that *bodily injury*.

- b. Subject to a. above, the most we will pay for all damages resulting from *bodily injury* to two or more *insureds* injured in the same accident is the limit shown under "Each Accident".

2. The Uninsured Motor Vehicle Coverage limit for *property damage* is shown on the Declarations Page under "Uninsured Motor Vehicle Coverage - Property Damage Limit - Each Accident". The most we will pay for *property damage* is the lesser of:

- a. the amount of *property damage* reduced by the sum of all payments made by or on behalf of any person or organization who is or may be held legally liable for that *property damage*; or
- b. the limit shown under "Each Accident".

3. These Uninsured Motor Vehicle Coverage limits are the most we will pay regardless of the number of:

- a. *insureds*;
- b. claims made;
- c. vehicles insured; or
- d. vehicles involved in the accident.

Nonduplication

We will not pay under Uninsured Motor Vehicle Coverage any damages:

1. that have already been paid to or for the *insured*;
 - a. by or on behalf of any person or organization who is or may be held legally liable for the *bodily injury* to the *insured*; or

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- b. for *bodily injury* under Liability Coverage of any policy issued by the *State Farm Companies* to you or any *resident relative*;
2. that:
- have already been paid;
 - could have been paid; or
 - could be paid
- to or for the *insured* under any workers' compensation law, disability benefits law, or similar law; or
3. that are *property damage* paid or payable under any policy of property insurance.
- Exclusions**
- THERE IS NO COVERAGE:
- FOR AN *INSURED* WHO, WITHOUT *OUR* WRITTEN CONSENT, SETTLES WITH ANY *PERSON* OR ORGANIZATION WHO MAY BE LIABLE FOR THE *BODILY INJURY* OR *PROPERTY DAMAGE* AND THEREBY IMPAIRS *OUR* RIGHT TO RECOVER *OUR* PAYMENTS;
 - TO THE EXTENT THE UNINSURED MOTOR VEHICLE COVERAGE LIMITS OF THIS POLICY EXCEED THE COVERAGE LIMITS REQUIRED BY THE *FINANCIAL RESPONSIBILITY ACT*:
- FOR AN *INSURED* WHO SUSTAINS *BODILY INJURY* WHILE *OCCUPYING* A MOTOR VEHICLE *OWNED BY YOU* OR ANY *RESIDENT RELATIVE* IF:
 - THE MOTOR VEHICLE IS NOT *YOUR CAR* OR A *NEWLY ACQUIRED CAR*; AND
 - IT WAS NOT INSURED FOR UNINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;
- IF THE *UNINSURED MOTOR VEHICLE* IS *OWNED BY YOU* OR ANY *RESIDENT RELATIVE*; OR
 - FOR *PROPERTY DAMAGE*:
 - TO A MOTOR VEHICLE; OR
 - IN A MOTOR VEHICLE *OWNED BY YOU* OR ANY *RESIDENT RELATIVE* IF THE MOTOR VEHICLE WAS NOT INSURED FOR UNINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;
 - FOR *PROPERTY DAMAGE* THAT WAS PROXIMATELY CAUSED BY THE DRIVER OF *YOUR CAR* OR A *NEWLY ACQUIRED CAR*;
 - TO THE EXTENT IT BENEFITS:
 - ANY WORKERS' COMPENSATION OR DISABILITY BENEFITS INSURANCE COMPANY;
 - A SELF-INSURER UNDER ANY WORKERS' COMPENSATION LAW, DISABILITY BENEFITS LAW, OR SIMILAR LAW; OR
 - ANY PROPERTY INSURER;
 - FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION; OR
 - FOR THE FIRST \$200 OF *PROPERTY DAMAGE* SUSTAINED BY EACH *INSURED* IN EACH ACCIDENT.

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2. Except as provided in item 1. above, the Uninsured Motor Vehicle Coverage provided by this policy applies as excess coverage.
3. If:
- you or any *resident relative* sustains *bodily injury* or *property damage*:
 - while *occupying* a motor vehicle not *owned by you* or any *resident relative*; or
 - while not *occupying* a motor vehicle; and
 - Uninsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to you or any *resident relative* by the *State Farm Companies* apply to the same *bodily injury* or *property damage*, then

the maximum amount that may be paid from all such policies combined is the single highest limit provided by any one of the policies. We may choose one or more policies from which to make payment.
 - If you or any *resident relative* sustains *bodily injury* or *property damage* while *occupying* a motor vehicle other than *your car* that is *owned by you* or any *resident relative*, then this coverage applies only to the extent of the uninsured motor vehicle coverage applicable to the motor vehicle that the *insured* was *occupying*.
- However, if the motor vehicle that the *insured* was *occupying* was not insured for uninsured motor vehicle coverage at the time of the accident, then the maximum amount that may be paid from all policies combined that are issued to you or any *resident relative* by the *State Farm Companies* is the minimum limits required by the *Financial Responsibility Act*. We may choose one or more policies from which to make payment.
5. Subject to items 1., 2., 3., and 4. above, if this policy and one or more other sources provide uninsured motor vehicle coverage for the same damages on a:
- primary basis, then we will pay the proportion of damages payable as primary that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits of all other uninsured motor vehicle coverage that apply as primary coverage; or
 - excess basis, then we will pay the proportion of damages payable as excess that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits of all other uninsured motor vehicle coverage that apply as excess coverage.
- Our Payment Options**
- We may, at our option, make payment to one or more of the following:
- The *insured*;
 - The *insured's* surviving spouse;
 - A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person; or
 - A person authorized by law to receive such payment.

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UNDERINSURED MOTOR VEHICLE COVERAGE

This policy provides Underinsured Motor Vehicle Coverage if "W" is shown under "SYMBOLS" on the Declarations Page.

Additional Definitions

Insured means:

1. *you*;
2. *resident relatives*;
3. any other *person* while *occupying* or using:
 - a. *your car*;
 - b. a *newly acquired car*; or
 - c. a *temporary substitute car*;
 with the expressed or implied consent of *you*; and
4. any *person* to the extent he or she may recover damages under a state wrongful death statute because of the death of an *insured* under 1., 2., or 3. above.

Motor Vehicle means a self-propelled vehicle or trailer designed for use on public roads, but does not include tractor engines, road rollers, farm trailers, tractor cranes, power shovels, well drillers, or electric trolleys.

Property Damage means damage to property of the *insured*.

Underinsured Motor Vehicle means a *motor vehicle* the ownership, maintenance, and use of which is either:

1. insured or bonded for bodily injury and property damage liability at the time of the accident; or
2. self-insured under any motor vehicle financial responsibility law, any motor carrier law, or any similar law

in an amount that is at least equal to the amount required by the *Financial Responsibility Act* and:

1. the amount of the insurance, bonds, and self-insurance from all sources is less than the amount of the *insured's* damages; or

2. the *insured's* damages exceed any damages cap or limitation imposed by statute.

Underinsured Motor Vehicle does not include a motor vehicle while located for use as a dwelling or other premises.

Insuring Agreement

We will pay damages for *bodily injury* and *property damage* an *insured* is legally entitled to recover from the owner or driver of an *underinsured motor vehicle*. The *bodily injury* must be sustained by an *insured*. The *bodily injury* and *property damage* must be caused by an accident that involves the operation, maintenance, or use of an *underinsured motor vehicle*.

We will pay only if all bodily injury and property damage liability bonds, policies, and self-insurance plans that apply to the *insured's bodily injury* or *property damage* have been:

1. used up by payment of judgments or settlements; or
2. paid to the extent required by any damages cap or limitation imposed by statute.

Our Right to Defend

We have the right to appear and defend in the name of the owner and driver of the *underinsured motor vehicle* on the issues of legal liability of, and the damages owed by, such owner or driver.

Limits

1. The Underinsured Motor Vehicle Coverage limits are shown on the Declarations Page under "Underinsured Motor Vehicle Coverage - Bodily Injury Limits - Each Person, Each Accident".

- a. The most *we* will pay for all damages resulting from *bodily injury* to any one *person* injured in any one accident is the lesser of:

- (1) the amount of all damages resulting from that *bodily injury* reduced by the sum of all payments for damages resulting from that

bodily injury made by or on behalf of any *person* or organization who is or may be held legally liable for that *bodily injury*; or

- (2) the limit shown under "Each Person".

"*Bodily injury* to any one *person*" includes all injury and damages to other *persons* resulting from that *bodily injury*, and all emotional distress resulting from that *bodily injury* sustained by other *persons* who do not sustain that *bodily injury*.

- b. Subject to a. above, the most *we* will pay for all damages resulting from *bodily injury* to two or more *insureds* injured in the same accident is the limit shown under "Each Accident".

2. The Underinsured Motor Vehicle Coverage limit for *property damage* is shown on the Declarations Page under "Underinsured Motor Vehicle Coverage - Property Damage Limit - Each Accident". The most *we* will pay for *property damage* is the lesser of:

- a. the amount of *property damage* reduced by the sum of all payments made by or on behalf of any *person* or organization who is or may be held legally liable for that *property damage*; or
- b. the limit shown under "Each Accident".

3. These Underinsured Motor Vehicle Coverage limits are the most *we* will pay regardless of the number of:

- a. *insureds*;
- b. claims made;
- c. vehicles insured; or
- d. vehicles involved in the accident.

Nonduplication

We will not pay under Underinsured Motor Vehicle Coverage any damages:

1. that have already been paid to or for the *insured*:
 - a. by or on behalf of any *person* or organization who is or may be held

legally liable for the *bodily injury* to the *insured*; or

- b. for *bodily injury* under Liability Coverage of any policy issued by the *State Farm Companies* to *you* or any *resident relative*;

2. that:

- a. have already been paid;
- b. could have been paid; or
- c. could be paid to or for the *insured* under any workers' compensation law, disability benefits law, or similar law; or

3. that are *property damage* paid or payable under any policy of property insurance.

Exclusions

THERE IS NO COVERAGE:

1. FOR AN *INSURED* WHO, WITHOUT *OUR* WRITTEN CONSENT, SETTLES WITH ANY *PERSON* OR ORGANIZATION WHO MAY BE LIABLE FOR THE *BODILY INJURY* OR *PROPERTY DAMAGE* AND THEREBY IMPAIRS *OUR* RIGHT TO RECOVER *OUR* PAYMENTS;

2. TO THE EXTENT THE UNDERINSURED MOTOR VEHICLE COVERAGE LIMITS OF THIS POLICY EXCEED THE COVERAGE LIMITS REQUIRED BY THE *FINANCIAL RESPONSIBILITY ACT*:

- a. FOR AN *INSURED* WHO SUSTAINS *BODILY INJURY* WHILE *OCCUPYING* A MOTOR VEHICLE *OWNED BY YOU* OR ANY *RESIDENT RELATIVE* IF:

- (1) THE MOTOR VEHICLE IS NOT *YOUR CAR* OR A *NEWLY ACQUIRED CAR*; AND

- (2) IT WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE

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- COVERAGE AT THE TIME OF THE ACCIDENT;
- b. IF THE UNDERINSURED MOTOR VEHICLE IS OWNED BY YOU OR ANY RESIDENT RELATIVE; OR
 - c. FOR PROPERTY DAMAGE:
 - (1) TO A MOTOR VEHICLE; OR
 - (2) IN A MOTOR VEHICLE OWNED BY YOU OR ANY RESIDENT RELATIVE IF THE MOTOR VEHICLE WAS NOT INSURED FOR UNDERINSURED MOTOR VEHICLE COVERAGE AT THE TIME OF THE ACCIDENT;
 3. FOR PROPERTY DAMAGE THAT WAS PROXIMATELY CAUSED BY THE DRIVER OF YOUR CAR OR A NEWLY ACQUIRED CAR;
 4. FOR AN INSURED WHOSE BODILY INJURY RESULTS FROM THE DISCHARGE OF A FIREARM;
 5. TO THE EXTENT IT BENEFITS:
 - a. ANY WORKERS' COMPENSATION OR DISABILITY BENEFITS INSURANCE COMPANY;
 - b. A SELF-INSURER UNDER ANY WORKERS' COMPENSATION LAW, DISABILITY BENEFITS LAW, OR SIMILAR LAW; OR
 - c. ANY PROPERTY INSURER; OR
 6. FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION.
- If Other Underinsured Motor Vehicle Coverage Applies
1. The Underinsured Motor Vehicle Coverage provided by this policy applies as primary coverage for an insured who sustain bodily injury or property damage while occupying your car.
 2. Except as provided in item 1. above, the Underinsured Motor Vehicle Coverage provided by this policy applies as excess coverage.
 3. If:
 - a. you or any resident relative sustains bodily injury or property damage:
 - (1) while occupying a motor vehicle not owned by you or any resident relative; or
 - (2) while not occupying a motor vehicle; and
 - b. Underinsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to you or any resident relative by the State Farm Companies apply to the same bodily injury or property damage, then

the maximum amount that may be paid from all such policies combined is the single highest limit provided by any one of the policies. We may choose one or more policies from which to make payment.

4. If you or any resident relative sustains bodily injury or property damage while occupying a motor vehicle other than your car that is owned by you or any resident relative, then this coverage applies only to the extent of the underinsured motor vehicle coverage applicable to the motor vehicle that the insured was occupying.

However, if the motor vehicle that the insured was occupying was not insured for underinsured motor vehicle coverage at the time of the accident, then the maximum amount that may be paid from all policies combined that are issued to you or any resident relative by the State Farm Companies is the minimum limits required by the Financial Responsibility Act. We may choose one or more policies from which to make payment.

5. Subject to items 1., 2., 3., and 4. above, if this policy and one or more other sources

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provide underinsured motor vehicle coverage for the same damages on a:

- a. primary basis, then we will pay the proportion of damages payable as primary that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits of all other underinsured motor vehicle coverage that apply as primary coverage; or
- b. excess basis, then we will pay the proportion of damages payable as excess that the applicable limit of this coverage under this policy bears to the sum of such amount and the limits

of all other underinsured motor vehicle coverage that apply as excess coverage.

Our Payment Options

We may, at our option, make payment to one or more of the following:

1. The insured;
2. The insured's surviving spouse;
3. A parent or guardian of the insured, if the insured is a minor or an incompetent person; or
4. A person authorized by law to receive such payment.

PHYSICAL DAMAGE COVERAGES

The physical damage coverages are Comprehensive Coverage, Collision Coverage, Emergency Road Service Coverage, and Car Rental and Travel Expenses Coverage.

This policy provides:

1. Comprehensive Coverage if "D";
2. Collision Coverage if "G";
3. Emergency Road Service Coverage if "H";
4. Car Rental and Travel Expenses Coverage if "R1"

is shown under "SYMBOLS" on the Declarations Page.

If a deductible applies to Comprehensive Coverage, then it is shown on the Declarations Page. The deductible that applies to Collision Coverage is shown on the Declarations Page.

Additional Definitions

Covered Vehicle means:

1. your car;

2. a newly acquired car;
 3. a temporary substitute car;
 4. a camper that is designed to be mounted on a pickup truck and shown on the Declarations Page;
 5. a non-owned car while it is:
 - a. being driven by an insured; or
 - b. in the custody of an insured if at the time of the loss it is:
 - (1) not being driven; or
 - (2) being driven by a person other than an insured and being occupied by an insured;
 6. a non-owned trailer while it is being used by an insured; and
 7. a non-owned camper while it is being used by an insured;
- including its parts and its equipment that are common to the use of the vehicle as a vehicle. However, parts and equipment of trailers and

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campers must be securely fixed as a permanent part of the trailer or camper.

Daily Rental Charge means the sum of:

1. the daily rental rate;
2. mileage charges; and
3. related taxes.

Insured means you and resident relatives.

Loss means:

1. direct, sudden, and accidental damage to; or
2. total or partial theft of

a covered vehicle. **Loss** does not include any reduction in the value of any covered vehicle after it has been repaired, as compared to its value before it was damaged.

Loss Caused By Collision means a loss caused by:

1. a covered vehicle hitting or being hit by another vehicle or another object; or
2. the overturning of a covered vehicle.

Any loss caused by missiles, falling objects, windstorm, hail, fire, explosion, earthquake, water, flood, total or partial theft, malicious mischief, vandalism, riot, civil commotion, or hitting or being hit by a bird or an animal is not a **Loss Caused By Collision**.

Non-Owned Camper means a camper designed to be mounted on a pickup truck that is in the lawful possession of an insured and that neither:

1. is owned by:
 - a. an insured;
 - b. any other person who resides primarily in your household; or
 - c. an employer of any person described in a. or b. above; nor
2. has been used by, rented by, or in the possession of an insured during any part of each of the 31 or more consecutive days immediately prior to the date of the loss.

Non-Owned Trailer means a trailer that is in the lawful possession of an insured and that neither:

1. is owned by:
 - a. an insured;
 - b. any other person who resides primarily in your household; or
 - c. an employer of any person described in a. or b. above; nor
2. has been used by, rented by, or in the possession of an insured during any part of each of the 31 or more consecutive days immediately prior to the date of the loss.

Insuring Agreements

1. Comprehensive Coverage

We will pay:

- a. for loss, except loss caused by collision, to a covered vehicle; and
- b. transportation expenses incurred by an insured as a result of the total theft of your car or a newly acquired car. These transportation expenses are payable:

(1) during the period that:

- (a) starts on the date you report the theft to us; and
- (b) ends on the earliest of:

- (i) the date the vehicle is returned to your possession in a drivable condition;
- (ii) the date we offer to pay for the loss if the vehicle has not yet been recovered; or
- (iii) the date we offer to pay for the loss if the vehicle is recovered, but is a total loss as determined by us; and

(2) during the period that:

- (a) starts on the date the vehicle is left at a repair facility if the

stolen vehicle is recovered, returned to your possession in a drivable condition, and has unrepaired damage that resulted from the total theft; and

- (b) ends on the date the vehicle is repaired.

These transportation expenses must be reported to us before we will pay such incurred expenses.

2. Collision Coverage

We will pay for loss caused by collision to a covered vehicle.

3. Emergency Road Service Coverage

We will pay the fair cost incurred by an insured for:

- a. up to one hour of labor to repair a covered vehicle at the place of its breakdown;
- b. towing to the nearest repair facility where necessary repairs can be made if a covered vehicle is not drivable;
- c. towing a covered vehicle out of a location where it is stuck if the vehicle is on or immediately next to a public road;
- d. delivery of gas, oil, battery, or tire necessary to return a covered vehicle to driving condition. We do not pay the cost of the gas, oil, battery, or tire; and
- e. up to one hour of labor for locksmith services to unlock a covered vehicle if its key is lost, stolen, or locked inside the vehicle.

4. Car Rental and Travel Expenses Coverage

a. Car Rental Expense

We will pay the daily rental charge incurred when you rent a car from a car business while your car or a newly acquired car is:

- (1) not drivable; or

(2) being repaired

as a result of a loss which would be payable under Comprehensive Coverage or Collision Coverage.

We will pay this daily rental charge incurred during a period that:

(1) starts on the date:

- (a) the vehicle is not drivable as a result of the loss; or
- (b) the vehicle is left at a repair facility if the vehicle is drivable; and

(2) ends on the earliest of:

- (a) the date the vehicle has been repaired or replaced;
- (b) the date we offer to pay for the loss if the vehicle is repairable but you choose to delay repairs; or
- (c) five days after we offer to pay for the loss if the vehicle is:
 - (i) a total loss as determined by us; or
 - (ii) stolen and not recovered.

The amount of any such daily rental charge incurred by you must be reported to us before we will pay such amount.

b. Travel Expenses

We will pay expenses for commercial transportation, lodging, and meals if your car or a newly acquired car is not drivable as a result of a loss which would be payable under Comprehensive Coverage or Collision Coverage. The loss must occur more than 50 miles from your home. We will only pay these expenses if they are incurred by:

(1) an insured during the period that:

- (a) starts after the loss occurs; and
- (b) ends on the earlier of:

- (i) the *insured's* arrival at his or her destination or home if the vehicle is left behind for repairs; or

- (ii) the repair of the vehicle if the *insured* waits for repairs before continuing on to his or her destination or returning home; and

- (2) *you*, or any *person you* choose, to travel to retrieve the vehicle and drive it to either the original destination or *your* home if the vehicle was left behind for repairs.

These expenses must be reported to *us* before *we* will pay such incurred expenses.

c. Rental Car – Repayment of Deductible Expense

We will pay the comprehensive deductible or collision deductible an *insured* is required to pay the owner of a car rented from a car business.

Supplementary Payments – Comprehensive Coverage and Collision Coverage

If the *covered vehicle* sustains *loss* for which *we* make a payment under Comprehensive Coverage or Collision Coverage, then *we* will pay reasonable expenses incurred to:

- 1. tow the *covered vehicle* immediately after the *loss*:

- a. for a reasonable distance from the location of the *loss* to any one repair facility chosen by an *insured* or the owner of the *covered vehicle*, if the *covered vehicle* is not drivable; or

- b. to any one repair facility or commercial storage facility, neither of which was chosen by an *insured* or the owner of the *covered vehicle*. *We* will also pay reasonable expenses incurred to tow the *covered vehicle* for a reasonable distance from this facility to any one repair facility chosen by an

insured or the owner of the *covered vehicle*, if the *covered vehicle* is not drivable;

- 2. store the *covered vehicle*, if it is not drivable immediately after the *loss*, at:

- a. any one repair facility or commercial storage facility, neither of which was chosen by an *insured* or the owner of the *covered vehicle*; and

- b. any one repair facility chosen by the owner of the *covered vehicle*, and *we* determine such vehicle is a total loss.

If the owner of the *covered vehicle* consents, then *we* may move the *covered vehicle* at *our* expense to reduce storage costs. If the owner of the *covered vehicle* does not consent, then *we* will pay only the storage costs that would have resulted if *we* had moved the damaged *covered vehicle*; and

- 3. clean up debris from the *covered vehicle* at the location of the *loss*. The most *we* will pay to clean up the debris is \$250 for any one *loss*.

Limits and Loss Settlement – Comprehensive Coverage and Collision Coverage

- 1. *We* have the right to choose to settle with *you* or the owner of the *covered vehicle* in one of the following ways:

- a. Pay the cost to repair the *covered vehicle* minus any applicable deductible. The deductible amount does not apply to *loss* to safety glass.

- (1) *We* have the right to choose one of the following to determine the cost to repair the *covered vehicle*:

- (a) The cost agreed to by both the owner of the *covered vehicle* and *us*;

- (b) A bid or repair estimate approved by *us*; or

- (c) A repair estimate that is written based upon or adjusted to:

- (i) the prevailing competitive price;

- (ii) the lower of paintless dent repair pricing established by an agreement *we* have with a third party or the paintless dent repair price that is competitive in the market; or

- (iii) a combination of (i) and (ii) above.

The prevailing competitive price means prices charged by a majority of the repair market in the area where the *covered vehicle* is to be repaired as determined by a survey made by *us*. If asked, *we* will identify some facilities that will perform the repairs at the prevailing competitive price. The estimate will include parts sufficient to restore the *covered vehicle* to its pre-loss condition.

You agree with *us* that the repair estimate may include new, used, recycled, and reconditioned parts. Any of these parts may be either original equipment manufacturer parts or non-original equipment manufacturer parts.

You also agree that replacement glass need not have any insignia, logo, trademark, etching, or other marking that was on the replaced glass.

- (2) The cost to repair the *covered vehicle* does not include any reduction in the value of the *covered vehicle* after it has been repaired, as compared to its value before it was damaged.

- (3) If the repair or replacement of a part results in betterment of that part, then *you* or the owner of the

covered vehicle must pay for the amount of the betterment;

- b. Pay the actual cash value of the *covered vehicle* minus any applicable deductible.

- (1) The owner of the *covered vehicle* and *we* must agree upon the actual cash value of the *covered vehicle*. If there is disagreement as to the actual cash value of the *covered vehicle*, then the disagreement will be resolved by appraisal upon written request of the owner or *us*, using the following procedures:

- (a) The owner and *we* will each select a competent appraiser.

- (b) The two appraisers will select a third competent appraiser. If they are unable to agree on a third appraiser within 30 days, then either the owner or *we* may petition a court that has jurisdiction to select the third appraiser.

- (c) Each party will pay the cost of its own appraiser, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third appraiser.

- (d) The appraisers shall only determine the actual cash value of the *covered vehicle*. Appraisers shall have no authority to decide any questions of fact, decide any questions of law, or conduct appraisal on a class-wide or class-representative basis.

- (e) A written appraisal that is both agreed upon by and signed by any two appraisers, and that also contains an explanation of how they arrived at their appraisal, will be binding on the

- owner of the *covered vehicle* and us.
- (f) *We* do not waive any of our rights by submitting to an appraisal.
- (2) The damaged *covered vehicle* must be given to us in exchange for our payment, unless we agree that the owner may keep it. If the owner keeps the *covered vehicle*, then our payment will be reduced by the value of the *covered vehicle* after the loss; or
- c. Return the stolen *covered vehicle* to its owner and pay, as described in i.a. above, for any direct, sudden, and accidental damage that resulted from the theft.
2. The most we will pay for transportation expenses under Comprehensive Coverage is \$25 per day subject to an aggregate limit of \$750 per loss.
3. The most we will pay for loss to a non-owned trailer or a non-owned camper is \$2,500.
- Limits – Car Rental and Travel Expenses Coverage
1. Car Rental Expense
- The limit for Car Rental Expense is shown on the Declarations Page under "Limit – Car Rental Expense – Each Day, Each Loss".
- a. The limit shown under "Each Day" is the most we will pay for the *daily rental charge*. If:
- (1) a dollar amount is shown, then we will pay the *daily rental charge* up to that dollar amount;
- (2) a percentage amount is shown, then we will pay that percentage of the *daily rental charge*.
- b. Subject to the "Each Day" limit, the limit shown under "Each Loss" is the
- most we will pay for Car Rental Expense incurred as a result of any one loss.
2. Travel Expenses
- The most we will pay for Travel Expenses incurred by all insureds as a result of any one loss is \$500.
3. Rental Car – Repayment of Deductible Expense
- The most we will pay for Rental Car – Repayment of Deductible Expense incurred as a result of any one loss is \$500.
- Nonduplication
- We* will not pay for any loss or expense under the Physical Damage Coverages for which the insured or owner of the *covered vehicle* has already received payment from, or on behalf of, a party who is legally liable for the loss or expense.
- Exclusions
- THERE IS NO COVERAGE FOR:
1. ANY *COVERED VEHICLE* THAT IS:
- a. INTENTIONALLY DAMAGED; OR
- b. STOLEN
- BY OR AT THE DIRECTION OF AN *INSURED*;
2. ANY *COVERED VEHICLE* WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN *INSURED*;
3. ANY *COVERED VEHICLE* WHILE IT IS USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;
4. ANY *COVERED VEHICLE* DUE TO:
- a. THEFT;
- b. CONVERSION;
- c. EMBEZZLEMENT; OR
- d. SECRETION

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- BY AN *INSURED*, A CONSIGNEE, AN AGENT OF A CONSIGNEE, OR A *PERSON* WHO OBTAINS POSSESSION OF THE *COVERED VEHICLE* WITH THE PERMISSION OF A CONSIGNEE OR AGENT OF A CONSIGNEE;
5. LOSS TO YOUR CAR OR A NEWLY ACQUIRED CAR IF AN *INSURED* VOLUNTARILY RELINQUISHES POSSESSION OF THAT CAR TO A *PERSON* OR ORGANIZATION UNDER AN ACTUAL OR PRESUMED SALES AGREEMENT;
6. ANY *COVERED VEHICLE* TO THE EXTENT OUR PAYMENT WOULD BENEFIT ANY CARRIER OR OTHER BAILEE FOR HIRE THAT IS LIABLE FOR LOSS TO SUCH *COVERED VEHICLE*;
7. LOSS TO ANY *COVERED VEHICLE* DUE TO FUNGI. THIS APPLIES REGARDLESS OF WHETHER OR NOT THE FUNGI RESULT FROM A LOSS THAT IS PAYABLE UNDER ANY OF THE PHYSICAL DAMAGE COVERAGES. *WE* WILL ALSO NOT PAY FOR ANY TESTING OR REMEDIATION OF FUNGI, OR ANY ADDITIONAL COSTS REQUIRED TO REPAIR ANY *COVERED VEHICLE* THAT ARE DUE TO THE EXISTENCE OF FUNGI;
8. LOSS TO ANY *COVERED VEHICLE* THAT RESULTS FROM:
- a. NUCLEAR REACTION;
- b. RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
- c. THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
9. LOSS TO ANY *COVERED VEHICLE* THAT RESULTS FROM THE TAKING OF OR SEIZURE OF THAT *COVERED VEHICLE* BY ANY GOVERNMENTAL AUTHORITY;
10. LOSS TO ANY *COVERED VEHICLE* THAT RESULTS FROM WAR OF ANY KIND;
11. YOUR CAR WHILE SUBJECT TO ANY:
- a. LIEN AGREEMENT;
- b. RENTAL AGREEMENT;
- c. LEASE AGREEMENT; OR
- d. SALES AGREEMENT
- NOT SHOWN ON THE DECLARATIONS PAGE;
12. ANY NON-OWNED CAR WHILE IT IS:
- a. BEING MAINTAINED OR USED BY ANY *PERSON* WHILE THAT *PERSON* IS EMPLOYED IN OR ENGAGED IN ANY WAY IN A CAR BUSINESS; OR
- b. USED IN ANY BUSINESS OR OCCUPATION OTHER THAN A CAR BUSINESS. This exclusion (12.b.) does not apply to a *private passenger car*;
13. ANY PART OR EQUIPMENT OF A *COVERED VEHICLE* IF THAT PART OR EQUIPMENT:
- a. FAILS OR IS DEFECTIVE; OR
- b. IS DAMAGED AS A DIRECT RESULT OF:
- (1) WEAR AND TEAR;
- (2) FREEZING; OR
- (3) MECHANICAL, ELECTRICAL, OR ELECTRONIC BREAKDOWN OR MALFUNCTION OF THAT PART OR EQUIPMENT.
- This exclusion does not apply if the loss is the result of theft of the *covered vehicle*;
14. ANY PART OR EQUIPMENT:
- a. THAT IS NOT LEGAL FOR USE IN OR ON THE *COVERED VEHICLE*

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IN THE JURISDICTION WHERE THE COVERED VEHICLE IS REGISTERED; OR

- b. THE USE OF WHICH IS NOT LEGAL IN THE JURISDICTION WHERE THE COVERED VEHICLE IS REGISTERED BECAUSE OF HOW OR WHERE THAT PART OR EQUIPMENT IS INSTALLED IN OR ON THE COVERED VEHICLE.

However, if there is a legal version of the part or equipment that is necessary for the safe operation of the covered vehicle, then we will pay the cost that we would otherwise have paid to repair the vehicle with the legal version of the part or equipment. We will not pay any cost necessary to modify the vehicle for installation of the legal version of the part or equipment;

15. TIRES. This exclusion does not apply if:

- a. loss is caused by missiles, falling objects, windstorm, hail, fire, explosion, earthquake, water, flood, total or partial theft, malicious mischief, vandalism, riot, civil commotion, or hitting or being hit by a bird or an animal; or
- b. loss caused by collision to another part of the covered vehicle causes loss to tires;

16. REMOVABLE PRODUCTS USED FOR STORAGE OF AUDIO, VIDEO, OR OTHER DATA, INCLUDING BUT NOT LIMITED TO TAPES, DISCS, AND MEMORY CARDS, NOR IS THERE COVERAGE FOR THE RECONSTRUCTION OF DATA CONTAINED THEREIN;

17. ANY EQUIPMENT USED TO DETECT OR INTERFERE WITH SPEED MEASURING DEVICES;

18. A CAMPER, INCLUDING ITS PARTS AND ITS EQUIPMENT, THAT IS:

- a. DESIGNED TO BE MOUNTED ON A PICKUP TRUCK;

- b. OWNED BY AN INSURED; AND

- c. NOT SHOWN ON THE DECLARATIONS PAGE; OR

19. ANY COVERED VEHICLE WHILE IT IS:

- a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR

- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (19.b.) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving.

- If Other Physical Damage Coverage or Similar Coverage Applies

1. If the same loss or expense is payable under more than one of the physical damage coverages provided by this policy, then only the one coverage that pays the most for that loss or expense applies.

2. If any of the physical damage coverages provided by this policy and one or more other policies issued to an insured by the State Farm Companies apply to the same loss or expense, then only one policy applies. We will select a policy that pays the most for the loss or expense.

3. The physical damage coverages provided by this policy apply as primary coverage for a loss to your car.

If similar coverage provided by one or more sources other than the State Farm Companies also applies as primary coverage for the same loss or expense, then the State Farm Companies will pay the proportion of the loss or expense payable as primary that the maximum amount that may be paid by the State Farm Companies bears to the sum of such amount and the limits of

all other similar coverage that applies as primary coverage.

4. Except as provided in 3. above, the physical damage coverages provided by this policy apply as excess coverage.

If similar coverage provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same loss or expense, then the State Farm Companies will pay the proportion of the loss or expense payable as excess that the maximum amount that may be paid by the State Farm Companies bears to the sum of such amount and the limits of all other similar coverage that applies as excess coverage.

Financed Vehicle

1. If a creditor is shown on the Declarations Page, then any Comprehensive Coverage or Collision Coverage provided by this policy applies to that creditor's interest in your car. Coverage for the creditor's interest is only provided for a loss that is payable to you.

However, if this policy is cancelled or non-renewed, then we will provide coverage for the creditor's interest until we notify the creditor of the termination of such coverage. This coverage for the creditor's interest is only provided for a loss that would have been payable to you if this policy had not been cancelled or nonrenewed. The date such termination is effective will be at least 10 days after the date we mail or electronically transmit a notice of the termination to the creditor.

2. If we pay such creditor, then we are entitled to the creditor's right of recovery against you to the extent of our payment.

Our right of recovery does not impair the creditor's right to recover the full amount of its claim.

Our Payment Options

1. Comprehensive Coverage and Collision Coverage

- a. We may, at our option, make payment to one or more of the following for loss to a covered vehicle owned by you:

- (1) You; or
(2) The repairer; or
(3) A creditor shown on the Declarations Page, to the extent of its interest.

- b. We may, at our option, make payment to one or more of the following for loss to a covered vehicle not owned by you:

- (1) You; or
(2) The owner of such vehicle; or
(3) The repairer; or
(4) A creditor, to the extent of its interest.

2. Emergency Road Service Coverage and Car Rental and Travel Expenses Coverage

We may, at our option, make payment to one or more of the following:

- a. You; or
b. The insured who incurred the expense; or
c. Any party that provided the service for which payment is owed.

DEATH, DISMEMBERMENT AND LOSS OF SIGHT COVERAGE

This policy provides Death, Dismemberment and Loss of Sight Coverage if "S" is shown under "SYMBOLS" on the Declarations Page.

Additional Definition

Insured means a person whose name is shown under "Death, Dismemberment and Loss of Sight Coverage - Persons Insured" on the Declarations Page.

Insuring Agreement

We will pay the highest applicable benefit shown in the following Death, Dismemberment and Loss of Sight Benefits Schedules if an *insured*:

1. dies; or
2. suffers dismemberment or permanent loss of sight, as described in the schedule

as the direct result of an accident that involves the use of a land motor vehicle or any type of trailer as a vehicle and not due to any other cause.

The *insured* must be *occupying* or be struck as a *pedestrian* by a land motor vehicle or any type of trailer at the time of the accident. The death, dismemberment, or permanent loss of sight must occur within 90 days immediately following the date of the accident.

Benefit

The applicable benefit shown in the schedule is the most we will pay for any one *insured* in any one accident. Any benefit paid or payable for dismemberment or permanent loss of sight reduces the death benefit.

The benefits shown in the schedules are doubled for an *insured* who at the time of the accident was *occupying* a *private passenger car* and using a seat belt in the manner recommended by the vehicle's manufacturer.

Death, Dismemberment and Loss of Sight Benefits Schedules

If the amount shown on the Declarations Page for the *insured* is \$5,000, then we will pay the applicable benefit shown below for death or for the described dismemberment or permanent loss of sight:

Death	\$5,000
Loss of both hands; both feet; all sight of both eyes; one hand and one foot; or one hand or one foot and all sight of one eye	\$5,000
Loss of one hand or one foot; or all sight of one eye	\$2,500
Loss of the thumb and a finger on one hand; or any three fingers	\$1,500
Loss of any two fingers	\$1,000

The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.

If the amount shown on the Declarations Page for the *insured* is \$10,000, then we will pay the applicable benefit shown below for death or for the described dismemberment or permanent loss of sight:

Death	\$10,000
Loss of both hands; both feet; all sight of both eyes; one hand and one foot; or one hand or one foot and all sight of one eye	\$10,000
Loss of one hand or one foot; or all sight of one eye	\$5,000
Loss of the thumb and a finger on one hand; or any three fingers	\$3,000
Loss of any two fingers	\$2,000

The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.

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Exclusions

DEATH, DISMEMBERMENT AND LOSS OF SIGHT COVERAGE DOES NOT APPLY TO AN *INSURED*:

1. WHILE IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT IN A *CAR BUSINESS*;
2. WHILE *OCCUPYING*, LOADING, OR UNLOADING:
 - a. AN EMERGENCY VEHICLE IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT;
 - b. A VEHICLE, OTHER THAN AN EMERGENCY VEHICLE, WHILE USED IN THE:
 - (1) *INSURED'S BUSINESS*; OR
 - (2) COURSE AND SCOPE OF HIS OR HER EMPLOYMENT IN OTHER THAN A *CAR BUSINESS*.

This exclusion (2.b.) does not apply if the vehicle is a *private passenger car*;

- c. A MILITARY VEHICLE; OR
- d. A VEHICLE WHILE IT IS:
 - (1) BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMP-CLIMBING CONTEST, OR ANY SIMILAR CONTEST; OR
 - (2) ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH-SPEED DRIVING. This exclusion (2.d.(2)) does not apply if the vehicle is being used in connection with an activity other than racing, high-speed driving, or any type of competitive driving;

3. WHILE *OCCUPYING*, LOADING, UNLOADING, OR WHO IS STRUCK AS A *PEDESTRIAN* BY:
 - a. A MOTOR VEHICLE THAT RUNS ON RAILS OR CRAWLER-TREADS;
 - b. A MOTOR VEHICLE THAT IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS; OR
 - c. A MOTOR VEHICLE OR ANY TYPE OF TRAILER, EITHER OF WHICH IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES; OR

4. FOR DEATH, DISMEMBERMENT, LOSS OF SIGHT, OR *TOTAL DISABILITY* THAT RESULTS FROM:
 - a. WAR OF ANY KIND;
 - b. NUCLEAR REACTION, RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE, OR THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
 - c. THE DISCHARGE OF A FIREARM;
 - d. EXPOSURE TO *FUNGUS*;
 - e. SUICIDE OR ATTEMPTED SUICIDE REGARDLESS OF WHETHER THE *INSURED* WAS SANE OR INSANE; OR
 - f. DISEASE except pus-forming infection due to *bodily injury* sustained in the accident.

Our Payment Options

We may, at our option, make payment to one or more of the following:

1. The *insured*;
2. The *insured's* surviving spouse;
3. A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person; or
4. A person or organization authorized by law to receive such payment.

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INSURED'S DUTIES

1. Notice to Us of an Accident or Loss

The *insured* must give *us* or one of *our* agents notice of the accident or loss as soon as reasonably possible. The notice must give *us*:

- a. *your* name;
- b. the names and addresses of all *persons* involved in the accident or loss;
- c. the hour, date, place, and facts of the accident or loss; and
- d. the names and addresses of witnesses to the accident or loss.

2. Notice to Us of a Claim or Lawsuit

- a. If a claim is made against an *insured*, then that *insured* must immediately send *us* every demand, notice, and claim received.
- b. If a lawsuit is filed against an *insured*, then that *insured* must immediately send *us* every summons and legal process received.

3. Insured's Duty to Cooperate With Us

- a. The *insured* must cooperate with *us* and, when asked, assist *us* in:

- (1) making settlements;
- (2) securing and giving evidence;
- (3) attending, and getting witnesses to attend, depositions, hearings, and trials; and
- (4) preserving his or her right to recover damages from others.

- b. The *insured* must not, except at his or her own cost, voluntarily:

- (1) make any payment to others; or
- (2) assume any obligation to others unless authorized by the terms of this policy.

- c. Any *person* or organization making claim under this policy must, when *we*

require, give *us* proof of loss on forms *we* furnish.

4. Questioning Under Oath

Under:

- a. Liability Coverage, each *insured*;
- b. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage, each *insured*, or any other *person* or organization making claim or seeking payment; and

- c. Physical Damage Coverages, each *insured* or owner of a *covered vehicle*, or any other *person* or organization making claim or seeking payment;

must, at *our* option, submit to an examination under oath, or do both, as reasonably often as *we* require. Such *person* or organization must answer questions under oath, asked by anyone *we* name, and sign copies of the answers. *We* may require each *person* or organization answering questions under oath to answer the questions with only that *person's* or organization's legal representative, *our* representatives, any *person* or *persons* designated by *us* to record the questions and answers, and no other *person* present.

5. Other Duties Under the Physical Damage Coverages

When there is a *loss*, *you* or the owner of the *covered vehicle* must:

- a. protect the *covered vehicle* from additional damage. *We* will pay any reasonable expense incurred to do so that is reported to *us*;
- b. make a prompt report to the police when the *loss* is the result of theft;
- c. allow *us* to:

- (1) inspect any damaged property before its repair or disposal;

- (2) test any part or equipment before that part or equipment is removed or repaired; and

- (3) move the *covered vehicle* at *our* expense in order to conduct such inspection or testing;

d. provide *us* all:

- (1) records;

- (2) receipts; and

- (3) invoices

that *we* request and allow *us* to make copies; and

e. not abandon the *covered vehicle* to *us*.

6. Other Duties Under Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, and Death, Dismemberment and Loss of Sight Coverage

A *person* making claim under:

- a. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, or Death, Dismemberment and Loss of Sight Coverage must:

- (1) notify *us* of the claim and give *us* all the details about the death, injury, treatment, and other information that *we* may need as soon as reasonably possible after the injured *insured* is first examined or treated for the injury. If the *insured* is unable to give *us* notice, then any other *person* may give *us* the required notice;

- (2) be examined as reasonably often as *we* may require by physicians chosen and paid by *us*. A copy of the report will be sent to the *person* upon written request;

- (3) provide written authorization for *us* to obtain:

- (a) medical bills;

- (b) medical records;

- (c) wage, salary, and employment information; and

- (d) any other information *we* deem necessary to substantiate the claim.

If an injured *insured* is a minor, unable to act, or dead, then his or her legal representative must provide *us* with the written authorization.

If the holder of the information refuses to provide it to *us* despite the authorization, then at *our* request the *person* making claim or his or her legal representative must obtain the information and promptly provide it to *us*; and

- (4) allow *us* to inspect the vehicle that the *insured* occupied in the accident;

- b. Uninsured Motor Vehicle Coverage must report an accident, involving a motor vehicle whose owner and driver remain unknown, to the police and to *us* within a reasonable period of time; and

- c. Uninsured Motor Vehicle Coverage and Underinsured Motor Vehicle Coverage must:

- (1) send *us* immediately a copy of all lawsuit papers if the *insured* files a lawsuit against the party liable for the accident; and

- (2) if making a claim for *property damage*:

- (a) allow *us* to:

- (i) inspect any *property damage* before its repair or disposal;

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- (ii) test any part or equipment before that part or equipment is removed or repaired; and
- (iii) move the damaged property at *our* expense in order to conduct such inspection or testing; and
- (b) protect the damaged property from additional damage. *We* will pay any reasonable expense incurred to do so that is reported to *us*;
- (c) provide *us* all:
 - (i) records;
 - (ii) receipts; and
 - (iii) invoices

GENERAL TERMS

1. When Coverage Applies

The coverages provided by this policy are shown on the Declarations Page and apply to accidents and losses that occur during the policy period. The policy period is shown on the Declarations Page and is for successive periods of six months each for which the renewal premium is paid. The policy period begins and ends at 12:01 AM Standard Time at the address shown on the Declarations Page.

2. Where Coverage Applies

The coverages provided by this policy are shown on the Declarations Page and apply to accidents and losses that occur:

- a. in the United States of America and its territories and possessions;
- b. in Canada; and
- c. while a vehicle for which coverage is provided by this policy is being

shipped between the ports of the United States of America, its territories, its possessions, and Canada.

The Liability Coverage, Personal Injury Protection Coverage, Medical Payments Coverage, and Physical Damage Coverages also apply in Mexico within 50 miles of the United States border. A Physical Damage Coverage loss in Mexico is determined on the basis of cost at the nearest United States point.

Death, Dismemberment and Loss of Sight Coverage applies anywhere in the world.

3. Newly Owned or Newly Leased Car

If *you* want to insure a *car newly owned by you* with the *State Farm Companies* after that *car* ceases to be a *newly acquired car*, then *you* must either:

- a. request *we* replace the *car* currently shown on the Declarations Page of this policy with the *car newly owned by*

that *we* request and allow *us* to make copies;

- (d) not abandon the damaged property to *us*; and

- (e) give *us* sworn proof of claim within 60 days of the accident. This proof of claim must state:

- (i) who owns the property and how much they own;
- (ii) the amount of any claims or liens on the property;
- (iii) the value of the property at the time of the accident;
- (iv) details of the accident; and
- (v) details of any other insurance applicable to the property.

you and pay *us* any added amount due. If *you* make such request while this policy is in force and:

- (1) before the *car newly owned by you* ceases to be a *newly acquired car*, then that *car newly owned by you* will be insured by this policy as *your car* beginning on the date the *car newly owned by you* is delivered to *you*. The added amount due will be calculated based on that date; or

- (2) after the *car newly owned by you* ceases to be a *newly acquired car*, then that *car newly owned by you* will be insured by this policy as *your car* beginning on the date and time *you* make the request. The added amount due will be calculated based on that date; or

- b. apply to the *State Farm Companies* for a separate policy to insure the *car newly owned by you*. Such policy will be issued only if both the applicant and the vehicle are eligible for coverage at the time of the application.

4. Changes to This Policy

a. Changes in Policy Provisions

We may only change the provisions of this policy by:

- (1) issuing a revised policy booklet, a revised Declarations Page, or an endorsement; or
- (2) revising this policy to give broader coverage without an additional premium charge. If any coverage provided by this policy is changed to give broader coverage, then *we* will give *you* the broader coverage as of the date *we* make the change effective in the state of South Carolina without issuing a revised policy booklet, a revised Declarations Page, or an endorsement.

b. Change of Interest

- (1) No change of interest in this policy is effective unless *we* consent in writing.

- (2) Except under Death, Dismemberment and Loss of Sight Coverage, if a named insured shown on the Declarations Page dies, then the definition of *insured* under each of the coverages provided by this policy is changed to include:

- (a) any person with lawful custody of *your car*, a *newly acquired car*, or a *temporary substitute car* until a legal representative is qualified; and then

- (b) the legal representative of the deceased named insured.

This only applies while such *person* is maintaining or using *your car*, a *newly acquired car*, or a *temporary substitute car*.

Policy notice requirements are met by mailing the notice to the most recent policy address that *we* have on record for the deceased named insured.

c. Joint and Individual Interests

If *you* consists of more than one *person* or entity, then each acts for all to change or cancel the policy.

d. Change of Policy Address

We may change the named insured's policy address as shown on the Declarations Page and in *our* records to the most recent address provided to *us* by:

- (1) *you*; or
- (2) the United States Postal Service.

5. Premium

- a. Unless as otherwise provided by an alternative payment plan in effect with the *State Farm Companies* with respect to the premium for this policy, the premium is due and payable in full on or before the first day of the policy period shown on the most recently issued Declarations Page or Renewal Notice.
- b. The renewal premium for this policy will be based upon the rates in effect, the coverages carried, the applicable limits, deductibles, and other elements that affect the premium that apply at the time of renewal.
- c. The premium for this policy may vary based upon the purchase of other insurance from the *State Farm Companies*.
- d. The premium for this policy is based upon information we have received from you or other sources. You must inform us if any information regarding the following is incorrect or incomplete, or changes during the policy period, and you must answer questions we ask regarding the following:
 - (1) *Your car*, or its use, including annual mileage;
 - (2) The *persons* who regularly drive *your car*, including newly licensed family members;
 - (3) *Your* marital status; or
 - (4) The location where *your car* is primarily garaged.

If the above information or any other information used to determine the premium is incorrect, incomplete, changes during the policy period, or is not provided to us when we ask, then we may decrease or increase the premium during the policy period. If we decrease the premium during the policy period, then we will provide a refund or a credit in

the amount of the decrease. If we increase the premium during the policy period, then you must pay the amount of the increase.

6. Renewal

We agree to renew this policy for the next policy period upon payment of the renewal premium when due, unless we mail or deliver a nonrenewal notice or a cancellation notice as set forth in 7. and 8. below.

7. Nonrenewal

If we decide not to renew this policy, then, at least 30 days before the end of the current policy period, we will mail or deliver a nonrenewal notice to the most recent policy address that we have on record for the named insured who is shown on the Declarations Page.

8. Cancellation

a. How You May Cancel

You may cancel this policy by providing to us advance notice of the date cancellation is effective. We may confirm the cancellation in writing.

b. How and When We May Cancel

We may cancel this policy by mailing or delivering a written notice to the most recent policy address that we have on record for the named insured who is shown on the Declarations Page. The notice will provide the date cancellation is effective.

- (1) If we mail or deliver a cancellation notice:

- (a) during the first 90 days following this policy's effective date; or

- (b) because the premium is not paid when due,

then the date cancellation is effective will be at least 15 days after the date we mail or deliver the cancellation notice.

Otherwise, the date cancellation is effective will be at least 20 days after the date we mail or deliver the cancellation notice.

- (2) After this policy has been in force for more than 90 days, we will not cancel this policy before the end of the current policy period unless:
 - (a) the premium is not paid when due; or

- (b) you, any resident relative, or any other person who usually drives your car has had his or her driver's license under suspension or revocation:

- (1) during the policy period; or

- (2) if the policy is a renewal, during its policy period or the 90 days immediately preceding the last anniversary of the effective date of the policy.

c. Return of Unearned Premium

If you cancel this policy, then premium may be earned on a short rate basis. If we cancel this policy, then premium will be earned on a pro rata basis.

Any unearned premium may be returned within a reasonable time after cancellation. Delay in the return of any unearned premium does not affect the cancellation date.

9. Assignment

No assignment of benefits or other transfer of rights is binding upon us unless approved by us.

10. Bankruptcy or Insolvency of the Insured

Bankruptcy or insolvency of the insured or his or her estate will not relieve us of our obligations under this policy.

11. Concealment or Fraud

There is no coverage under this policy if you or any other person insured under this

policy has made false statements with the intent to conceal or misrepresent any material fact or circumstance in connection with any claim under this policy.

12. Our Right to Recover Our Payments

- a. Personal Injury Protection Coverage, Medical Payments Coverage, Underinsured Motor Vehicle Coverage, and Death, Dismemberment and Loss of Sight Coverage payments are not recoverable by us.

- b. To the extent allowed by law, under Uninsured Motor Vehicle Coverage:

- (1) the right of recovery of the insured passes to us, to the extent of our payments;

- (2) we will pay our share of the reasonable costs of any recovery. Our share is the percent that our recovery bears to the total recovery. We reserve the right to select an attorney to handle the recovery; and

- (3) an insured making claim for property damage must assign to us, to the extent of our payments, the right to any other compensation for it. We do not have to make any payment until the insured has done this.

- c. Under all other coverages, the following apply:

(1) Subrogation

If we are obligated under this policy to make payment to or for a person or organization who has a legal right to collect from another person or organization, then we will be subrogated to that right to the extent of our payment.

The person or organization to or for whom we make payment must help us recover our payments by:

- (a) doing nothing to impair that legal right;

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(b) executing any documents *we* may need to assert that legal right; and

(c) taking legal action through *our* representatives when *we* ask.

(2) Reimbursement

If *we* make payment under this policy and the *person* or organization to or for whom *we* make payment recovers or has recovered from another *person* or organization, then the *person* or organization to or for whom *we* make payment must:

(a) hold in trust for *us* the proceeds of any recovery; and

(b) reimburse *us* to the extent of *our* payment.

13. Legal Action Against Us

Legal action may not be brought against *us* until there has been full compliance with all the provisions of this policy. In addition, legal action may only be brought against *us* regarding:

a. Liability Coverage after the amount of damages an *insured* is legally liable to pay has been finally determined by:

(1) judgment after an actual trial, and any appeals of that judgment if any appeals are taken; or

(2) agreement between the claimant and *us*.

b. Personal Injury Protection Coverage, Medical Payments Coverage, Uninsured Motor Vehicle Coverage, Underinsured Motor Vehicle Coverage, and Physical Damage Coverages if the legal action relating to these coverages is brought against *us* within three years immediately following the date of the accident.

c. Underinsured Motor Vehicle Coverage if copies of the pleadings in the action

establishing liability are served upon *us* in the manner provided by law.

14. Choice of Law

Without regard to choice of law rules, the law of the state of:

a. South Carolina will control, except as provided in b. below, in the event of any disagreement as to the interpretation and application of any provision in this policy; and

b. Illinois will control in the event of any disagreement as to the interpretation and application of this policy's:

(1) Mutual Conditions provision found on the most recently issued Declarations Page, if this policy was issued by the State Farm Mutual Automobile Insurance Company; or

(2) Participating Policy provision found on the most recently issued Declarations Page, if this policy was issued by any subsidiary or affiliate of the State Farm Mutual Automobile Insurance Company.

15. Severability

If any provision of this policy is held invalid or unenforceable by a court that has jurisdiction, then:

a. such provision will remain in full force to the extent not held invalid or unenforceable; and

b. all other provisions of this policy will remain valid and enforceable.

16. Conformity to Law

The coverage provided by this policy is done so in accordance with South Carolina insurance law. If any provisions of this policy are in conflict with South Carolina statutes, the policy is amended to conform to the minimum requirements of the statutes.

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF GEORGETOWN	)	C/A No.: 2018-CP-22-00869
April Brooke Cox, as Personal Representative	)	
of the Estate of Elijah Cox, deceased,	)	
	)	
Plaintiff,	)	
	)	
v.	)	NOTICE OF MOTION AND
	)	MOTION FOR SUMMARY JUDGMENT
State Farm Mutual Automobile Insurance	)	
Company and Glen Bauer, Jr.,	)	
	)	
Defendants.	)	
_____	)	

TO: DEFENDANT STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY
AND ITS ATTORNEY:

YOU WILL PLEASE TAKE NOTICE that Plaintiff will move before this Honorable Court, at a time and place to be scheduled by the Court at least ten days hereafter, for an Order pursuant to SCRCP Rule 56 granting summary judgment in her favor for the declaratory relief sought in her Complaint.

This motion shall be based upon the record herein, the parties' stipulation of facts, such other matters as may be provided to the Court prior to any hearing hereon, the applicable law and rules of civil procedure, and the arguments of counsel.

Fred W. Riesen, III
SC Bar No. 71084
RIESEN DURANT LLC
613 Longpoint Rd. Suite 100
Mt. Pleasant, SC 29464
843-800-0809
trip@riesendurant.com

and

PETERS, MURDAUGH, PARKER,
ELTZROTH & DETRICK, P.A.

By: s/Bert G. Utsey, III
Bert G. Utsey, III
SC Bar No. 10093
P.O. Box 30968
Charleston, SC 29417
(843) 818-4399
butsey@pmped.com

Attorneys for Plaintiff

July 1, 2019
Charleston, South Carolina

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF GEORGETOWN	)	C/A No.: 2018-CP-22-00869
April Brooke Cox, as Personal Representative	)	
of the Estate of Elijah Cox, deceased,	)	
	)	
Plaintiff,	)	
	)	PLAINTIFF'S
v.	)	MEMORANDUM IN SUPPORT OF
	)	MOTION FOR SUMMARY JUDGMENT
State Farm Mutual Automobile Insurance	)	
Company and Glen Bauer, Jr.,	)	
	)	
Defendants.	)	
	)	

INTRODUCTION

Plaintiff submits this memorandum in support of her Motion for Summary Judgment.

Plaintiff's decedent ("Cox") sustained bodily injuries resulting in his death as a result of a motor vehicle collision that occurred on June 11, 2018 (the "Collision"). As a result of the Collision, Plaintiff made a claim for underinsured motorist ("UIM") coverage under an insurance policy issued by Defendant State Farm Mutual Automobile Insurance Company ("State Farm") under which Cox was an insured; Plaintiff claims UIM coverage under this policy is "personal and portable" and therefore recoverable. Based upon a policy provision that purports to prevent recovery of UIM coverage under multiple policies issued by it, State Farm claims Plaintiff is improperly attempting to stack UIM coverage and has asserted Plaintiff may not recover UIM coverage under that policy.

The question presented by this declaratory judgment action is whether the UIM coverage under the subject insurance policy is recoverable by Plaintiff. The parties have stipulated that, in the event of a final judgment that the policy provides recoverable UIM coverage, State Farm will pay \$50,000 in UIM benefits to Plaintiff.

FACTS¹

At the time of the Collision, Cox was a passenger in a Chevrolet pickup that was not owned by Cox or any of his family members. The driver, of the Chevrolet, L.L., caused the Collision. Plaintiff has recovered all bodily injury liability (“BI”) insurance coverage applicable to L.L. as well as UIM coverage applicable to L.L.’s vehicle.

On the date of the Collision, Cox resided with his grandparents. His grandmother, Ernestine Bauer (“Ernestine”), had one automobile insurance policy issued by State Farm. State Farm has paid Plaintiff UIM coverage under this policy.

In addition, Cox’s grandfather, Glen Bauer (“Glen”), had two automobile insurance policies issued by State Farm, each of which provided UIM coverage. Plaintiff asserted UIM coverage under one of these policies² (the “Nissan Frontier Policy”) was recoverable and made a claim for that coverage. State Farm’s refused to pay UIM coverage under the Nissan Frontier Policy based on the position that the coverage is not recoverable under the circumstances of this case. This dispute is the subject of this declaratory judgment action.

State Farm’s position is based upon language from the Nissan Frontier Policy that provides when a named insured’s resident relative (like Cox) is injured in a non-owned vehicle and:

[UIM] Coverage provided by this policy and one or more other vehicle policies issued to *you* or any *resident relative* by the *State Farm Companies* apply to the same *bodily injury* or *property damage*, then

the maximum amount that may be paid from all such policies combined is the single highest limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.

¹ The parties filed a Stipulation of the material facts (which includes copies of the relevant insurance policies) on February 4, 2019.

² Plaintiff concedes she cannot recover UIM coverage under both policies issued by State Farm to Glen.

ARGUMENT

Uninsured (“UM”) and UIM coverages are personal to an insured and are “portable”; that is, they follow the insured individual rather than the insured vehicle. *Burgess v. Nationwide Mut. Ins. Co.*, 373 S.C. 37, 41, 644 S.E.2d 40, 42 (2007). Consequently, the UIM coverage under the Nissan Frontier Policy, under which Cox was an insured, followed Cox when he was traveling as a passenger in L.L.’s vehicle. Plaintiff can recover this UIM coverage unless there is a valid basis for State Farm to exclude its recoverability under these circumstances.

On several occasions, our appellate courts have addressed attempts by insurers to restrict the portability of UM or UIM coverage via restrictive language in policies. When any such policy language is contrary to public policy, the courts have refused to validate it.

For example, in *Hogan v. Home Ins. Co.*, 260 S.C. 157, 194 S.E.2d 890 (1973), the Supreme Court held that a policy provision “which excludes resident relatives of the named insured from uninsured motorist coverage except when occupying the vehicle described in the policy” violated the public policy behind the UM statute and was therefore void.

On the other hand, in *Burgess, supra*, the court upheld application of a policy provision that restricted portability of UIM coverage when an insured is injured in a vehicle he owns but does not insure under the insurance policy providing the UIM coverage. The court reasoned that the provision does not offend public policy because it “encourages persons to purchase UIM insurance on all their vehicles.” 373 S.C. at 41, 644 S.E.2d at 42.

Relying on *Burgess*, the insurer in *Nakatsu v. Encompass Indem. Co.*, 390 S.C. 172, 700 S.E.2d 283 (Ct. App. 2010), sought to apply a policy provision that “excluded stacking of UIM coverage for resident relatives not driving covered vehicles.” However, the Court of Appeals

refused to do so, finding the limitation violated public policy. In its reasoning, the court clarified the frequently confused concepts of stacking and portability as follows:

The issue in this case is whether Nakatsu can stack the Buckners' UIM coverage. *Burgess*, as the opinion notes, did not involve stacking; it involved portability. These are two distinct concepts. Stacking is only allowed if the insured has the specific type of coverage on the vehicle involved in the accident. On the other hand, portability refers to a person's ability to use his coverage on a vehicle not involved in an accident as a basis for recovery of damages sustained in the accident.

Id. at 181, 700 S.E.2d at 288.³

More recently, in *Nationwide Mut. Ins. Co. v. Rhoden*, 398 S.C. 393, 398, 728 S.E.2d 477, 479 (2012), the Supreme Court affirmed the Court of Appeals' holding "that public policy is offended by a limitation on UIM portability when applied to resident relatives ... who do not own the vehicle involved in the accident." There, Dickey was a passenger in her sister's vehicle when she sustained injuries in a collision caused by an underinsured motorist. Dickey sought to recover UIM coverage under a Nationwide policy issued to her mother that did not insure her sister's vehicle. As a resident relative, Dickey was an insured under both her sister's policy and her mother's policy. Nationwide relied upon a clause purporting to restrict portability of UIM coverage to argue Dickey could not recover UIM under her mother's policy. In finding the clause offended public policy, the court reasoned:

Here [mother] purchased UIM coverage for herself and Dickey for situations in which they could not otherwise insure themselves, like when they were passengers in [sister's] car. Despite Nationwide's assertion, it was unlikely that [mother] and Dickey had any more influence over the insurance coverage purchased on a relative's vehicle, such as [sister's], than that of any other individual with whom they may travel. Furthermore, the same considerations underpinning the exception to the general public policy that UIM is personal and portable in *Burgess* are not present in this case because unlike the petitioner in *Burgess*, [mother] and Dickey are not owners of the vehicles.

Id. at 399 n.2, 728 S.E.2d 480 n.2.

³ The Supreme Court endorsed the *Nakatsu* court's reasoning and holding in *Carter v. Standard Fire Ins. Co.*, 406 S.C. 609, 621, 753 S.E.2d 515 (2013).

To summarize *Rhoden*:

- Dickey – like Cox – was not the owner of the vehicle involved in the collision;
- Dickey – like Cox – had no influence on whether the involved vehicle had UIM coverage;
- Dickey – like Cox – was an additional insured with respect to that vehicle by virtue of the statutory “omnibus” definition of insured, S.C. Code Ann. § 38-77-30(7) (1976, as amended);
- Dickey – like Cox – was a Class 2 insured with respect to that vehicle;
- Dickey – like Cox – was also covered for UIM under a resident relative’s policy;
- Dickey – like Cox – was protected under the relative’s policy because of the relative’s decision to purchase UIM to protect his/her resident relatives; and
- Nationwide – like State Farm – tried to prevent portability of the resident relative’s UIM coverage.

The Supreme Court’s holding in *Rhoden* dictates the outcome in this case. Just like the resident relative insured in *Rhoden* (Dickey) – as well as the resident relative insureds in *Hogan* and *Nakatsu* – Cox (via Plaintiff) should be able to “port” UIM coverage from his relative’s policy (here, Glen’s Nissan Frontier Policy). The Court should reject State Farm’s attempt to restrict portability of UIM coverage under that policy as violative of public policy.

CONCLUSION

For the reasons set forth above, Plaintiff respectfully requests that the Court grant her Motion for Summary Judgment and declare that she can recover UIM coverage under the Nissan Frontier Policy as a result of the Collision.

Fred W. Riesen, III
SC Bar No. 71084
RIESEN DURIANT LLC
613 Longpoint Rd. Suite 100
Mt. Pleasant, SC 29464
843-800-0809
trip@riesendurant.com

and

PETERS, MURDAUGH, PARKER,
ELTZROTH & DETRICK, P.A.

By: /s/ Bert G. Utsey, III
Bert G. Utsey, III
SC Bar No. 10093
P.O. Box 30968
Charleston, SC 29417
(843) 818-4399
butsey@pmped.com

Attorneys for Plaintiff

July 12, 2019
Charleston, South Carolina

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STATE OF SOUTH CAROLINA

COUNTY OF GEORGETOWN

April Brooke Cox, as Personal
Representative of the Estate of Elijah Cox,
deceased,

Plaintiff,

vs.

State Farm Mutual Automobile Insurance
Company and Glen Bauer, Jr.,

Defendants.

IN THE COURT OF COMMON PLEAS FOR
THE FIFTEENTH JUDICIAL CIRCUIT

CASE NO.: 2018-CP-22-00869

**NOTICE OF MOTION AND
MOTION FOR SUMMARY JUDGMENT**

PLEASE TAKE NOTICE that the Defendant, by and through its undersigned attorney, shall, and hereby does, move this Honorable Court for an Order granting summary judgment in favor of the Defendant in the above-captioned matter upon the grounds that there exists no genuine issue as to any material fact and that the Defendant is entitled to judgment as a matter of law in its favor. The parties have stipulated to the facts and request a legal determination as to whether the Plaintiff can recover more than one at home policy when none of his family members had a vehicle involved in the accident.

CLAWSON and STAUBES, LLC

/s/ Timothy A. Domin

Timothy A. Domin
Bar No.: 65264
126 Seven Farms Drive, Suite 200
Charleston, South Carolina 29492-8144
Phone: (843) 577-2026
Fax: (843) 722-2867
Email: tdomin@clawsonandstaubes.com
Attorney for Defendant State Farm Mutual
Automobile Insurance Company

Charleston, South Carolina

July 15, 2019

STATE OF SOUTH CAROLINA
COUNTY OF GEORGETOWN

April Brooke Cox, as Personal Representative
of the Estate of Elijah Cox, deceased,

Plaintiff

vs.

State Farm Mutual Automobile Insurance
Company and Glen Bauer, Jr.,

Defendants.

IN THE COURT OF COMMON PLEAS
FOR THE FIFTEENTH JUDICIAL
CIRCUIT

CASE NO.: 2018-CP-22-00869

**STATE FARM MUTUAL
AUTOMOBILE INSURANCE
COMPANY'S MEMORANDUM IN
SUPPORT OF ITS MOTION FOR
SUMMARY JUDGMENT, AND IN
OPPOSITION TO PLAINTIFF'S
MOTION FOR SUMMARY
JUDGMENT**

Defendant, State Farm Mutual Automobile Insurance Company (hereinafter referred to as "State Farm") submits this Memorandum in Support of its Motion for Summary Judgment.

FACTS

The facts have been stipulated. The key operative fact is that the deceased Elijah Cox was fatally killed in a motor vehicle accident that did not involve any vehicle that he owned or that any family member of his owned.

ARGUMENT

In this tragic case, Plaintiff attempts to advance a novel theory: that an injured can collect from more than one at-home policies even though the deceased nor any resident relative had a vehicle involved in the accident. State Farm contends the Estate of Elijah Cox is only entitled to one at-home policy (and has already paid that policy). The Estate contends that it is entitled to more than one at-home policy. It seeks to get only one limit from two separate policies in the grandfather's name and one limit from one policy in his

grandmother's name.¹ (State Farm paid the policy limits of the grandmother's policy already.)

The starting point for this analysis should be the underinsured motorist statute itself.

Under §38-77-160:

Automobile insurance carriers shall offer, at the option of the insured, uninsured motorist coverage up to the limits of the insured's liability coverage in addition to the mandatory coverage prescribed by Section 38-77-150. Such carriers shall also offer, at the option of the insured, underinsured motorist coverage up to the limits of the insured liability coverage to provide coverage in the event that damages are sustained in excess of the liability limits carried by an at-fault insured or underinsured motorist or in excess of any damages cap or limitation imposed by statute. If, however, an insured or named insured is protected by uninsured or underinsured motorist coverage in excess of the basic limits, the policy shall provide that the insured or named insured is protected only to the extent of the coverage he has on the vehicle involved in the accident. If none of the insured's or named insured's vehicles is involved in the accident, coverage is available only to the extent of coverage on any one of the vehicles with the excess or underinsured coverage.

Per the underlined language above, coverage is only available on one vehicle if none of the insured or named insured's vehicles are involved in the accident. State Farm's policy language follows the statute. On page 27 of the policy under the heading "If Other Underinsured Motor Vehicle Coverage Applies" there are four statements that describe rules for certain factual scenarios.

Under statement three, the policy states:

3. If:

- a. **you** or any **resident relative** sustains **bodily injury** or **property damage**:
 - (1) while **occupying** a motor vehicle not **owned by you** or any **resident relative**; or
 - (2) while not **occupying** a motor vehicle; and

¹ The Estate has stated that it does not believe its argument allows it to collect both policies in the grandfather's name, although it is unclear what law, logic or policy language they rely upon to differentiate a second policy in the name of the Grandfather from the first policy issued to Grandfather or the single policy issued to Grandmother.

- b. Underinsured Motor Vehicle Coverage provided by this policy and one or more other vehicle policies issued to **you** or any **resident relative** by the **State Farm Companies** apply to the same **bodily injury** or **property damage**, then

the maximum amount that may be paid from all such policies combined is the single highest limit provided by any one of the policies. **We** may choose one or more policies from which to make payment.

Section 4 provides a different rule if the insured is occupying a motor vehicle owned by "you" or a "resident relative" other than the car that is on the declarations page, then this coverage applies to the extent of underinsured coverage on the involved vehicle.

Case law interpreting S. C. Code §38-77-160 follows this same basic rule set forth in the statute and the insurance policy.

In Garris v. Cincinnati Insurance Co., 280 S.C. 149, 311 S.E.2d 723 (1984), Huntley and Garris were killed while occupying a work truck owned by Bryce Mechanical Contractors. They were killed by a drunk driver with minimum limits coverage. Therefore, the drunk driver was considered an underinsured motorist. The policy on the truck they were occupying had 17 vehicles on it. Mr. Garris owned a policy of liability insurance issued by Allstate which covered four personal "at-home" vehicles. Mr. Huntley owned a policy of liability insurance that provided coverage for two personal "at-home" vehicles. The court first decided that the deceased men could not stack the 17 policies covering the work truck and 16 other vehicles. As occupants of the vehicle owned by Bryce Mechanical Contractors they were only entitled to the coverage from the vehicle they were occupying. However, the deceased's estates also argued they were entitled to stack their "at home" policies. The court rejected this view. The court stated: "The obvious intent of the Legislature is to allow insureds or named insureds to

take advantage of the benefit of their bargain with their insurance carrier when they are injured by an underinsured motorist and their vehicle is not involved in the accident. But, the recovery here is limited to the extent of coverage on one vehicle with the underinsured motorist coverage, as the decedents are members of the second class. Thus, plaintiffs cannot stack the coverage of the other vehicles under the policies issued to them, but may only recover benefits on one vehicle with the coverage.” (emphasis added).

Although State Farm Mut. Auto. Ins. Co. v. Wannamaker, 291 S.C. 518, 354 S.E.2d 555 (1987), is usually cited because it is the seminal case on meaningful offers of underinsured motorist coverage, the case also addressed stacking. William Wannamaker had insurance coverage with State Farm under two insurance policies. His daughter was killed in an accident that did not involve either of the insured’s vehicles. Wannamaker’s two policies each had limits of liability coverage of \$50,000/\$100,000/\$25,000 but no underinsured motorist coverage. The trial court concluded that Wannamaker had not been given a meaningful offer of underinsured coverage. Therefore, the coverage was added by operation of law. The trial court also concluded that Wannamaker was not entitled to stack because none of his vehicles were involved in the accident. The Supreme Court affirmed the trial court on both rulings. As to the issue of stacking, the Court cited then § 56-9-831 (which is now §38-77-160) and held “the present case is one clearly excluded by the statute since none of the insured’s vehicles were involved in the wreck.”

In Fireman's Ins. Co. v. State Farm Mut. Auto. Ins. Co., 295 S.C. 538, 370 S.E.2d 85 (1988), the court considered several issues including the involved vehicle stacking rule in an

uninsured motorist coverage case. The rules regarding stacking of underinsured and uninsured motorist coverage are almost identical and the "involved vehicle" rule is derived from §38-77-160 which references both excess uninsured coverage and underinsured coverage. Fireman's involved a motor vehicle accident wherein Glenn Mullins (Mullins) was driving a vehicle owned by Joan Locklear (Locklear), who was a passenger in her own vehicle. Because the tortfeasor was insured under a Florida policy with only \$10,000/\$20,000 coverage, the court had to first determine whether the tortfeasor was uninsured, underinsured or both. The court concluded the tortfeasor did not have coverage equal to South Carolina minimum limits and was therefore deemed uninsured. He was not underinsured as the court concluded those terms are mutually exclusive. Mullins had liability and underinsured motorist coverage on three at home (non-involved) vehicles insured with Fireman's Insurance Company. Mullins sought to stack uninsured (or underinsured if the court determined the tortfeasor was underinsured) motorist benefits for each of the vehicles insured by Fireman's Insurance Company. The Court held that since Mullins did not have a vehicle involved in the accident (he was driving Locklear's automobile), Mullins was not entitled to stack coverages from his own at-home vehicle policies. Thus the court again applied the involved vehicle stacking rule.

In National Gen. Ins. Co. v. Pena, 308 S.C. 521, 419 S.E.2d 375 (Ct. App. 1992), Pena was a passenger on an uninsured motorcycle owned by a friend. The motorcycle driver was the uninsured motorist. Pena wished to reach home for coverage on four vehicles under his mother's policy. National General conceded that Pena was entitled to one policy limit, however Pena sought the limits for all four vehicles. The court held

Pena was not permitted to stack. He was not considered a Class I insured with respect to having a vehicle involved in the accident. The Pena decision was overruled in part due to footnote four of Concrete Services, Inc. v. United States Fidelity and Guaranty Company, 331 S.C. 506, 498 S.E.2d 865 (1998) because the Court wanted to make clear that “requiring a person to ‘have’ a vehicle involved in the accident as a prerequisite to stacking mean only that a person must be a Class I insured with respect to a vehicle involved in the accident, i.e., they must be either the named insured, or the spouse or relative living in the same household with the named insured.” However, Concrete Services also supports State Farm’s position.

In Concrete Services, Inc. v. United States Fidelity and Guaranty Company, 331 S.C. 506, 498 S.E.2d 865 (1998), the court heard the case of a plaintiff who was injured in an automobile accident while driving a vehicle owned by her husband’s company, Concrete Services, Inc. After recovering underinsured benefits under the policy insuring the vehicle which she was driving, plaintiff sought to stack underinsured motorist coverages on the other vehicles owned by Concrete Services, Inc. The Court examined two certified questions in the case, the first involving the proper classification of the plaintiff as a Class I or Class II insured, and the second as to whether ownership of an involved vehicle is required in order to stack coverage. As to the first question, the Court deemed that plaintiff could not qualify as a spouse or resident relative of the named insured Concrete Services, Inc. because corporations do not have spouses or relatives. As to the second question, the court affirmatively held that “prior cases requiring a person to ‘have’ a vehicle involved in the accident as a prerequisite to stacking mean only that a person must be a Class I insured with respect to a vehicle involved in the accident, i.e., they must be either the named

insured, or the spouse or relative living in the same household with the named insured.” Thus, the injured party or his resident relative must have a vehicle involved in the accident in order to stack coverage.

In Putnam v. S.C. Farm Bureau Mut. Ins. Co., 323 S.C. 494, 476 S.E.2d 902 (1996), the Supreme Court considered a case where the Court of Appeals decided that an insured could not even contract for an insurance policy that provided for stacking if none of his vehicles are involved in the accident. The Supreme Court found that the Court of Appeals had gone a bit too far in this instance. The Court concluded that it was possible to contract for a policy that provides greater coverage than what was required by statute. However, the Supreme Court found that the policy did limit the insured to the one highest coverage if none of his vehicles as involved in the accident.

In Merck v. Nationwide Mut. Ins. Co., 318 S.C. 22, 455 S.E.2d 697 (1995), the Court defined the extent to which a vehicle must actually be involved in an accident in order to stack coverage. The question presented was simply how the Court should define the term “involved” for the purpose of applying the involved vehicle stacking rule. The case came before the Court under the shared understanding of the parties and the Court that the involved vehicle rule applied. In this case a motorist, Thurston Merck, had been driving his own vehicle when he experienced car trouble. As Merck’s vehicle was being loaded onto a wrecker, a drunk driver ran off of the road striking Merck, the wrecker driver and the wrecker. Merck was injured, the wrecker driver was killed and Merck’s vehicle was thrown off of the wrecker, sustaining damage. However, the drunk driver’s vehicle did not directly hit Merck’s vehicle. The drunk driver was considered an underinsured motorist. Merck recovered underinsured motorist coverage on the vehicle

he was driving at the time but sought to stack coverage of three other vehicles covered by his policy. The South Carolina Supreme Court adopted a definition of the term "involved" meaning "to relate to or have an effect on...to draw in as a participant [to] implicate, include, affect." Because Merck's vehicle was present at the scene and the accident had an effect on the vehicle, it was "involved in the accident" in a literal sense. As a result, Merck could stack the coverage of his three other vehicles.

The involved vehicle stacking rule was considered most recently by the Honorable Richard M. Gergel in State Farm Mut. Auto. Ins. Co. v. Sakash, U.S. Dist. LEXIS 77063, 2017 WL 2225110 (2017). In that case, the injured party was a pedestrian who had two at-home policies with \$100,000 UIM limits each. The Honorable Richard M Gergel considered language identical to the language used by State Farm in the present case. He held: "That language prohibits stacking underinsured coverages where the insured is not occupying a motor vehicle or is occupied a vehicle not owned by the insured or any resident relative. The provision is valid under South Carolina law. See Putnam v. S.C. Farm Bureau Mut. Ins. Co., 323 S.C. 494, 476 S.E.2d 902, 902-03 (S.C. 1996). It is undisputed that at the time of the underlying accident, George Sakash was a pedestrian not occupying a motor vehicle."

There is sometimes confusion because courts sometimes refers to Class I insureds as "the named insured and resident relatives of the named insured." But that is not enough to stack those policies because no vehicle owned by him or his resident relatives was involved in the accident. Under SC Code Ann. §38-77-160 Plaintiff is entitled to the underinsured motorist coverage on any one vehicle carrying such coverage. In accordance with SC Code Ann. §38-77-160, Defendant State Farm Mutual Automobile

Insurance Company tendered the policy limits on one at-home vehicle. No additional coverage is due.

The plaintiff argues that this should be governed by the “stacking” rules because this is simply a case about “portability.” However, “[s]tacking is defined as ‘the insured’s recovery of damages under more than one policy until all his damages are satisfied or the limits of all available policies are met.’” Burgess v. Nationwide Mut. Ins. Co., 373 S.C. 37, 644 S.E. 2d 40, fn. 4 (quoting Giles v. Whitaker, 297 S.C. 267, 376 S.E.2d 278 (1989)). Thus, when plaintiff seeks recovery under more than one policy---even if the policies are separate, it is still “stacking” as that term has been defined by the court.

Plaintiff relies heavily on Nationwide Mut. Ins. Co v. Rhoden, 398 S.C. 393, 728 S.E.2d 477 (2012). But Rhoden did not alter the rule requiring an owned vehicle to be involved in the accident. There was a family member’s vehicle involved in the accident. Thus, the Rhoden claimants would normally be allowed to stack. But there was zero UIM coverage on the involved vehicle. Nationwide argued that under the “measuring vehicle” precedent of S.C. Farm Bureau Ins. Co. v. Mooneyham, 304 S.C. 442, 405 S.E.2d 396 (1991), zero UIM on the involved family vehicle meant zero recovery for all the claimants. The Rhoden court concluded public policy was not offended by blocking the owner of the involved vehicle from recovery against an at-home vehicle when he or she makes a decision not to buy UIM coverage on the involved vehicle. So the owner of the involved vehicle was entitled to zero. However, the court reasoned it violated public policy not allow any recovery to the persons who did not make such a choice.²

² There is some dispute over whether the Rhoden court allowed the persons who didn’t make a choice to get one or two policies. Because they had a vehicle involved in the accident, they would normally get to

Rhoden did not state that stacking (or portability) would be allowed even if there is no insured vehicle involved in the accident.

Therefore, Rhoden is not comparable to the present case. In Rhoden, all the injured parties had a family member's vehicle involved in the accident. Yet, Nationwide was attempting to stop all of the injured parties from collecting anything from their at-home policies because the involved vehicle had no UIM coverage. The plaintiff's brief makes a number of observations about Dickey's position in Rhoden being comparable to Cox's position in the present case. But several of those observations are incorrect. A review of the case reveals that Kelly Rhoden was the mom and her daughters were Ashley Arrieta and Emerlynn Dickey. They all lived together. Thus, they were all Class 1 insureds. Class 1 insureds are the named insured and resident relatives. Dickey was not a Class 2 insured as is asserted.

Nor is Nakatsu v. Encompass Indem. Co, 390 S.C. 172, 700 S.E. 2d 283 (Ct. App. 2010) of any help to the plaintiff. That accident involved a Nakatsu's vehicle. So, she had a vehicle involved in the accident. Nakatsu wanted to also collect UIM limits from policies issued by Encompass Insurance Company to her resident relative sister and brother-in-law. The Encompass policy attempted to exclude Nakatsu from coverage when she was using vehicles other than those insured by them under that policy. The Court concluded she was a Class 1 insured with respect to her sister and brother-in-law's policy. Because she also had a vehicle involved in the accident, she was entitled

stack. However, the court expressly stated that Rhoden, like Burgess v. Nationwide Mut. Ins. Co, was not a stacking case. The Burgess court clearly limited the injured party to one at home uninsured policy even though the insured had a vehicle involved in the accident. The Burgess court held that the injured party would get one at home policy only and noted it was not a stacking case.

to stack those policies and the court concluded that any language to the contrary violated South Carolina law and public policy.

Finally, it makes no difference whether State Farm issues one policy for three vehicles or three policies for three vehicles. The stacking rules are the same. Several of the cases cited by State Farm in its principal memo illustrate the point that separate policies make no difference to the rule that there must be an involved vehicle in order to stack. In State Farm Mut. Auto. Ins. Co. v. Wannamaker, 291 S.C. 518, 354 S.E.2d 555 (1987), the insured had two separate at home policies on two different vehicles. But the insured was killed in an accident that did not involve any of the vehicles from her household. Despite there being two separate policies on two different at-home vehicles, the plaintiff could only collect from one of the policies. In State Farm Mut. Auto. Ins. Co. v. Sakash, U.S. Dist. LEXIS 77063, 2017 WL 2225110 (2017), the injured party was a pedestrian who had two at-home policies with \$100,000 UIM limits each. Although these were two separate policies, the injured party could only collect from one of the policies. In contrast, in Garris v. Cincinnati Insurance Co., 280 S.C. 149, 311 S.E.2d 723 (1984), National Gen. Ins. Co. v. Pena, 308 S.C. 521, 419 S.E.2d 375 (Ct. App. 1992), and Fireman's Ins. Co. v. State Farm Mut. Auto. Ins. Co., 295 S.C. 538, 370 S.E.2d 85 (1988), the at-home policies were multiple vehicles under one policy. The injured party could go home for only one at home policy because they did not have a vehicle involved. The stacking rules do not change depending on whether there are multiple cars per policy. And it doesn't matter whether there are different insurance companies for different vehicles. Carter v. Std. Fire Ins. Co., 406 S.C. 609, 617, 753 S.E.2d 515, 519 (2013) ("the fact that the involved vehicle was insured by a separate insurance company than the

insurance company insuring the at-home vehicles is insignificant under the typical stacking analysis.”). In fact, South Carolina has expressly stated in a different stacking context that it doesn’t matter whether there are separate policies or multiple vehicles on one policy. Esler v. United Services Automobile Association, 273 S.C. 259, 255 S.E. 2d 676 (1979) (“the crucial test to be applied in determining whether stacking is permissible is not the number of policies issued but rather the number of additional coverages which were separately contracted and paid for”).

CONCLUSION

South Carolina law is clear that the insured must have a vehicle involved in the accident in order to collect the coverage from more than one vehicle. This is true whether the at-home vehicles are written on one policy or on multiple policies. This is true even after Rhoden. This court should grant judgment in favor of State Farm on its motion for summary judgment.

(SIGNATURE PAGE TO FOLLOW)

Respectfully Submitted,

CLAWSON and STAUBES, LLC

s/Timothy A. Domin

Timothy A. Domin

Bar No.: 65264

126 Seven Farms Drive, Suite 200

Charleston, South Carolina 29492-8144

Phone: (843) 577-2026

Fax: (843) 722-2867

Email: tdomin@clawsonandstaubes.com

Attorney for State Farm Mutual Automobile Insurance
Company

Charleston, South Carolina

July 16, 2019

1 STATE OF SOUTH CAROLINA) **TRANSCRIPT OF RECORD**
2 COUNTY OF GEORGETOWN)
3 CASE NO.:2018-CP-22-00869

4 -----

5 July 26, 2019

6 **BEFORE:** The Honorable Benjamin Culbertson

7 -----

8

9 APRIL BROOKE COX, as Personal Representative for the
10 Estate of Elijah Cox,

11 Plaintiff,

12

13 vs.

14 STATE FARM MUTUAL AUTO INSURANCE, CO., et al.,

15

16 Defendants.

17

17 -----

18 APPEARANCES:

19

Bert G. Utsey, Esq.

20 Attorney for the Plaintiff.

21

Timothy Domin, Esq.

22 Attorney for the Defendant

23

Official Court Reporter

24

Natalie Dahl, RPR

25

CERTIFIED ORIGINAL FOR USE FOR PETERS, MURDAUGH, PARKER,
ELTZROTH & DETRICK LAW OFFICES* *

1 P-R-O-C-E-E-D-I-N-G-S

2 THE COURT: April Brooke Cox versus State Farm
3 Mutual Automobile Insurance.

4 MR. UTSEY: We E-filed a brief, a memorandum. I
5 assume you have a copy. We have an extra copy if you
6 need one.

7 THE COURT: It is here. I got it. This is
8 2018-CP-22-869, April Brooke Cox, personal
9 representative of the Estate of Elijah Cox versus
10 State Farm Mutual Automobile Insurance Company and
11 Glen Bauer, Junior. The matter is before the Court on
12 a plaintiff's motion for summary judgment. Please
13 give the court reporter your names and who you
14 represent.

15 MR. UTSEY: I'm Skip Utsey, and along with Trip
16 Riesen, I represent the plaintiff.

17 MR. DOMIN: Tim Domin, D-O-M-I-N. I am
18 representing State Farm in this matter.

19 THE COURT: All right. Who is going to argue the
20 motion on behalf of the plaintiff?

21 MR. UTSEY: I will, Your Honor.

22 THE COURT: All right, Mr. Utsey, let me hear
23 from you.

24 MR. UTSEY: Your Honor, as a preliminary matter,
25 this is a declaratory judgment action with respect to

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1 a legal question of insurance coverage. The parties
2 have stipulated to all material facts, so there will
3 be no factual determination for the Court to make.
4 The Court will simply be deciding based on those facts
5 how the law applies to this circumstance.

6 THE COURT: So I guess this more or less would be
7 dispositive of the motion for summary judgment that I
8 said we're not adding to the roster?

9 MR. UTSEY: You are exactly right. And we have
10 -- we would concede that if you deny my motion, it
11 would be because you are granting State Farm's motion,
12 and vice-versa.

13 THE COURT: Okay. So can we just go ahead and do
14 both of them, then, simultaneously?

15 MR. UTSEY: Exactly.

16 THE COURT: All right, sir. Now, that being the
17 case, since we have two motions, the way I'll proceed
18 procedurally, usually I just allow argument, rebuttal
19 and reply. But I'll give him a chance to readdress it
20 since he has an outstanding motion. So plaintiff,
21 defense, plaintiff, defense.

22 All right, Mr. Utsey.

23 MR. UTSEY: Sure. Your Honor, this is a question
24 about the recoverability of underinsured or UIM
25 insurance coverage under a policy that State Farm

1 issued to Mr. Cox' grandfather. We have made a claim
2 for that underinsured motorist coverage, and State
3 Farm denied it is recoverable, even though Mr. Cox is
4 an insured under that policy. So the question for the
5 Court is whether we can, on behalf of Mr. Cox' estate,
6 recover that policy.

7 THE COURT: The insured is the decedent in this
8 lawsuit?

9 MR. UTSEY: Yes, sir. I will give you a little
10 bit of background so you can put it into context.
11 Elijah Cox, who I believe was a teenager at the time,
12 was killed in a motor vehicle collision. He was
13 occupying a vehicle of a friend, who also was a minor.
14 He is just designated in here by the initials L.L.

15 So it was not a vehicle that Mr. Cox owned or had
16 any interest in. L.L.'s liability policy paid its
17 coverage based on the fact that L.L. was apparently at
18 fault for the wreck. L.L. also had liability
19 insurance -- excuse me, underinsured UIM coverage on
20 that vehicle; that has been paid also. I believe that
21 was Travelers or another carrier. That is all sort of
22 out of the way now.

23 Based on the recoverability of at-home coverage,
24 we then made claims against State Farm against
25 policies it issued to Mr. Cox' grandparents. He

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1 resided at home with the grandparents. There is no
2 dispute that they were resident relatives and he would
3 be insured under their policies. State Farm issued
4 three separate policies. One had insured Ernestine
5 Bauer, which was Mr. Cox' grandmother, and provided
6 UIM coverage. Based on the notion that that coverage
7 is personal and portable, as our supreme court
8 discussed in Burgess versus Nationwide and several
9 other cases, State Farm, in fact, tendered the UIM
10 coverage under Ernestine Bauer's policy, so that is
11 not at issue before the Court today.

12 In addition to Ernestine Bauer's coverage, State
13 Farm had two other policies that they issued to the
14 household to the grandfather, Glen Bauer. One of the
15 policies is at issue in this case today. We elected
16 as a strategic issue to address simply the
17 recoverability of UIM coverage under one of the
18 policies issued to Glen Bauer.

19 THE COURT: Who is the grandfather of the
20 decedent?

21 MR. UTSEY: Correct. State Farm stipulated that
22 Mr. Cox was an insured under that policy at the time
23 of the wreck. That policy did provide UIM coverage,
24 and so Mr. Cox would be entitled to recover that UIM
25 as personal and portable coverage unless there is a

1 valid policy provision that would restrict or prevent
2 his ability to recover that, and that it is ultimately
3 what the question is for the Court.

4 Now, I explained it that way a little bit so
5 you'll understand this third policy that is out there,
6 which is also issued to Glen Bauer by State Farm, we
7 intentionally chose as a strategic matter not to place
8 that in issue in this case in order to keep the issue
9 before the Court clean. Simple as that. That is not
10 any sort of admission or concession by us that we
11 could not recover under that third policy, it is
12 simply something we chose not to litigate. So it is
13 not anything you need to decide today and has no
14 bearing, ultimately, on the Court's decision.

15 So boiling all of that down, the question is:
16 Can we, on behalf of the deceased, Mr. Cox, collect
17 UIM coverage under the policy, which we've denominated
18 in the pleadings as the Nissan Frontier policy? Can
19 this Nissan Frontier policy, UIM coverage, be
20 recoverable on behalf of the Cox' estate? So that is
21 the one sole issue. State Farm concedes if it is
22 recoverable, they'll pay it. They will pay us
23 \$50,000; and if not, we can't recover it.

24 So to get to the question, here are the concepts
25 that I think it is important for the Court to keep

1 straight and apply. I will tell you there is, as best
2 as we can tell -- and Mr. Domin is as good a coverage
3 lawyer as I know in this state, and I have litigated
4 against him on numerous occasions, have a lot of
5 respect for his ability, and I don't think he, nor I,
6 found a case that is specifically factually on point
7 with this case. There are a lot of things that are
8 close, and that is what the Court has to decide, which
9 one is closest.

10 But the concepts that are going to come into play
11 here are questions of portability of underinsured
12 coverage, and according to State Farm, concepts of
13 stacking of underinsured motorist coverage. So we
14 have cited in our briefs -- our position is that our
15 supreme court said that when you are dealing with a
16 resident relative who is seeking to recover at-home
17 UIM coverage for a wreck in which none of his vehicles
18 was involved, which is exactly what we have in this
19 case, his ability to recover that coverage is
20 considered to be portability. Underinsured motorist
21 traditionally has been regarded as personal and
22 portable. What the court means by that is it follows
23 you around. I'm covered under my insurance policy at
24 home for underinsured motorist coverage, so as I leave
25 the courtroom today, if I walk through the parking lot

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1 and get hit by a car as a pedestrian, that coverage is
2 personal to me and it is portable. It follows me
3 along. It is like wearing a jacket. I have it on and
4 it's anywhere I go. If I get in a friend's car and
5 catch a ride from home from the courthouse, even
6 though it is not my car, it is portable. It goes
7 around with me, and I can recover it in that sense.

8 Now, State Farm characterized this as a stacking
9 case. It is important for the Court to understand the
10 concepts of stacking and portable, although arguably
11 similar, are distinct. In our brief, I think probably
12 the best explanation of those distinctions is found in
13 a case that is on Page 3 and 4 in our brief, Nakatsu
14 versus Encompass Indemnity Company. It says:
15 Stacking is only allowed if the insured has the
16 specific type of coverage on the vehicle involved in
17 the accident. On the other hand, portability refers
18 to a person's ability to use his coverage on a vehicle
19 not involved in an accident as a basis for recovery of
20 damages sustained in the accident.

21 So when you have someone that doesn't have a
22 vehicle involved in the accident, it is a portability
23 question. When you are -- when I'm involved in my
24 vehicle and I'm involved in an accident, and I have my
25 personal coverage applicable to me, the question of

1 whether I can stack that coverage is a question of
2 stacking. So from our perspective, again, this is a
3 portability issue. What you will see, and we've cited
4 several cases in here, including the Hogan versus Home
5 Insurance Company case, the Nakatsu case and most
6 recently the Rhoden case. In each instance where our
7 supreme court has addressed the question of whether a
8 resident relative insured who doesn't have a vehicle
9 involved in a wreck, as we do in this case, can
10 recover the UIM coverage under the at-home policy.
11 What is the public policy of this state as to whether
12 that is recoverable? In each of those cases, where
13 the insurance company has tried to impose a policy
14 restriction which would deny that underinsured
15 motorist coverage to that resident relative insured,
16 our supreme court rejected it as contrary to the
17 public policy of this state, because the public policy
18 of the State is UIM is personal and portable.

19 So anything not authorized by the public policy
20 of this state, which would restrict that coverage, is
21 not going to be enforceable. There are instances
22 where our court found that the personal and portable
23 nature of UIM coverage does not trump a policy
24 provision. Each of those cases have been
25 circumstances where, for example, an insured has

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1 vehicles insured under several different policies with
2 different insurance companies. So if I had an
3 insurance policy with Allstate that insures Vehicle A,
4 and I don't buy UIM coverage, but I have an insurance
5 policy with State Farm on Vehicles B and C, and it
6 does have underinsured motorist coverage, when I'm
7 involved in a collision occupying Vehicle A, the Court
8 is not going to allow me to port or use the
9 portability aspect of the State Farm coverage to cover
10 me in the Allstate vehicle.

11 The public policy behind that is if I want UIM
12 coverage while I'm operating this insured vehicle that
13 I own, then I have to buy it. They are not going to
14 let me get by on the cheap by using that coverage of
15 someone else and avoid paying the premium to Allstate.
16 In fact, that has been the holding of the court in
17 several cases, including most recently, Nationwide
18 versus Rhoden, which we think is the most applicable
19 here.

20 However, if you look at the Rhoden case, it
21 involved two groups of insureds. Rhoden is, if you
22 will, two cases. In Rhoden, there was first a
23 situation with the driver of the vehicle that it was
24 involved in the wreck. Her name was Arietta, if I
25 recall. Arietta chose not to purchase underinsured

1 coverage on the vehicle involved in the wreck, yet,
2 she was covered under some other policies at home, and
3 she wanted to get those under the personal and
4 portable aspect of the UIM coverage. The Court said,
5 Wait a minute, you could have protected yourself by
6 buying coverage on the vehicle involved, and you chose
7 not to, so we think there is nothing wrong with -- the
8 public policy is completely consistent with that --
9 you are not being able to collect under the other
10 policies because you put yourself in this position.
11 That is, sort of, Case One within the Rhoden case.

12 Case Two under the Rhoden case, the one we think
13 is directly applicable here, is Arietta's sister,
14 Dickey. Dickey, of course, did not have a vehicle
15 involved in the collision. It was Arietta's car.
16 Dickey would have been insured under Arietta's car as
17 a resident relative if it had UIM coverage, but there
18 was none. Dickey was insured also at home under a
19 policy that her mother had. Her mother had a policy
20 with Nationwide, a separate insurance company, and it
21 insured two vehicles for UIM coverage. So Dickey made
22 a claim for the UIM coverage under Nationwide.
23 Nationwide said, Wait a minute, we're not going to
24 allow her to collect UIM coverage because she wasn't
25 involved in one of these vehicles, and our policy

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1 would exclude this coverage. The court of appeals
2 first addressed that case. It held public policy is
3 offended by a limitation on UIM portability when
4 applied to resident relatives who do not own the
5 vehicle involved in the accident. We would submit,
6 that is precisely the situation in the present case.
7 Mr. Cox was a resident relative insured for UIM and
8 did not have a vehicle involved in that accident.

9 The court -- the insurance company appealed or
10 petitioned for cert from the court of appeals
11 decision, and the supreme court took the case and
12 affirmed the court of appeals. This is where it gets
13 important, Your Honor, because on appeal to the
14 supreme court, the insurance company was arguing
15 stacking principles and saying when you get into
16 stacking, you can't stack coverage from at-home
17 policies if the vehicle involved didn't have any
18 coverage on it. You are limited to what is on that
19 policy, zero. So you can't bring these.

20 The Court here made the critical distinction,
21 we're not talking about stacking when we're talking
22 about Dickey's ability to recover. It says --
23 Nationwide there had been relying on the stacking
24 case, and it talked about that, but it says: The same
25 considerations underpinning the exception to the

1 general public policy that UIM is personal and
2 portable, as noted in the Burgess case, are not
3 present in this case, because unlike the petition in
4 Burgess, Dickey is not the owner of the vehicle.

5 So they made it clear that there was not a
6 stacking case, and they also made it clear that as
7 someone not the owner of the vehicle, she wouldn't be
8 in the same situation as her sister, Arietta, who had
9 the opportunity to purchase that. Instead, as a
10 resident relative, she had essentially no input, no
11 say-so, in what coverage might be or might not be in
12 place for her by virtue of the decisions of the policy
13 owners, the named insureds who purchased it.

14 So, in other words, if they bought underinsured
15 motorist coverage or not, she was entirely at their
16 mercy. The amount of coverage they might buy, again,
17 she was entirely at their mercy. It is just
18 serendipitous to her as to who they purchased that
19 coverage from, whether it was State Farm, Nationwide
20 or whoever.

21 The Court recognized when you are dealing with
22 these, if you will, innocent resident relative type of
23 insureds, they are not going to impose or allow public
24 policy to uphold a policy provision in the insurance
25 policy that would strict portability and the personal

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1 and portable nature of UIM coverage.

2 Now, I wanted to make another point, but it
3 slipped my mind.

4 THE COURT: I guess, tell me the undisputed facts
5 here. The coverage on the vehicle involved in the
6 accident -- I mean, what is the -- maybe I'm just
7 jumping ahead to Mr. Domin's argument, but what is the
8 undisputed facts? You have a decedent that is a
9 passenger in an unowned vehicle seeking UIM coverage
10 as a covered insured under the family policy, but is
11 there a distinction in the coverages between the
12 vehicle and the wreck, and the one.....

13 MR. UTSEY: The vehicle in the wreck really has
14 nothing to do with it. Correct me if I'm wrong, the
15 vehicle in the wreck was Traveler's, wasn't it?

16 MR. DOMIN: It was.

17 MR. UTSEY: The vehicle in the wreck was insured
18 by Travelers.

19 THE COURT: So they are not arguing that there is
20 no UIM coverage?

21 MR. UTSEY: They paid their BI and paid their
22 UIM; that is out of the picture at this point.

23 THE COURT: Okay.

24 MR. UTSEY: And, also, grandma's policy,
25 Ernestine Bauer's policy, which was State Farm, is

1 paid, and that is not in dispute.

2 THE COURT: Okay.

3 MR. UTSEY: Where that comes back into play, as I
4 understand it, is that State Farm has policy language,
5 and it is quoted in both of our memorandum to the
6 Court. The policy language refers to the inability
7 of -- if you will take it -- the interpretation of it
8 is this, if a resident relative is not involved in an
9 insured vehicle, he can't collect more than one policy
10 issued by us.

11 THE COURT: I see, okay.

12 MR. UTSEY: So they have issued three policies,
13 paid one. So when we go to Policy Two, they say we're
14 not paying, and it is because of this policy
15 provision.

16 Our position is simply this: In an issue of
17 portability, as this case is, every time our supreme
18 court -- one, our supreme court and court of appeals
19 has always said the public policy of this state is
20 that UIM coverage, particularly for a resident
21 relative, is personal and portable. That is the
22 established public policy. And that unless there is a
23 countervailing public policy, which would prevent the
24 portability of that coverage to the resident relative,
25 you have to provide that coverage; it is, in fact,

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1 recoverable.

2 So the ultimate question to you is the language
3 State Farm is relying on here today to deny coverage
4 under the second policy, the Nissan Frontier policy,
5 is it enforceable? Is there a public policy that
6 supports that that is stronger than the public policy
7 in favor of personal and portable coverage? We submit
8 to you that it is not. There has never been a case --
9 well, I haven't found a case -- where the Court said
10 that a resident relative should be denied coverage
11 under any countervailing public policy like that. The
12 cases where there has been a finding that portability
13 is in some fashion restricted by a policy provision
14 that is enforceable, have relied on the Statute
15 38-77-160, which contains some language about the
16 amount of coverage an insured can recover under
17 certain circumstances. However -- and this is
18 critical -- the 38-77-160 is only applicable in a
19 stacking situation as opposed to a portability
20 situation. There are -- the quote there says that in
21 Burgess versus Nationwide, the Court said neither
22 38-77-160, nor our prior decisions, decide the issue
23 presented here is public policy offended by an
24 automobile insurance policy provision that limits
25 basic UIM portability when an insured is involved in

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1 an accident while in a vehicle he owns, but does not
2 insure under the policy.

3 So Burgess made clear that portability issues are
4 not governed by 38-77-160. And, furthermore, the
5 Court in the Rhoden case, which we cited and discussed
6 at length in our memorandum, went on to say: As we
7 stated in Burgess, Section 38-77-160 does not apply in
8 a non-stacking case such as this. In other words,
9 Rhoden was a portability case, not a stacking case.
10 It continues quoting Burgess, and ultimately quotes
11 the portion that says: Neither Section 38-77-160, nor
12 our prior decisions, decide the non-stacking issue
13 presented here.

14 The reason I'm going through that with 38-77-160
15 is to submit to the Court that to the extent that
16 State Farm relies on that statute as creating some
17 countervailing public policy that would overcome the
18 public policy portability, it simply is inapplicable
19 according to Burgess and according to Rhoden. In
20 other words, that is not a statute they can draw on
21 under these circumstances, according to those two
22 cases. Instead, there is no public policy source that
23 I have seen identified in the legislation, or in the
24 court cases which have addressed this issue, which
25 would support a public policy argument in favor of

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1 enforcement of that policy provision.

2 Thank you, Your Honor.

3 THE COURT: All right. Mr. Domain.

4 MR. DOMIN: Your Honor, state Farm doesn't
5 dispute the basic nature of portability of
6 underinsured motorist coverage; in fact, the case law,
7 as Mr. Utsey has pointed out, requires portability.
8 The question is how many policies do you then get to
9 collect?

10 As Mr. Utsey noted, he described this portability
11 that your underinsured motorist coverage would be like
12 a jacket, so when he walked out of the courtroom, if
13 he were struck in the parking lot, he would be covered
14 by his underinsured motorist coverage. That is
15 absolutely correct, he would be covered by the
16 underinsured motorist coverage. But, if he owns three
17 vehicles, he would only be able to get one of those
18 vehicles. He is only able to reach one, because he
19 does not have a vehicle that is involved in the
20 accident. It can be his vehicle, his wife's vehicle,
21 children's vehicle, any resident relative, but he has
22 to have a family member with a vehicle involved in the
23 accident in order to recover.

24 Why is that? Where does that come from? Well,
25 of course, it starts off that it has to be in the

1 policy. So in State Farm's policy, and I cited it on
2 Page 2 and 3 of the memo I've handed up to the Court,
3 it has a number of different scenarios as to how much
4 you collect and different situations. There is no
5 dispute that this is a situation where the insured,
6 the deceased, was occupying a friend's vehicle, L.L.,
7 not a resident relative, in no way a family member, so
8 he does not have, nor does any member of his family,
9 have a vehicle involved in the accident.

10 Under that scenario, State Farm says you do get
11 coverage, but it is only your one highest policy.
12 Mr. Utsey says, well, that violates public policy.
13 No. Respectfully, when we are dealing with automobile
14 insurance coverage, we generally look for public
15 policy from the Financial Responsibility Act and from
16 the statutes that are provided to us by the
17 legislature.

18 On Page 2, I've quoted the entirety of Section
19 38-77-160. And, Your Honor, if you look at the very
20 last line of that statute, I've underlined the last
21 line. It plainly states: If none of the insureds or
22 name insured's vehicles is involved in the accident,
23 coverage is only available to the extent of coverage
24 on any one of the vehicles, dot, dot, dot. So, not
25 only does this not violate South Carolina's Financial

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1 Responsibility Act, it actually is expressly provided
2 for by South Carolina's Financial Responsibility Act.

3 Now, Mr. Utsey says I don't think Mr. Domin has
4 found a case that is on point. Although, Mr. Utsey is
5 one of the finest plaintiff's coverage lawyers. He's
6 always pressing the envelope, and I always enjoy
7 arguing against him because he is trying to put forth
8 novel theories to assist his clients in recovery, but
9 I strongly disagree with him that there is not a case
10 on point. In fact, by my count, there are six cases
11 directly on point. We have cited seven South Carolina
12 appellant court decisions, six of those are from the
13 supreme court, one is from the court of appeals. Six
14 of those involved situations just like this where a
15 person is in a vehicle and doesn't have -- and that
16 vehicle is not owned by a family member and not owned
17 by themselves. So we'll go through them in some more
18 detail, because I think it is important, but in all of
19 those cases, they are in someone else's vehicle, and
20 in each and every one of those cases, the Court
21 addressed the issue and said because you don't have an
22 involved vehicle, you only get one.

23 In one case, they found that the person did have
24 an involved vehicle, even though they were not
25 occupying the vehicle. It was sitting on top of a

1 wrecker that got hit, and their vehicle rolled over.
2 So even though they weren't in it, they said your car
3 was involved in the accident, we're going to allow you
4 to stack.

5 I've also quoted to you a recent opinion from
6 Judge Gergel in district court where there was a
7 situation where the injured person did not have a
8 vehicle involved in the accident, and Judge Gergel,
9 who is a very thoughtful judge and generally
10 advocating for claimants when he was practicing, found
11 that there was no public policy that prohibited State
12 Farm -- state Farm was a party to that case -- from
13 using this same language to limit the injured claimant
14 to only one policy.

15 THE COURT: In all of those they were seeking UIM
16 coverage from the same insured on several different
17 policies?

18 MR. DOMIN: So, on some of those cases the
19 insurance companies wrote three vehicles and three
20 policies. Some of them they wrote three vehicles on
21 one policy. But on every single one of those cases,
22 there were multiple at-home vehicles, as we call them.
23 The core in each and every one of those cases said you
24 get one.

25 THE COURT: Now, in this case you have multiple

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1 policies, or all the vehicles are covered under one
2 policy?

3 MR. DOMIN: State Farm, in its business practice,
4 writes one car per policy. So each one of the cars is
5 a separate policy.

6 THE COURT: All right. Got you. Go ahead.

7 MR. DOMIN: Your Honor, I'm actually going to
8 turn the challenge back on Mr. Utsey. I have done the
9 research, and I don't think I can find a single
10 appellant case in a published opinion in South
11 Carolina, whether that be district court or court of
12 appeals or supreme court, where someone has been in a
13 vehicle that is not owned by a family member and they
14 have recovered more than one policy. I hunted high
15 and low to find such a case, and I was not able to.

16 Let's talk briefly about the cases that the
17 plaintiff relies on that they argue support their
18 position. The most recent and important they argue is
19 the Rhoden decision, which is a 2012 decision. So it
20 is important to understand what Rhoden is, and what it
21 is not. Rhoden involved three injured parties: A mom
22 and two daughters. They lived together. They were
23 all resident relatives. They were involved in an
24 accident in a vehicle that had zero underinsured
25 motorist coverage. It is an optional coverage. The

1 owner of that vehicle declined to get underinsured
2 motorist coverage on that vehicle.

3 THE COURT: The insured was not a family member?

4 MR. DOMIN: All of those people were related
5 family members.

6 THE COURT: No. But the car involved in the
7 accident, that did not have UIM, who owned it?

8 MR. DOMIN: The family members. She was the
9 owner of the vehicle, she was an injured party and she
10 happened to be a passenger.

11 THE COURT: Got you.

12 MR. DOMIN: So, in the Rhoden case, you have
13 another rule that comes into play that the Court is
14 analyzing. If you look at 38-77-160, the sentence
15 before the one I underlined says: The policy shall
16 provide that the insured, or named insured, is only
17 protected to the extent of coverage he has on the
18 vehicle involved in the accident.

19 This became known as the Mooneyham Rule, because
20 that was the most prominent case in which this part of
21 the statute applied. As Mr. Utsey made a passing
22 reference to it, it is supposed to protect against the
23 idea that I've two cars, I'm only going to get
24 insurance on one, and I'll get this portable
25 underinsured motorist to follow me all around. The

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1 legislature already said, when it drafted this
2 statute, oh, so many years ago, that that is not what
3 they wanted. So if you are driving your vehicle that
4 you chose to have zero insurance -- underinsured
5 coverage, you can't go at home and stack or collect
6 portable coverage, whichever you want to call it, from
7 an at-home policy.

8 So this Mooneyham Rule was generally thought to
9 be applicable, not only to you, but to resident
10 relative members in your household, such as children
11 and your wife, who did not make the decision to
12 decline insurance on the involved vehicle. What
13 Rhoden did, and it was a big decision in terms of
14 being earth shattering and different than what many
15 folks thought it was, they said, no, we will penalize
16 the one person who made the decision not to have
17 insurance coverage on that involved vehicle, but we're
18 not going to penalize the other two people in the car.
19 So we're going to penalize the owner who made that
20 decision not to have coverage, but the other two
21 people in the car should not be limited by this
22 Mooneyham Rule. They should not be restricted to
23 zero, because that is what the insurance company said,
24 well, you were in a car with zero, so you get zero.
25 In Rhoden, the owner of the car got nothing. She made

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1 a decision not to have underinsured. She couldn't go
2 to those at-home policies. The two other people in
3 the car did get recovery.

4 Now, I think it is apparent why that case is very
5 different than the present case. Fundamentally,
6 Rhoden was a case where the insured family had a
7 vehicle involved in the accident. It was a different
8 rule that was being addressed. The Mooneyham Rule was
9 addressed by the Rhoden decision. This is a different
10 section of the statute. This is a different rule.
11 This is the involved vehicle rule that you must have a
12 vehicle involved in the accident.

13 The other two cases that are cited by the
14 plaintiff do not involve cases where there was not a
15 family-owned vehicle in the accident -- I did a double
16 negative there. So in those cases, the Nakatsu case,
17 as well as the Hogan case, which they cite, there was
18 a family member vehicle involved in those accidents,
19 but those involved a different thing that insurance
20 companies used to write in their policies, and the
21 Court many years ago said you can't do it. They said
22 if you have insurance through one company, like State
23 Farm, if you have at-home coverage through Allstate,
24 when Allstate is the at-home coverage, they say we're
25 not going to pay you if the car involved in the

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1 accident was a State Farm car, we'll only pay if it
2 was an Allstate car. The Court in Nakatsu and Hogan
3 said, No, that is not right. If you have a vehicle
4 involved in the accident, whether they are insured by
5 the same insurance company or different companies,
6 that doesn't change the rules. It would violate
7 public policy to say you can't go with a different
8 insurance company for a different car.

9 So those do not support the plaintiff's position
10 either. On the other hand, as I noted, there are a
11 number of cases which I would submit to you are
12 directly on point. They don't involve necessarily a
13 child or -- some involve a death, some don't.
14 Different factual situations, but, fundamentally, each
15 and every one of them involve a situation where the
16 injured party is not occupying a vehicle that anyone
17 in their family owns.

18 So one of the very first one is Garriss. There
19 are two guys in a work truck. Their employer owns the
20 work truck. They first try to stack their employer's
21 policy, which has 17 vehicles on it, and the Court
22 deals with that. That is not important to our
23 discussion. But then they go to the men's at-home
24 policies, and each of the men had more than one
25 vehicle at home. But the Court specifically said,

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1 We're not going to let you stack more than one
2 vehicle; we're only going to let you stack one. In
3 fact, I put a specific quote in there, direct quote,
4 saying: Recovery here is limited to the extent of
5 coverage on one vehicle with the underinsured
6 coverage.

7 THE COURT: Now, in that case, were both men the
8 owners of the policy, or just named insureds? I mean,
9 to me, it seems to be a distinction over -- I have to
10 read these cases. But based upon your arguments,
11 there seems to be a distinction as to whether or not
12 the insured has an option to get the coverage that the
13 insured, you know, is being limited by.

14 MR. DOMIN: So in the Rhoden decision, when we're
15 dealing with the Mooneyham Rule, you are absolutely
16 right, it makes a difference whether you are the
17 person that made the decision or not. But that's not
18 true of any cases for the Involved Vehicle Rule.
19 Because, keep in mind, here, the claimant family, they
20 put underinsured on all of their vehicles.

21 THE COURT: Is there a case out there where you
22 have a named insured, who is not the owner of the
23 policy, if you will, or the person who took out the
24 policy, is limited to recovery under one policy where
25 they are injured in a vehicle that is not theirs or

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1 don't have a family owned vehicle involved in the
2 wreck?

3 MR. DOMIN: Yes. Yes. I don't think that makes
4 a difference, but if you look through the details of
5 the cases, you will see -- for example, I recall and
6 wrote enough information in my brief that in the
7 Wanamaker case, the deceased was the daughter. She
8 died. The father was the named insured on the policy,
9 and as to the issue of stacking, they said they are
10 not going to allow stacking because none of the
11 insureds' vehicles were involved in the wreck.

12 THE COURT: What case is that?

13 MR. DOMIN: The Wanamaker case. I can't speak
14 for several of the other cases, but Concrete Services,
15 I believe, also involved -- when they were in a
16 company vehicle, and the twist in that case is that
17 the company was actually a family company. Concrete
18 Services was owned by this family, and the vehicles
19 were titled in the name of the company. So, there,
20 the person that got injured was only able to go back
21 for one policy. I would have to go back and look at
22 the other cases to see whether they involved a person
23 -- whether the injured party was the named insured or
24 not the named insured. However, the rule about not
25 penalizing someone under the Rhoden case, and this

1 rule is premised on different ideas. It would be very
2 strange to say that the named insured could recover,
3 even if they didn't have a vehicle involved in the
4 accident, but that their daughter, son, grandson could
5 not.

6 THE COURT: I think it is the flip side. I think
7 what you are -- I think the Rhoden case said....

8 MR. DOMIN: Either one would be the same. If you
9 are covered by underinsured motorist coverage, all of
10 the people are equal -- if you are the policyholder,
11 your spouse is covered, your children are covered.
12 They are covered automatically; they are insured. You
13 bought the coverage, the only question is do you get
14 one policy, or do you get multiple policies?

15 It is unclear to me why we would let the
16 grandchild or the child or the wife get three
17 policies, and say the named insured, you only get one.
18 It makes sense in the Rhoden case because we're
19 talking about a different rule, which is the rule that
20 we don't want to let some guy or gal get away with not
21 buying coverage on one of their vehicles and only
22 putting it on the other vehicle, because that is
23 gaming the system. You are only paying for one
24 premium and you are getting the benefit.

25 So there is a sense of stopping a named insured

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1 from, quote, gaming the system, if they don't have
2 coverage on the involved vehicle. The Court in Rhoden
3 said we won't penalize these other people. But this
4 rule is premised on a different concept. This is
5 premised on a concept that if you don't have a vehicle
6 involved in the accident, you only get to claim the
7 one.

8 So, Your Honor, I would have to go back and look,
9 as I understand, and you will as well, to see whether
10 there are different scenarios involving both named
11 insureds, as well as none -- I know at least one of
12 the cases would have a situation where you have
13 someone other than the named insured who is limited to
14 just the one policy.

15 With due respect, if you have six, seven cases
16 over 35 years that say you only get one. If Rhoden
17 wanted to overrule it, it would have said so. It
18 would have said we are overruling those cases. It did
19 not in any way suggest it was overruling that strand
20 of cases. Even after Rhoden was decided, Judge Gergel
21 decided in his federal court case in 2017, found that
22 there was only one. You can only get one. The
23 insurance company could validly restrict recovery to
24 only one.

25 THE COURT: Judge Gergel, that's not an appellant

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1 decision?

2 MR. DOMIN: It is not. It is only district
3 court. It's only persuasive authority to you.

4 THE COURT: All right.

5 MR. DOMIN: Now, there has been a lot of talk
6 about how this is not a stacking case, it is a
7 portability case. Obviously, they want to do that
8 because there is language in Rhoden that talks about
9 portability. I have already said State Farm doesn't
10 dispute the portability concept that the policies walk
11 around with you like a jacket, but it is a question of
12 how many you may get.

13 In Burgess versus Nationwide, which is the case
14 they cited to differentiate stacking from portability,
15 they define stacking. Stacking is defined as the
16 insured's recovery of damages under more than one
17 policy until all his damages are satisfied, or the
18 limits of all available policies are met. That is
19 what they are doing here. They are saying we want
20 more than one policy, so once you move beyond one
21 policy, that is stacking, and the stacking rules
22 apply.

23 Again, Mr. Utsey is a good lawyer advocating for
24 claimants, and I enjoy the novelty of his argument,
25 but there is very consistent treatment among the

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1 insurance companies, and there are claims that are
2 settled every single day and they are not paying these
3 at-home coverages if there is no involved vehicle
4 involved in the accident. Maybe Mr. Utsey and his
5 client would be the first, but that is not supported
6 by the appellant case law. You would be making new
7 law that I, respectfully, would suggest would be
8 contradicting 35 years of established authority.

9 THE COURT: Thank you. Anything in reply?

10 MR. UTSEY: Yes, sir. And I'll try to make it
11 brief. I'll start where he was winding up with the
12 stacking definition. First of all, I would submit to
13 the Court that if you read the entire body of law, you
14 see there is an important defining point in this juris
15 prudence that happens when the Burgess case is
16 decided, and subsequently when the Rhoden case is
17 decided, because those are the first times that the
18 Court truly focused on the apparent conflict between
19 stacking rules and portability rules.

20 There are some older cases from the '80s and
21 whatnot that Mr. Domin has cited that he thinks are
22 arguably supporting his position with regards to the
23 courts refusal to allow recovery under at-home
24 policies, but I would suggest to the Court that when
25 you read those, you will see that the courts at that

1 time were addressing those entirely as stacking
2 questions, and the argument had not really been made
3 about portability. That is why we had the Burgess
4 case. If you read the run-up to the Burgess case, you
5 see that the insurance company is basically making the
6 same argument they are making here. This is stacking
7 stuff and you have always said you can't stack, and
8 whatnot. That is when the Court made this important
9 distinction between portability and stacking.

10 While the Court there did not allow recovery
11 under that at-home policy, again, it was because the
12 insured on the vehicle that was involved in the
13 collision, and it didn't have the coverage. So there
14 was no public policy implicated that would allow him
15 to recover. But you take that the next step to
16 Rhoden, and that is where we end up.

17 Now, the stacking definition from Rhoden only
18 partially answers the question, because you need to
19 have both the stacking definition and the portability
20 definition to decide this case, and that is why Page 4
21 of our brief we gave you the quote from the Nakatsu
22 case, which was a post-Burgess case, that discusses
23 Burgess. Even though it was a court of appeals
24 decision, in Carter versus Standard, the supreme court
25 endorsed -- it didn't affirm the holding, but it

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1 agreed with the court of appeals holding in Nakatsu.
2 So I think it is valid to say it is a proper
3 explanation of the Burgess holding.

4 What the Nakatsu court said is this: Stacking is
5 only allowed if the insured has the specific type of
6 coverage on the vehicle involved in the accident.
7 Clearly, not our case here. On the other hand,
8 portability refers to a person's ability to use his
9 coverage on a vehicle not involved in an accident as a
10 basis for recovery for damages sustained in this
11 accident. That is why we say this is a portability
12 case.

13 We go from there, Your Honor, to the Rhoden case.
14 Under the analysis portion of the supreme court's
15 decision, this is the first thing it says: The court
16 of appeals determined that public policy is offended
17 by a limitation on UIM portability when applied to
18 resident relatives, like Rhoden and Dickey, who do not
19 involve -- own the vehicle involved in the accident.

20 Exactly what we got. We agree. That was the
21 holding of the Rhoden case.

22 So you get to this question that I submit has not
23 been answered in light of those holdings, and that is:
24 Can we get that portability under multiple policies,
25 like State Farm has here? Rhoden involved a

1 Nationwide policy that insured multiple vehicles. It
2 is interesting because nowhere in that decision does
3 the Court say we're going to allow Dickey to recover
4 under the Nationwide policy, but we're only going to
5 limit Dickey to one coverage. So one inference you
6 could draw from that is if they intended to limit
7 Dickey's ability to recover this portable coverage to
8 only one vehicle, they would have said it, and they
9 didn't. I suppose the opposite inference could be
10 drawn and say, well, because they didn't comment on
11 it, they didn't rule on it. I think that leaves this
12 very question open.

13 So the question, from our perspective, is this:
14 We have multiple policies that are portable and
15 applicable to Mr. Cox. Under what circumstances
16 should the fact that Mr. Cox has multiple portable
17 policies available to him allow the insurance carrier
18 that has one of those policies to deny that coverage?
19 Again, Mr. Domin has relied on 38-77-160, which we
20 believe, based on the Burgess and Nakatsu case, the
21 courts have said we'll apply the stacking situation,
22 not a portability situation.

23 I would go to a step further to the extent that
24 there is some language in there that Mr. Domain is
25 relying on with regard to the argument that you have

1 to have a vehicle involved in order to get multiple
2 coverages, that applies when you have one policy with
3 multiple vehicles. In other words, he used the
4 analogy if I walked out of here and got hit as a
5 pedestrian, and I have multiple vehicles insured under
6 my policy at home, I could only get one of those.
7 That would appear to be consistent with the statute.
8 But what it doesn't address is a situation, like in
9 case, where Mr. Cox is insured by multiple policies at
10 home, each of which is personal and portable to him.

11 I'll give you an example to flesh this out, or an
12 analogy. Instead of the grandparents having three
13 policies with State Farm, as they do in this case,
14 let's pretend that one was with State Farm, one was
15 with Nationwide and one was with Allstate. And State
16 Farm, as they did in this case, had paid the
17 grandmother's policy in underinsured coverage. We
18 would then go to Allstate and Nationwide and say,
19 okay, your UIM coverage is personal and portable.
20 Every case says this. To the extent you say it is
21 not, the Rhoden case says public policy is offended by
22 any limitation in UIM portability when applied to
23 Mr. Cox as a resident relative who doesn't own the
24 vehicle involved, so you need to pay your coverage.

25 To accept State Farm's argument, you would be

1 saying Allstate and Nationwide could say, well, we
2 lucked out, State Farm had coverage, and they paid
3 you, so now we can walk away scott free. We don't owe
4 you the money. The only thing different in that
5 situation and this situation is that Mr. Cox, who had
6 no input as to who would provide UIM under his
7 grandparents' policies, is left with a situation where
8 each of those policies was issued by State Farm and
9 not by different insurance companies. That should not
10 change the public policy of this state, as far as his
11 ability to recover the personal and portable UIM
12 coverage.

13 That's all I have. Thank you.

14 THE COURT: All right. Anything in follow-up?

15 MR. DOMIN: He makes a very interesting analogy,
16 these are three separate policies, one by State Farm,
17 one by Nationwide and one by Allstate. Under South
18 Carolina law, under prevailing policy language common
19 to most insurance companies, they all say you can only
20 collect your one highest. You go collect your one
21 highest, and then those insurance companies prorate it
22 in the background and do contribution claims between
23 one another to make certain that they are only paying
24 out one policy. So no one is getting off scott free,
25 but by the same token, you don't get triple the

1 insurance by going to three different companies, and
2 you don't get triple the insurance by having three
3 different cars on three different policies.

4 THE COURT: You are saying if you had three
5 different companies, three different UIMs, he could
6 only recover under one, under a prorated scale?

7 MR. DOMIN: That is correct. And, for certain,
8 there have been cases where one insurance company
9 doesn't know about the other one, but that is a common
10 scenario where you have certain vehicles insured by
11 one company. But if there is only recovery allowed
12 against one, that is appropriate. I'm also going to
13 say --

14 THE COURT: Wait a minute. I'm talking about is
15 there a situation where a person can collect three UIM
16 coverages under three separate policies issued by
17 three separate companies?

18 MR. DOMIN: The companies can voluntarily pay it
19 by not understanding the law, but, no, that is not
20 supported by South Carolina law, and it is not
21 supported by the policy language that is common to
22 most insurance companies. The Putnum case -- the
23 supreme court case of Putnum said insurance companies
24 can write a policy that provides greater coverage than
25 that required by South Carolina law, as it relates to

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1 this involved vehicle question. Because the court of
2 appeals said you can't even write a policy that would
3 do that. Putnum supreme court opinion said that goes
4 a little bit too far. If an insurance company wants
5 to write a policy, give more coverage, it can. And I
6 have seen some situations where policies written to
7 another company might say you can recover one of our
8 policies, but for the most part, you are only supposed
9 to recover one policy, and the question to Your Honor
10 is whether the State Farm policy provision violates
11 public policy. No, it does not. It is consistent
12 with what was decided by the supreme court in those
13 six or so cases where they decided to limit the person
14 to just one coverage.

15 As it relates to the issue of multiple policies
16 under one company, i.e., State Farm has written three
17 cars, three policies, I can submit that when you go to
18 the Wanamaker case, there were two separate policies.
19 They only got one. In the Sackash case, the State
20 Farm in front of Judge Gergel, there were two
21 policies, each with a hundred thousand; only got one.

22 Some of these other cases do involve situations
23 where one vehicle -- sorry, multiple vehicles were
24 written under one policy, and those are Garris, Pena
25 and Fireman's Company versus State Farm. But the

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1 Carter versus Standard Fire addressed this issue by
2 saying, and I quote, The fact that the involved
3 vehicle was insured by a separate insurance company
4 than the insurance company insuring the at-home
5 vehicles is insignificant under the typical stacking
6 analysis.

7 So the Court said in that context it doesn't
8 matter whether there are multiple different insurance
9 companies. And in a slightly different stacking
10 context in the Elzer versus USAA case, they similarly
11 said that it doesn't matter the number of policies
12 that are issued. So there have been several decisions
13 of the court where they said it doesn't matter if
14 State Farm writes one policy per car, and some other
15 insurance company writes three cars under one policy.

16 THE COURT: All right. I'm going to have to read
17 these cases. If each side will submit a proposed
18 order that -- the plaintiff's will be granting
19 plaintiff's motion for summary judgment, denying
20 defendant's, and vice versa.

21 I was not aware -- I'm just not that educated on
22 insurance law, but I do need -- I think it does make a
23 difference if state law limits a person to one UIM
24 coverage when it's written by multiple companies. In
25 other words, as I understood Mr. Domin's argument, and

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1 I was not aware of this, if you got three policies,
2 three separate companies, three UIM coverages, one
3 company -- that it is prorated to some extent. You
4 can't get the policy limits under each policy. I
5 wasn't aware that was law.

6 MR. DOMIN: To be clear, the Putnum case says
7 those other companies can write it so that you can
8 recover all of them. So there is no law that says
9 that.

10 THE COURT: But, I mean -- okay. So what is your
11 argument where you said that they could not -- when
12 Mr. Utsey gave me the example, you said that is not
13 true, they can't recover under all three.

14 MR. DOMIN: All three insurance companies
15 typically do not pay because they all have the same
16 comparable provision as State Farm saying you can only
17 get your one highest, you only get one.

18 THE COURT: Even if it is from another?

19 MR. DOMIN: There is nothing in State Farm's
20 language at all that says whether it makes a
21 difference if it is Allstate, Nationwide. It just
22 says if you are in a vehicle, you can only get your
23 one highest. But, you know, again, an insurance
24 company can certainly write broader coverage than
25 that, and the Putnum case says they can. The Putnum

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1 supreme court case says they can. So I want to be
2 certain.

3 THE COURT: So even under this policy, if the
4 grandmother's policy, say, if it was Nationwide, State
5 Farm would say under this exclusion, you can't stack
6 this UIM coverage because you already collected UIM
7 from Nationwide?

8 MR. DOMIN: State Farm would say that, yes.

9 THE COURT: All right. Well, just submit your
10 proposed orders.

11 MR. UTSEY: Do you want me to comment? I'm
12 trying to respect --

13 THE COURT: As I understand, you are saying that
14 is not right, and he is saying that is right.

15 MR. UTSEY: And I think what he is saying, and
16 correct me if I'm wrong, we have a pretty open
17 academic dialogue about this without a lot of
18 argument, acrimony, I guess.

19 He's correct that there are some circumstances
20 where insurance companies take that position. I'm not
21 aware of a court case that says that is the right
22 position. He is also suggesting there are times where
23 those multiple carriers might pay that coverage
24 anyway, and as I understand his application of the
25 Putnum proposition, it is he's concluding they must do

1 that because consistent with the Putnum case, they are
2 providing greater coverage than required to provide.

3 Our response is to conclude that Putnum resulted
4 in that is begging the question. Our position is the
5 reason they are doing that is because the law required
6 them, not because they are giving something greater
7 than the law.

8 But back to your original question, the Putnum
9 case doesn't say that there is only one policy
10 applicable, even if there are multiple carriers. The
11 Putnum case just talks about the general proposition
12 that a carrier can provide greater coverage than that
13 required by law, but doesn't answer the question of
14 what does the law require in the first instance.

15 MR. DOMIN: I agree largely with what he said, in
16 that regard. We characterize it a little differently,
17 but, yeah, there is no statute or case that says you
18 are absolutely prohibited from recovering against
19 multiple different companies. In fact, sometimes
20 companies pay claims they don't owe, but, you know, I
21 stand --

22 THE COURT: But, I mean, like I say, I have to do
23 more in-depth research. I was of the impression that
24 this State Farm policy said you can't collect multiple
25 UIM coverages under multiple State Farm policies?

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1 MR. DOMIN: It certainly says you cannot collect
2 multiple State Farm policies, period.

3 THE COURT: But your argument here is that that
4 exclusion doesn't apply just to State Farm policies,
5 State Farm's position is you can't collect multiple
6 UIM coverage, regardless of the number of policies?

7 MR. DOMIN: That would be State Farm's position
8 that that is the case, yes. Yes.

9 THE COURT: All right. I follow you, then.

10 MR. UTSEY: How soon do you want those proposed
11 orders, Your Honor?

12 THE COURT: You all tell me. I don't have to do
13 anything --

14 MR. UTSEY: We have the convention next week I
15 have to attend, and I'm starting a trial. I hate to
16 ask for 30 days, because I think I can get it much
17 more quickly than that, but with the trial and this
18 convention, I would like to get a little longer than
19 ten days.

20 THE COURT: Well, the fact of the matter is that
21 I have to file a report with Court Administration of
22 everything that is under advisement for longer than 30
23 days. Can we cut it to, like, 20?

24 MR. UTSEY: Yes, sir.

25 THE COURT: So just get it to me within 20 days.

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1 And I think -- it is not a problem if it goes past 30,
2 because I might get your order and not be able to get
3 a decision within ten days, but I use that as a
4 checker. Thank you.

5 (Whereupon, the proceedings concluded.)
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1 CERTIFICATE OF REPORTER

2 State of South Carolina)

3 County of Georgetown)

4

5 I, Natalie Dahl, Official Court Reporter for the

6 State of South Carolina, do hereby certify that the

7 foregoing is a true, accurate and complete Transcript

8 of Record of the evidence introduced in the hearing of

9 the above-captioned case, relative to appeal, in the

10 Court of Common Pleas for Georgetown County, South

11 Carolina, on the 26th day of July, 2019.

12 I do further certify that I am neither of kin,

13 counsel, nor interest to any party hereto.

14

15 January 18, 2020

16

17 _____

18 Natalie Dahl, RPR

19 Court Reporter

20

21

22

23

24

25

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF GEORGETOWN	)	C/A No.: 2018-CP-22-00869
April Brooke Cox, as Personal Representative	)	
of the Estate of Elijah Cox, deceased,	)	
	)	
Plaintiff,	)	
	)	
v.	)	NOTICE OF MOTION AND
	)	MOTION TO ALTER OR AMEND
State Farm Mutual Automobile Insurance	)	
Company and Glen Bauer, Jr.,	)	
	)	
Defendants.	)	
	)	

TO: DEFENDANT STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY
AND ITS ATTORNEY:

PLEASE TAKE NOTICE that, pursuant to Rule 59(e), SCRCP, the Plaintiff hereby moves this Honorable Court to alter or to amend its Order dated September 24, 2019 (the "Order") which granted Defendant State Farm Mutual Automobile Insurance Company's ("State Farm's") Motion for Summary Judgment and denied Plaintiff's Motion for Summary Judgment.

Specifically, Plaintiff asks the Court to alter the Order so as to deny State Farm's motion and grant Plaintiff's motion or, in the event it is unwilling to change its ruling, to amend the Order to make specific findings and conclusions with respect to the issues and arguments raised by Plaintiff in opposition to the motion (including those summarized below).

This motion is based on the following grounds:

1. The Order failed to distinguish accurately between stacking and portability. Instead, it simply mentioned that Plaintiff relies upon portability rules and then recited a stacking definition from *Burgess v. Nationwide Mut. Ins. Co.*, 373 S.C. 37 n. 1, 644 S.E.2d 40 n. 1 (2007), a case that did not involve the issue presented in this case. Order, pp. 9-10.
 - a. If the quoted definition of stacking were applied as it was in the Order, the effect would be to overrule all cases in which an insured passenger has been allowed to recover UM or UIM coverage from the vehicle in which he was traveling as well

as UM or UIM coverage from another policy under which he was insured. *See* S.C. Code Ann. § 38-77-30(7) (1976, as amended) (guests in motor vehicles are insureds); *Burgess*, 373 S.C. at 42, 644 S.E.2d at 42 (“Essentially [in purchasing at-home UIM coverage], the insured is buying insurance coverage for situations, as where he is a passenger in another's vehicle”)

- b. Instead, recovery in such cases has been permitted under the concept of portability, an outcome with which State Farm appears to agree. Here, it conceded Plaintiff could recover under multiple policies by tendering UIM limits under the GMC Policy although Plaintiff had previously recovered UIM coverage under the Travelers policy. Stipulation, ¶¶ 11, 17.
- c. In deciding to apply stacking rules in this case, the Order failed to mention one of the cases Plaintiff primarily relied upon, *Nakatsu v. Encompass Indem. Co.*, 390 S.C. 172, 700 S.E.2d 283 (Ct. App. 2010), much less to distinguish its holding. There, the Court of Appeals clarified the frequently confused concepts of stacking and portability as follows:

Burgess, as the opinion notes, did not involve stacking; it involved portability. *These are two distinct concepts.* Stacking is only allowed if the insured has the specific type of coverage on the vehicle involved in the accident. On the other hand, *portability refers to a person's ability to use his coverage on a vehicle not involved in an accident as a basis for recovery of damages sustained in the accident.*

Id. at 181, 700 S.E.2d at 288 (emphasis added).

2. Pursuant to the public policy of the State of South Carolina, UM and UIM coverages are personal to an insured and are portable; that is, they follow the insured individual rather than the insured vehicle. *Burgess*, 373 S.C. at 41, 644 S.E.2d at 42. State Farm's policy language, as sanctioned by the Order, prohibits portability of UIM coverage to a resident relative insured, which is contrary to public policy. There is no countervailing public policy that validates State Farm's denial of UIM coverage here.
3. The Order should not have relied upon S.C. Code Ann. § 38-77-160 (1976, as amended) as a basis to find State Farm's policy language is consistent with public policy. That statute does not govern the resolution of portability issues. *Burgess*, 373 S.C. at 41-42, 644 S.E.2d at 42 (“Neither § 38-77-160 nor our prior decisions decide the issue presented here: Is public policy offended by an automobile insurance policy provision that limits basic UIM portability when an insured is involved in an accident while in a vehicle he owns, but does not insure under the policy?”); *accord Rhoden*, 398 S.C. at 400, 728 S.E.2d at 480 (“As we stated in *Burgess*, section 38-77-160 does not apply in a non-stacking case such as this[.] ... In *Burgess*, we decided a non-stacking case by considering the public policy that UIM is personal and portable rather than looking to section 38-77-160.”) (footnote omitted).

4. The Order failed to address Plaintiff's arguments based upon *Hogan v. Home Ins. Co.*, 260 S.C. 157, 194 S.E.2d 890 (1973).
5. The Order erroneously distinguished *Nationwide Mut. Ins. Co. v. Rhoden*, 398 S.C. 393, 728 S.E.2d 477 (2012) based upon the conclusion that *Rhoden's* holding allowing the passenger-claimants to recover at-home UIM coverage hinged on the fact that the involved vehicle was an "insured vehicle" with respect to those claimants because their family member owned it. Order, p. 9 ("*Rhoden* did not state that stacking (or portability) would be allowed in a situation where no insured vehicle is involved in the accident. That question was not considered because there was a family member's vehicle involved in the accident.>").
 - a. More accurately, the *Rhoden* court's distinction regarding ownership of the involved vehicle was the predicate for its finding that public policy supported a denial of the owner-claimant's UIM claim because she had rejected UIM on the involved vehicle. *See also Rhoden*, 398 S.C. at 401, 728 S.E.2d at 481 ("Having' a vehicle involved in the accident [for purposes of a stacking analysis] reasonably implies ownership of the vehicle.>").
 - b. That the vehicle was owned by a family member had nothing to do with *Rhoden's* holding that the non-owners could recover UIM coverage. Rather, the passenger-claimants were allowed to recover at-home UIM based upon portability principles because – like Plaintiff's decedent – they *did not own* the involved vehicle, not because they had a familial relationship with its owner. *Id.* at 402, 728 S.E.2d at 482 ("[W]e hold South Carolina's public policy that UIM coverage is personal and portable requires UIM coverage to be provided to *Rhoden* and *Dickey*, who did not own the vehicle involved in the accident....").
6. The Order should not have relied upon *Garris v. Cincinnati Ins. Co.*, 280 S.C. 149, 311 S.E.2d 723 (1984), *State Farm Mut. Auto. Ins. Co. v. Wannamaker*, 291 S.C. 518, 354 S.E.2d 555 (1987), *Fireman's Ins. Co. v. State Farm Mut. Auto. Ins. Co.*, 295 S.C. 538, 370 S.E.2d 85 (1988), and *National Gen. Ins. Co. v. Pena*, 308 S.C. 521, 419 S.E.2d 375 (Ct. App. 1992). These cases pre-dated *Burgess*, *Nakatsu*, and *Rhoden*. Moreover, the courts in those cases simply addressed the recoverability of at-home UM or UIM coverage as a question of stacking. It does not appear the parties in those cases argued nor did the courts address the question of portability as presented in this case. At the time those cases were decided, our appellate courts had not yet fully explained the public policies supporting portability of UM and UIM coverages and the distinctions between portability and stacking, which they accomplished in the more recent *Burgess*, *Nakatsu*, and *Rhoden* decisions.

This motion shall be based upon the record herein, the parties' stipulation of facts, such other matters as may be provided to the Court prior to any hearing hereon, the applicable law and rules of civil procedure, and the arguments of counsel.

Fred W. Riesen, III
SC Bar No. 71084
RIESEN DURANT LLC
613 Longpoint Rd. Suite 100
Mt. Pleasant, SC 29464
843-800-0809
trip@riesendurant.com

and

PETERS, MURDAUGH, PARKER,
ELTZROTH & DETRICK, P.A.

By: s/ Bert G. Utsey, III

Bert G. Utsey, III
SC Bar No. 10093
P.O. Box 30968
Charleston, SC 29417
(843) 818-4399
butsey@pmped.com

Attorneys for Plaintiff

October 1, 2019
Charleston, South Carolina

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM GEORGETOWN COUNTY
Court of Common Pleas

Benjamin H. Culbertson, Circuit Court Judge

Appellate Case No. 2020-000034

April Brooke Cox, as Personal Representative
of the Estate of Elijah Cox, deceased,

Appellant,

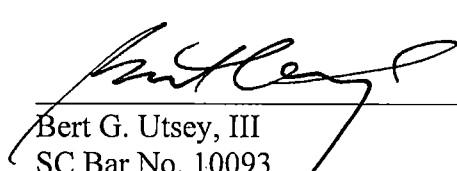
v.

State Farm Mutual Automobile Insurance
Company and Glen Bauer, Jr.,

Respondents.

CERTIFICATE OF COUNSEL

I certify that the RECORD ON APPEAL contains all material proposed to be included by
any of the parties and not any other material.



Bert G. Utsey, III
SC Bar No. 10093
Post Office Box 30968
Charleston, SC 29417
(843) 818-4399
Attorney for Appellant

May 12, 2020
Charleston, South Carolina

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LAW OFFICES
PETERS, MURDAUGH, PARKER, ELTZROTH & DETRICK
PROFESSIONAL ASSOCIATION

JOHN E. PARKER
DANIEL E. HENDERSON
MARK D. BALL
RANDOLPH MURDAUGH, IV
RONNIE L. CROSBY
R. ALEXANDER MURDAUGH
BERT G. UTSEY, III
GRAHAME E. HOLMES
LEE D. COPE
MATTHEW V. CREECH
WILLIAM F. BARNES, III
LEAGUE B. CREECH
STEVEN D. MURDAUGH
AUSTIN H. CROSBY
NEIL E. ALGER
JOHN E. PARKER, JR.
CHELICI S. AVANT

706 ORLEANS ROAD, SUITE 101
CHARLESTON, SOUTH CAROLINA 29407
WWW.PMPED.COM
TEL: (843) 818-4399
FAX: (803) 914-6716
EMAIL: butsey@pmped.com

RANDOLPH MURDAUGH, SR.
(1887-1940)
RANDOLPH MURDAUGH, JR.
(1915-1998)
J. ROBERT PETERS, JR.
(1927-2008)
J. PAUL DETRICK
(1948-2016)
CLYDE A. ELTZROTH, JR.
(INACTIVE)
RANDOLPH MURDAUGH, III
(OF COUNSEL)

May 12, 2020

The Hon. Jenny Abbott Kitchings
Clerk of Court
South Carolina Court of Appeals
Post Office Box 11629
Columbia, SC 29211-1629

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RE: April Brooke Cox v. State Farm
Appellate Case No. 2020-000034

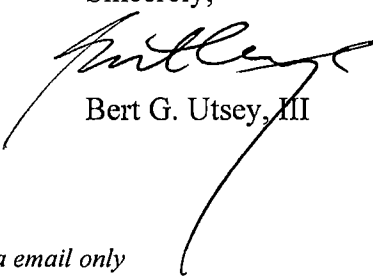
Dear Ms. Kitchings:

Enclosed are original and one copy each of the Record on Appeal, together with Proof of Service, in the above-referenced matter. Please file the originals, date stamp the copies and return same to me in the provided self-addressed stamped envelope for my file.

By copy to counsel, I am serving copies of the enclosed Reply upon the Respondents via email transmittal.

Thank you in advance for your kind assistance with the above request. If you have any questions or concerns regarding the enclosed, please advise.

Sincerely,


Bert G. Utsey, III

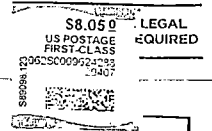
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cc: Timothy A. Domin, Esquire *via email only*
Fred W. Riesen, III, Esquire *via email only*

OTHER OFFICES: 101 MULBERRY STREET EAST, P.O. BOX 457, HAMPTON, SOUTH CAROLINA 29924 | TEL.: (803) 943-2111
690 NORTH GREEN STREET, P.O. BOX 2500, RIDGELAND, SOUTH CAROLINA 29936 | TEL.: (843) 726-6131
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ELIZROTH & DETRICK, P.A.
706 ORLEANS ROAD, STE. 101
CHARLESTON, SC 29407

TO:

The Hon. Jenny Abbott Kitchings
Clerk of Court
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