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S.C. SUPREME COURT

THE STATE OF SOUTH CAROLINA
In the Supreme Court

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

The Honorable Robert E. Hood, Circuit Court Judge

Appellate Case No. 2020-000439

Circuit Court Case No. 2019-CP-40-03702

United Services Automobile Association…….....Respondent,

v.

Belinda Pickens…….....Appellant.

RECORD ON APPEAL

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STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF RICHLAND	CIVIL ACTION NO: 2019-CP-40-03702
United Services Automobile Association, Plaintiff, v. Belinda Pickens, Defendant.	**ORDER**

The matter comes before the Court on cross motions for summary judgment filed by Plaintiff United Services Automobile Association (USAA) and Defendant Belinda Pickens. The Court held a hearing on the cross-motions on January 13, 2020. J.R. Murphy, Esquire appeared on behalf of USAA, and Terence Wise, Esquire appeared on behalf of Pickens. After reviewing the pleadings, motions, and memorandums and hearing the arguments of counsel, the Court GRANTS USAA's Motion and DENIES Pickens Motion.

UNDISPUTED FACTS

This declaratory judgment action involves the application of an excluded driver endorsement. USAA issued a personal auto policy to Pickens listing a 1997 Chevrolet as an insured vehicle. On May 1, 2008, Pickens executed an excluded driver endorsement titled "Voiding Automobile Insurance While Named Person is Operating Car," listing her son Kevin Simms[1] as an excluded driver. In doing so, she declared that Kevin had "obtained a policy of insurance (or other security) to enable [him] to drive vehicles." The excluded driver endorsement stated in pertinent part:

> In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is

[1] The excluded driver endorsement names "Kevin S. Pickens" as the excluded driver. The parties have agreed by a signed Stipulation and Agreement that both USAA and Pickens intended to exclude Kevin Simms.

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> hereby agreed that with respect to such coverage as is afforded under this policy, including any obligation to defend, the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

Moreover, the declarations page of the insurance policy stated: "***COVERAGES EXCLUDED WHEN ANY VEHICLE OPERATED BY KEVIN SIMMS ***." Thus, Pickens and USAA agreed that the coverage under the policy would not apply for claims arising when Kevin was operating a vehicle.

On March 10, 2016, Simms was operating the 1997 Chevrolet with Pickens as a passenger. Because the excluded driver endorsement was part of the policy on the date of the accident, Kevin was driving the vehicle without liability insurance at the time of the accident. While Kevin was driving with Pickens in the uninsured 1997 Chevrolet, a collision occurred with another uninsured motorist, John Doe, causing injury to Pickens. As a result, Pickens sought uninsured motorist (UM) coverage under the USAA policy.

Because the policy excluded coverage while Kevin was operating any vehicle, USAA filed this declaratory judgment. The parties admit Kevin was an excluded driver, that Pickens signed the named driver exclusion, and that Kevin was operating the insured vehicle at the time of the accident.

LAW

South Carolina's excluded driver statute provides in pertinent part:

> Notwithstanding the definition of "insured" in Section 38-77-30, the insurer and any named insured must, by the terms of a written amendatory endorsement, the form of which has been approved by the director or his designee, agree that coverage under such a policy of liability insurance shall not apply while the motor vehicle is being operated by a natural person designated by name. The agreement, when

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> signed by the named insured, is binding upon every insured to whom the policy applies and any substitution or renewal of it. However, no natural person may be excluded unless the named insured declares in the agreement that (1) the driver's license of the excluded person has been turned in to the Department of Motor Vehicles or (2) an appropriate policy of liability insurance or other security as may be authorized by law has been properly executed in the name of the person to be excluded.

S.C. Code Ann. § 38-77-340. Under the terms of the statute, the excluded driver endorsement is valid and enforceable where the form has been approved by the South Carolina Department of Insurance, the endorsement names the excluded driver, and the named insured declares that either the named driver has turned in his license to the DMV or has an appropriate policy of liability insurance. Each of these elements has been satisfied here.

The parties agree that the excluded driver endorsement was approved by the Department of Insurance pursuant to the requirements of S.C. Code Ann. § 38-77-340. The parties further agree that although the excluded driver endorsement lists "Kevin S. Pickens" as the driver to be excluded from the Policy's coverage, both USAA and Pickens intended to exclude "Kevin Simms." Finally, all parties agree that Defendant Pickens marked the box on the excluded driver endorsement indicating that Kevin Simms had obtained a policy of insurance that would enable him to drive. Thus, there is no genuine issue of material fact regarding the excluded driver endorsement's compliance with S.C. Code Ann. § 38-77-340.

Pickens argues that the incorrect name on the excluded driver endorsement invalidates the form because the statute requires the excluded person to be "a natural person designated by name." The parties admit that they intended to exclude Kevin Simms on the form. Therefore, any error in listing the excluded driver as "Kevin S. Pickens" instead of "Kevin Simms" is a mere mutual mistake. *See George v. Empire Fire and Marine Ins. Co.*, 344 S.C. 582, 590, 545 S.E.2d 500, 504 (2001) ("A mistake is mutual where both parties intended a certain thing and by mistake in the

drafting did not obtain what was intended."). Even if the mistake on the excluded driver endorsement were substantive, the Court would be required to reform the excluded driver endorsement to conform to the undisputed intent of the parties and read the endorsement to name Kevin Simms.[2] *Id.* ("A contract may be reformed on the ground of mistake when the mistake is mutual and consists in the omission or insertion of some material element affecting the subject matter or terms and stipulations of the contract, inconsistent with those of the parol agreement which necessarily preceded it."). Therefore, Pickens' argument regarding the mistake on the form has no merit.

Pickens also contends that the excluded driver endorsement only applies to liability coverage because the statute references "coverage under such a policy of liability insurance . . . ." S.C. Code § 38-77-340. After Pickens filed her summary judgment motion, the South Carolina Court of Appeals rendered its decision in *Nationwide Ins. Co. of America v. Knight*, 428 S.C. 451, 835 S.E.2d 538 (Ct. App. 2019), specifically rejecting the argument made by Pickens. Therefore, when the Excluded Driver Endorsement statute says coverage "shall not apply" under the policy while an excluded driver operates a vehicle, the exclusion applies to all coverages, not just liability coverage.

In *Knight*, the named insured signed an excluded driver endorsement naming her then-fiancé as an excluded driver. 835 S.E.2d at 539-40. After the policy was issued, her then-husband – the excluded driver – was operating his own motorcycle insured by another carrier when he was struck and killed by an underinsured motorist. *Id.* at 540. After collecting from the at-fault motorist's liability carrier and the motorcycle policy's UIM coverage, the estate sought to stack UIM coverage from the wife's policy.

[2] In their memorandum, Pickens admits: "We make no argument that Ms. Pickens did not intend to exclude her son, and we also do not argue that Kevin Pickens is a separate person intended to be excluded."

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Like Pickens here, the wife in *Knight* argued that the excluded driver endorsement could only apply to liability coverage because Section 38-77-340 uses the phrase "policy of liability insurance." *Id.* at 541. The Court of Appeals looked to similar defined phrases throughout South Carolina's insurance statutes and found that the phrase "policy of liability insurance" would not be limited to liability coverage. For example, South Carolina Code Section 56-9-20(5) defines the phrase "motor vehicle liability policy" as:

> An owner's or operator's policy of liability insurance that fulfills ***all the requirements of Section 38-77-140 through 38-77-230*** . . . .

S.C. Code Ann. § 56-9-20(5) (emphasis added). As the Court of Appeals held, "Section 38-77-160, referenced in the MVFRA definition, addresses the UIM coverage that may be purchased as 'Additional coverage' with the purchase of a motor vehicle liability policy." *Id.* at 542.

Likewise, UM coverage falls within those "requirements of Section 38-77-140 through 38-77-230." Specifically, South Carolina Code Section 38-77-150 states, "[n]o automobile insurance policy or contract may be issued or delivered unless it contains a provision . . . herein referred to as the uninsured motorist provision . . .." S.C. Code Ann. § 38-77-150. Thus, UM coverage is a necessary part of a "motor vehicle liability policy," as defined by statute. Additionally, Section 38-77-30(1) defines "automobile insurance" as "automobile bodily injury and property damage liability insurance, ***including medical payments and uninsured motorist coverage*** . . . ." S.C. Code Ann. § 38-77-30(1) (emphasis added). Uninsured motorist coverage is not sold as standalone insurance. Instead, it is part of a policy of liability insurance, and South Carolina's insurance statutes provide that it can only be offered up to the amount of liability coverage. S.C. Code 38-77-160. Thus, uninsured motorist coverage could not be offered as standalone coverage.

Like the insured wife in *Knight*, Pickens elected to exclude coverage under the USAA policy if her son drove any insured vehicle. In fact, this case is even more connected with the

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excluded driver form than the accident at issue in *Knight*. In *Knight*, the excluded driver was driving his *own* motorcycle insured under a *different* insurance policy, and he only sought to stack UIM coverage from other at-home vehicles. In contrast, Pickens was a passenger in the 1997 Chevrolet listed on the USAA policy at the time of the accident. Therefore, while there would have been liability coverage had an accident been caused by the excluded driver in *Knight*, there would have been no liability coverage had Kevin caused an accident while driving the 1997 Chevrolet. It certainly would not comport with public policy if Pickens were allowed to protect herself via UM coverage when she allows an excluded driver to operate her vehicle. Thus, the only way the public policy of 38-77-340 can be satisfied is by applying the excluded driver endorsement to all coverage under the policy.

South Carolina's public policy goal in the MVFRA is to require owners of vehicles to carry at least the minimum limits of insurance. *See* S.C. Code Ann. § 56-10-10 (requiring the owner of every vehicle registered in the State of South Carolina to maintain the security required by Section 56-10-20); S.C. Code Ann. § 56-10-20 (requiring policies "providing for at least (1) the minimum coverages specified in Sections 38-77-140 through 38-77-320 . . .."). In other words, the main goal of the MVFRA is to ensure that owners of vehicles purchase insurance for their vehicles that will protect the motoring public. By executing the excluded driver endorsement, the owner is relieved of his or her obligation to provide protection to the motoring public when the vehicle is operated by the named excluded driver. In exchange, the owner pays a lower premium. If the owner can pay a reduced premium and yet still protect herself as a passenger in the vehicle while operated by the excluded driver, then an owner has a perverse incentive to exclude all members of his or her household. It is a legal position that actually harms the public by incentivizing the exclusion of drivers to create lower premiums. The Court of Appeals in *Knight* read the statute in a way that promotes – rather than harms – the purpose of the MVFRA by holding that ***all*** coverages

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under the policy are not in effect while the vehicle is operated by an excluded driver. Because Kevin – an excluded driver – was operating the 1997 Chevrolet at the time of the accident, all coverages under the USAA policy were not in effect at the time of the accident.

Lastly, Pickens contends that uninsured motorist coverage is different because it is required coverage. However, liability coverage is also mandatory. The excluded driver statute specifically authorizes a policy to exclude mandatory coverage when the vehicle is operated by an excluded driver. *See Lincoln General Ins. Co. v. Progressive Northern Ins. Co.*, 406 S.C. 534, 547, 753 S.E.2d 437, 444 (Ct. App. 2013) ("[T]he named driver endorsement statute *is not inhibited by* the MVFRA's public policy because it constitutes separately approved public policy.") (emphasis in original) (internal citations omitted).

Defendant Pickens purposefully chose to sign the excluded driver endorsement and agreed that the coverage afforded under the USAA policy would not be in effect while a vehicle was operated by her son. The excluded driver endorsement "protects, in limited situations, the right of the parties to make their own contract." *Id.* (citation omitted). Therefore, the terms of the excluded driver endorsement must be applied according to their plain terms.

CONCLUSION

For the above-stated reasons, the Court GRANTS USAA's Motion for Summary Judgment and DENIES Defendant Pickens' Motion. There is no dispute in this case that Pickens signed the excluded driver endorsement to exclude coverage while Kevin Simms was operating a vehicle. All of the statutory requirements of § 38-77-340 have been satisfied. Moreover, it is undisputed that Kevin Simms was operating the 1997 Chevrolet listed on the policy at the time of the accident. Therefore, the policy provides that USAA "shall not be liable for damages, losses or claims" arising out of the accident, and USAA is entitled to a declaratory judgment that it does not owe any benefits under the Policy for any claims arising out of the March 10, 2016 accident.

IT IS SO ORDERED.

JUDGE'S ELECTRONIC SIGNATURE TO FOLLOW.

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Richland Common Pleas

Case Caption: United Services Automobile Association vs Belinda Pickens

Case Number: 2019CP4003702

Type: Order/Summary Judgment

So Ordered

s/ R.E. Hood #2164

FORM 4

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

JUDGMENT IN A CIVIL CASE

CASE NO. 2019CP4003702

United Services Automobile Association
PLAINTIFF(S)

Belinda Pickens
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), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled); ☐ Other

☐ **ACTION STRICKEN** (*CHECK REASON*): ☐ Rule 40(j), SCRCP; ☐ 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 for Summary Judgment is granted. Defendant's Motion for Summary Judgment is denied. Written order to be filed.

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 02/10/2020 .

NAMES OF TRADITIONAL FILERS SERVED BY MAIL

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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.

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Richland Common Pleas

Case Caption: United Services Automobile Association vs Belinda Pickens

Case Number: 2019CP4003702

Type: Order/Electronic Form 4

So Ordered

s/ R.E. Hood #2164

ELECTRONICALLY FILED - 2019 Jul 09 10:04 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF RICHLAND	CIVIL ACTION NO:
United Services Automobile Association, Plaintiff, v. Belinda Pickens, Defendant.	**SUMMONS**

TO: THE DEFENDANT ABOVE-NAMED:

YOU ARE HEREBY SUMMONED and required to answer the Complaint in this action, a copy of which is hereby served upon you, and to serve a copy of your Answer to the said Complaint upon the subscribers at 4406-B Forest Drive, Post Office Box 6648, Columbia, South Carolina 29260 within thirty (30) days after the service hereof, exclusive of the day of such service, and if you fail to answer the Complaint within the time aforesaid, Plaintiff(s) will apply to the Court for the relief demanded in the Complaint and judgment by default will be rendered against you for the relief demanded in the Complaint.

This the 9th day of July, 2019, in Columbia, South Carolina.

MURPHY & GRANTLAND, P.A.

s/Wesley B. Sawyer
Wesley B. Sawyer, Esquire (SC Bar #100229)
Murphy & Grantland, PA
4406-B Forest Drive (29206)
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Attorney for Plaintiff USAA

Columbia, South Carolina

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STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF RICHLAND	CIVIL ACTION NO:
United Services Automobile Association, Plaintiff, v. Belinda Pickens, Defendant.	**COMPLAINT** **(Declaratory Judgment)**

The Plaintiff seeks declaratory relief to determine the rights of the parties. Plaintiff, United Services Automobile Association ("USAA"), complaining of the Defendants above-captioned, would respectfully allege and show as follows:

PARTIES AND JURISDICTION

1. USAA is an insurance company organized and existing pursuant to the laws of the State of Texas with its principal place of business in the State of Texas. USAA is authorized to transact business and write insurance policies in the State of South Carolina.

2. Upon information and belief, Defendant Belinda Pickens is a citizen and resident of Richland County, South Carolina.

3. This matter is brought pursuant to Rule 57 of the South Carolina Rules of Civil Procedure and pursuant to the Uniformed Declaratory Judgment Act, South Carolina Code Ann. §§ 15-53-10 through 15-53-140; there is a real and justiciable controversy between the parties, and by these proceedings, Plaintiffs ask this Court to inquire into and declare the rights and obligations of the parties hereto arising out of the facts set forth below.

4. Venue is proper in Richland County pursuant to South Carolina Code § 15-7-30.

FACTUAL ALLEGATIONS

5. USAA issued a personal auto policy, Policy No. 01405 46 83U 7102 9, to Belinda Pickens with effective dates of November 1, 2015 to May 1, 2016. The policy provides an

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uninsured motorist ("UM") coverage bodily injury limit of $100,000 per person and property damage limit of $50,000 per accident. The policy lists a 1997 Chevrolet, VIN No. 2G1FP32K9V2142738, as an insured vehicle. A true and correct copy of the policy is attached hereto as Exhibit A.

6. Belinda Pickens executed a Policy Endorsement, entitled "Voiding Auto Insurance While Named Person is Operating Car" (hereinafter "the Excluded Driver Endorsement") effective May 1, 2008. This Excluded Driver Endorsement lists "Kevin S. Pickens" as an excluded driver under the policy. A true and accurate copy of the executed Excluded Driver Endorsement is attached hereto as Exhibit B.

7. Belinda Pickens declared on the Excluded Driver Endorsement that Kevin S. Pickens had obtained insurance or other security to enable him to drive vehicles.

8. The "Excluded Driver Endorsement" form was approved by the Director of the Department of Insurance or his designee.

9. On March 15, 2018, Belinda Pickens filed suit in the Richland County Court of Common Pleas styled as: Belinda Pickens v. John Doe, Civil Action No. 2018-CP-40-01474 (hereinafter the "Underlying Action"). The Complaint in the Underlying Action alleges that on March 10, 2016 Belinda Pickens was involved in an auto accident with an unknown driver while she was a passenger in a 1997 Chevrolet driven by "Kevin Simms."

10. Upon information and belief, the 1997 Chevrolet that the Complaint in the Underlying Action alleges Defendant Belinda Pickens was occupying at the time of the accident is the 1997 Chevrolet listed on the USAA policy – VIN No. 2G1FP32K9V2142738.

11. Upon information and belief, the "Kevin Simms" who the Complaint in the Underlying Action alleges was driving the 1997 Chevrolet at the time of the accident is "Kevin S. Pickens" listed on the Named Driver Exclusion.

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12. Upon information and belief Kevin Simms a/k/a Kevin S. Pickens is Defendant Belinda Pickens' son.

13. Defendant Belinda Pickens has made a claim for uninsured motorist benefits under the USAA policy for injuries and damages allegedly sustained in the March 10, 2016 accident.

FOR A FIRST DECLARATION

14. USAA repeats and re-alleges each and every one of the preceding paragraphs as if set forth verbatim herein.

15. The terms of the Excluded Driver Endorsement provide:

> In consideration of the continuation of this policy in force by the Company [USAA] at the rate applicable because of this endorsement, it is hereby agreed that with respect to such insurance as is afforded under the policy, including any obligation to defend, the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:
>
> KEVIN S. PICKENS

16. Upon information and belief, execution of the form satisfied all requirements of South Carolina Code § 38-77-340.

17. Pursuant to South Carolina Code § 38-77-340, "coverage under such a policy of liability insurance shall not apply while the motor vehicle is being operated by a natural person designated by name" who is listed as excluded by the "Excluded Driver Endorsement." Pursuant to South Carolina Code § 38-77-340, an excluded driver endorsement is binding upon any renewal of the policy.

18. At the time of the accident, Kevin S. Pickens was designated by name as an excluded driver on the Excluded Driver Endorsement executed by Belinda Pickens and on the

policy declarations. The policy declarations state: "coverages excluded when any vehicles operated by Kevin Simms."

19. At the time of the accident, Kevin S. Pickens a/k/a Kevin Simms was operating the vehicle in which Defendant Belinda Pickens was a passenger.

20. Therefore, USAA is entitled to a declaration that the "Named Driver Exclusion" applies and the policy does not provide any coverage for claims arising out of the March 10, 2016 accident in which Belinda Parker was a passenger in a vehicle operated by Kevin S. Pickens a/k/a Kevin Simms.

WHEREFORE, USAA respectfully requests that this Court inquire into these matters and declare that the USAA policy does not provide any coverage for the March 10, 2016 automobile accident, together with the costs of this action and such other and further relief as the Court may deem just and proper.

MURPHY & GRANTLAND, P.A.

s/Wesley B. Sawyer
Wesley B. Sawyer, Esquire
Murphy & Grantland, PA
4406-B Forest Drive (29206)
P.O. Box 6648
Columbia, South Carolina 29260
Phone: (803) 782-4100
Email: wsawyer@murphygrantland.com
Attorney for Plaintiff USAA

Columbia, South Carolina
July 9, 2019

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EXHIBIT A

STATE OF TEXAS

Before me, the undersigned notary public for the State of Texas, on this day personally appeared Mary Ann Rice, Manager Operations Support and custodian of records of United Services Automobile Association, and after being by me duly sworn and upon her oath says that an exact duplicate of the United Services Automobile Association, 01405 46 83U 7102 9, including any applicable endorsements and forms, issued to BELINDA GAMBLE PICKENS, effective on March 10, 2016, has been prepared under her direction and is attached hereto.

Mary Ann Rice,
Manager Operations Support

Subscribed and sworn to before me by said Mary Ann Rice, Manager Operations Support, this 27 day of April, 2018 at San Antonio, Texas, to certify which witness my hand and seal at office.

Andrew Villegas
Notary Public
State of Texas
My commission expires on June 25, 2021

ANDREW VILLEGAS
Notary ID #129471294
My Commission Expires
June 25, 2021

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USAA®

AUTOMOBILE POLICY PACKET

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

USAA 01405 46 83 7102 9

POLICY PERIOD: EFFECTIVE NOV 01 2015 TO MAY 01 2016

IMPORTANT MESSAGES

Refer to your Declarations Page and endorsements to verify that coverages, limits, deductibles and other policy details are correct and meet your insurance needs. Required information forms are also enclosed for your review.

South Carolina law requires us to add Uninsured Motorists Bodily Injury and Underinsured Motorists Bodily Injury limits equal to your Bodily Injury limits. The law also requires Uninsured Motorists Property Damage and Underinsured Motorists Property Damage limits equal to your Property Damage limits. For more information about these limits, or to reject or lower them, please review the enclosed Offer of Additional Uninsured Motorists Coverage and Optional Underinsured Motorists Coverages notice.

Your Uninsured Motorists Coverage (UM), Underinsured Motorists (UIM), and Uninsured Motorists Property Damage (UMPD) selection/rejection remains in effect. You may quote different coverage limits and make changes at any time to your policy on usaa.com. Or you may call us at 1-800-531-USAA (8722).

Coverage for custom equipment will be limited to $5000 beginning with a future policy renewal. For details, please read the enclosed document Auto Policy Change Coming: $5000 Limit for Custom Equipment.

TEXTING & DRIVING ... It Can Wait! Join USAA in the movement against distracted driving by going to http://itcanwait.usaa.com to watch powerful videos and take the pledge to not text and drive!

We have provided your ID cards in this packet. You can use the cards to show proof of insurance, if necessary.

This is not a bill. Any premium charge or change for this policy will be reflected on your next regular monthly statement. Your current billing statement should still be paid by the due date indicated.

To receive this document and others electronically, or manage your Auto Policy online, go to usaa.com.

For U.S. calls: Policy Service (800) 531-8111. Claims (800) 531-8222.

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USAA

9800 Fredericksburg Road
San Antonio, Texas 78288

25941

SOUTH CAROLINA INSURANCE IDENTIFICATION CARD

The coverage provided by this policy meets the South Carolina minimum financial responsibility requirements prescribed by law. KEEP A COPY OF THE ID CARD IN YOUR VEHICLE AT ALL TIMES. Examine policy exclusions carefully.

Insurance Company Name
UNITED SERVICES AUTOMOBILE ASSN

Name
BELINDA GAMBLE PICKENS

Policy Number 01405 46 83U 7102 9
Effective Date 11/01/15
Expiration Date 05/01/16
Year: 1997
Make/Model: CHEV
Vehicle Identification Number:
2G1FP32K9V2142738

CONTACT US: 210-531-USAA(8722)
OR 800-531-USAA
Additional copies available at **usaa.com**

Automobile Insurance Identification Card

We've issued an identification card as evidence of liability insurance for your vehicle(s). This card is valid only as long as liability insurance remains in force.

You may be required to produce your identification card at vehicle registration or inspection, when applying for a driver's license, following an accident or upon a law enforcement officer's request.

Keep a copy of the ID card in your vehicle at all times.

For your convenience, additional copies are available on usaa.com.

53SC2 Rev. 06-13

55078-0513__03

USAA

9800 Fredericksburg Road
San Antonio, Texas 78288

25941

SOUTH CAROLINA INSURANCE IDENTIFICATION CARD

The coverage provided by this policy meets the South Carolina minimum financial responsibility requirements prescribed by law. KEEP A COPY OF THE ID CARD IN YOUR VEHICLE AT ALL TIMES. Examine policy exclusions carefully.

Insurance Company Name
UNITED SERVICES AUTOMOBILE ASSN

Name
BELINDA GAMBLE PICKENS

Policy Number 01405 46 83U 7102
Effective Date 11/01/15 9
Expiration Date 05/01/16
Year: 1986
Make/Model: CHEV
Vehicle Identification Number:
1G1YY0784G5125211

CONTACT US: 210-531-USAA(8722)
OR 800-531-USAA
Additional copies available at **usaa.com**

ELECTRONICALLY FILED - 2019 Jul 09 1:07 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

USAA

9800 Fredericksburg Road
San Antonio, Texas 78288

25941

SOUTH CAROLINA INSURANCE IDENTIFICATION CARD

The coverage provided by this policy meets the South Carolina minimum financial responsibility requirements prescribed by law. KEEP A COPY OF THE ID CARD IN YOUR VEHICLE AT ALL TIMES. Examine policy exclusions carefully.

Insurance Company Name
UNITED SERVICES AUTOMOBILE ASSN

Name
BELINDA GAMBLE PICKENS

Policy Number 01405 46 83U 7102 9
Effective Date 11/01/15
Expiration Date 05/01/16
Year: 2005
Make/Model: FORD
Vehicle Identification Number:
1FAFP56225A278286

CONTACT US: 210-531-USAA(8722)
OR 800-531-USAA
Additional copies available at **usaa.com**

Automobile Insurance Identification Card

We've issued an identification card as evidence of liability insurance for your vehicle(s). This card is valid only as long as liability insurance remains in force.

You may be required to produce your identification card at vehicle registration or inspection, when applying for a driver's license, following an accident or upon a law enforcement officer's request.

Keep a copy of the ID card in your vehicle at all times.

For your convenience, additional copies are available on usaa.com.

53SC3 Rev. 06-13

55078-0513__03

USAA

9800 Fredericksburg Road
San Antonio, Texas 78288

25941

SOUTH CAROLINA INSURANCE IDENTIFICATION CARD

The coverage provided by this policy meets the South Carolina minimum financial responsibility requirements prescribed by law. KEEP A COPY OF THE ID CARD IN YOUR VEHICLE AT ALL TIMES. Examine policy exclusions carefully.

Insurance Company Name
UNITED SERVICES AUTOMOBILE ASSN

Name
BELINDA GAMBLE PICKENS

Policy Number 01405 46 83U 7102 9
Effective Date 11/01/15
Expiration Date 05/01/16
Year: 2008
Make/Model: CHEV
Vehicle Identification Number:
1GNFC13038R144868

CONTACT US: 210-531-USAA(8722)
OR 800-531-USAA
Additional copies available at **usaa.com**

ELECTRONICALLY FILED - 2019 Jul 09 1:07 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

Automobile Insurance Identification Card

We've issued an identification card as evidence of liability insurance for your vehicle(s). This card is valid only as long as liability insurance remains in force.

You may be required to produce your identification card at vehicle registration or inspection, when applying for a driver's license, following an accident or upon a law enforcement officer's request.

Keep a copy of the ID card in your vehicle at all times.

For your convenience, additional copies are available on usaa.com.

53SC1 Rev. 06-13

55078-0513__03

USAA

9800 Fredericksburg Road
San Antonio, Texas 78288

25941

SOUTH CAROLINA INSURANCE IDENTIFICATION CARD

The coverage provided by this policy meets the South Carolina minimum financial responsibility requirements prescribed by law. KEEP A COPY OF THE ID CARD IN YOUR VEHICLE AT ALL TIMES. Examine policy exclusions carefully.

Insurance Company Name
UNITED SERVICES AUTOMOBILE ASSN

Name
BELINDA GAMBLE PICKENS
JUNETTA ROBERTS

Policy Number 01405 46 83U 7102 9
Effective Date 11/01/15
Expiration Date 05/01/16
Year: 2014
Make/Model: NISSAN
Vehicle Identification Number:
1N4AL3AP9EC133604

CONTACT US: 210-531-USAA(8722)
OR 800-531-USAA

Additional copies available at **usaa.com**

UNITED SERVICES AUTOMOBILE ASSOCIATION

(A RECIPROCAL INTERINSURANCE EXCHANGE)
9800 Fredericksburg Road - San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY
RENEWAL DECLARATIONS
(ATTACH TO PREVIOUS POLICY)

ADDL INFO ON NEXT PAGE MAIL MCH-M-I
RENEWAL OF

State	01	02	05	06	Veh	POLICY NUMBER
SC	334	334	334	334	Terr	01405 46 83U 7102 9

POLICY PERIOD: (12:01 A.M. standard time)
EFFECTIVE NOV 01 2015 TO MAY 01 2016

OPERATORS
01 BELINDA GAMBLE PICKENS
05 JUNETTA ROBERTS

Named Insured and Address

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

Description of Vehicle(s)

VEH	YEAR	TRADE NAME	MODEL	BODY TYPE	ANNUAL MILEAGE	IDENTIFICATION NUMBER	VEH USE* SYM		WORK/SCHOOL Miles One Way	WORK/SCHOOL Days per Week
01	97	CHEV	CAMARO CONV	CONV	9000	2G1FP32K9V2142738		B		
02	86	CHEV	CORVETTE 2D	2 DOOR	7000	1G1YY0784G5125211		P		
05	05	FORD	TAURUS	4 DOOR	9000	1FAFP56225A278286		B		
06	08	CHEV	TAHOE 4D	4 DOOR	2000	1GNFC13038R144868		P		

The Vehicle(s) described herein is principally garaged at the above address unless otherwise stated. * W/C=Work/School; B=Business; F=Farm; P=Pleasure

VEH 01 COLUMBIA SC 29209-4040
VEH 02 COLUMBIA SC 29209-4040
VEH 05 COLUMBIA SC 29209-4040
VEH 06 COLUMBIA SC 29209-4040

This policy provides ONLY those coverages where a premium is shown below. The limits shown may be reduced by policy provisions and may not be combined regardless of the number of vehicles for which a premium is listed unless specifically authorized elsewhere in this policy.

COVERAGES / LIMITS OF LIABILITY ("ACV" MEANS ACTUAL CASH VALUE)	VEH 01 D=DED AMOUNT	VEH 01 6-MONTH PREMIUM $	VEH 02 D=DED AMOUNT	VEH 02 6-MONTH PREMIUM $	VEH 05 D=DED AMOUNT	VEH 05 6-MONTH PREMIUM $	VEH 06 D=DED AMOUNT	VEH 06 6-MONTH PREMIUM $
PART A - LIABILITY								
BODILY INJURY EA PER $ 100,000 / EA ACC $ 200,000		116.44		80.62		150.43		92.60
PROPERTY DAMAGE EA ACC $ 50,000		78.49		54.54		85.68		74.54
PART B - PIP								
PERSONAL INJURY PROTECTION WORK LOSS BENEFIT AND ESSENTIAL SERVICES EXPENSES EXCLUDED		12.35		10.01		14.39		7.76
PART C - UNINSURED MOTORISTS								
BODILY INJURY EA PER $ 100,000 / EA ACC $ 200,000								
PROPERTY DAMAGE EA ACC $ 50,000	D 200	30.50	D 200	22.75	D 200	30.50	D 200	20.85
PART C - UNDERINSURED MOTORISTS								
BODILY INJURY EA PER $ 100,000 / EA ACC $ 200,000								
PROPERTY DAMAGE EA ACC $ 50,000		57.81		43.12		57.81		39.53
TOTAL PREMIUM - SEE FOLLOWING PAGE(S)								

LOSS PAYEE
VEH 01 ONEMAIN FINANCIAL, COLUMBIA SC
VEH 06 SPRINGLEAF FINANCIAL SERVICES, KENNESAW GA

ENDORSEMENTS: ADDED 11-01-15 - NONE
REMAIN IN EFFECT(REFER TO PREVIOUS POLICY)- A073(03) A043(04) A400SC(04) ACCFOR(01) A401CW(02) A100SC(04) EXCLUSION OF NAMED DRIVER 5100SC(04) AOASA(01)
INFORMATION FORMS: 93984(01) 999SC(23)

H1

VEH 01 XXX40000000 VEH 02 XXX40000000 VEH 05 XXX40000000 VEH 06 RSF54000000

In WITNESS WHEREOF, the Subscribers at UNITED SERVICES AUTOMOBILE ASSOCIATION have caused these presents to be signed by their Attorney-in-Fact on this date SEPTEMBER 26, 2015

Laura Bishop
Laura Bishop
President, USAA Reciprocal Attorney-in-Fact, Inc.

5000 U 07-11
53461-07-11

ELECTRONICALLY FILED - 2019 Jul 29 1:07 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

UNITED SERVICES AUTOMOBILE ASSOCIATION

(A RECIPROCAL INTERINSURANCE EXCHANGE)
9800 Fredericksburg Road - San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY
RENEWAL DECLARATIONS
(ATTACH TO PREVIOUS POLICY)

State	01	02	05	06	Veh	POLICY NUMBER
SC	334	334	334	334	Terr	01405 46 83U 71029

POLICY PERIOD: (12:01 A.M. standard time)
EFFECTIVE NOV 01 2015 TO MAY 01 2016

Named Insured and Address

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

Description of Vehicle(s)

VEH	YEAR	TRADE NAME	MODEL	BODY TYPE	ANNUAL MILEAGE	IDENTIFICATION NUMBER	VEH USE* SYM		WORK/SCHOOL Miles One Way	WORK/SCHOOL Days per Week
01	97	CHEV	CAMARO CONV	CONV	9000	2G1FP32K9V2142738		B		
02	86	CHEV	CORVETTE 2D	2 DOOR	7000	1G1YY0784G5125211		P		
05	05	FORD	TAURUS	4 DOOR	9000	1FAFP56225A278286		B		
06	08	CHEV	TAHOE 4D	4 DOOR	2000	1GNFC13038R144868		P		

The Vehicle(s) described herein is principally garaged at the above address unless otherwise stated. * W/C=Work/School; B=Business; F=Farm; P=Pleasure

VEH 01 COLUMBIA SC 29209-4040
VEH 02 COLUMBIA SC 29209-4040
VEH 05 COLUMBIA SC 29209-4040
VEH 06 COLUMBIA SC 29209-4040

This policy provides ONLY those coverages where a premium is shown below. The limits shown may be reduced by policy provisions and may not be combined regardless of the number of vehicles for which a premium is listed unless specifically authorized elsewhere in this policy.

COVERAGES / LIMITS OF LIABILITY ("ACV" MEANS ACTUAL CASH VALUE)	VEH 01 D=DED AMOUNT	VEH 01 6-MONTH PREMIUM $	VEH 02 D=DED AMOUNT	VEH 02 6-MONTH PREMIUM $	VEH 05 D=DED AMOUNT	VEH 05 6-MONTH PREMIUM $	VEH 06 D=DED AMOUNT	VEH 06 6-MONTH PREMIUM $
PART D - PHYSICAL DAMAGE COVERAGE								
COMPREHENSIVE LOSS ACV LESS	D 500	92.32	D 500	66.72	D 500	43.03	D 500	61.93
COLLISION LOSS ACV LESS	D 500	107.44	D 500	51.82	D 500	103.60	D 500	63.11
RENTAL REIMBURSEMENT $ 30 A DAY/$ 900 MAXIMUM		18.00		18.00		18.00		18.00
TOWING AND LABOR		6.63		6.63		6.63		6.63
VEHICLE TOTAL PREMIUM		519.98		354.21		510.07		384.45

TOTAL PREMIUM - SEE FOLLOWING PAGE(S)

VEH 01 XXX40000000 VEH 02 XXX40000000 VEH 05 XXX40000000 VEH 06 RSF54000000

In WITNESS WHEREOF, the Subscribers at UNITED SERVICES AUTOMOBILE ASSOCIATION have caused these presents to be signed by their Attorney-in-Fact on this date SEPTEMBER 26, 2015

Laura Bishop
Laura Bishop
President, USAA Reciprocal Attorney-in-Fact, Inc.

5000 U 07-11
53461-07-11

ELECTRONICALLY FILED - 2019 JUL 09 1:07 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

UNITED SERVICES AUTOMOBILE ASSOCIATION

(A RECIPROCAL INTERINSURANCE EXCHANGE)
9800 Fredericksburg Road - San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY
RENEWAL DECLARATIONS
(ATTACH TO PREVIOUS POLICY)

State	Veh	POLICY NUMBER
SC 334	Terr	01405 46 83U 7102 9

POLICY PERIOD: (12:01 A.M. standard time)
EFFECTIVE NOV 01 2015 TO MAY 01 2016

Named Insured and Address

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

Description of Vehicle(s)

VEH	YEAR	TRADE NAME	MODEL	BODY TYPE	ANNUAL MILEAGE	IDENTIFICATION NUMBER	VEH USE* SYM		WORK/SCHOOL Miles One Way	WORK/SCHOOL Days per Week
07	14	NISSAN	ALTIMA	4 DOOR	7000	1N4AL3AP9EC133604		P		

The Vehicle(s) described herein is principally garaged at the above address unless otherwise stated
VEH 07 COLUMBIA SC 29209-4040

* W/C=Work/School; B=Business; F=Farm; P=Pleasure

This policy provides ONLY those coverages where a premium is shown below. The limits shown may be reduced by policy provisions and may not be combined regardless of the number of vehicles for which a premium is listed unless specifically authorized elsewhere in this policy.

COVERAGES / LIMITS OF LIABILITY ("ACV" MEANS ACTUAL CASH VALUE)	VEH 07 D=DED AMOUNT	VEH 07 6-MONTH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $
PART A - LIABILITY								
BODILY INJURY EA PER $ 100,000								
EA ACC $ 200,000		113.42						
PROPERTY DAMAGE EA ACC $ 50,000		73.48						
PART B - PIP								
PERSONAL INJURY PROTECTION								
WORK LOSS BENEFIT AND ESSENTIAL								
SERVICES EXPENSES EXCLUDED		14.46						
PART C - UNINSURED MOTORISTS								
BODILY INJURY EA PER $ 100,000								
EA ACC $ 200,000								
PROPERTY DAMAGE EA ACC $ 50,000	D 200	23.70						
PART C - UNDERINSURED MOTORISTS								
BODILY INJURY EA PER $ 100,000								
EA ACC $ 200,000								
PROPERTY DAMAGE EA ACC $ 50,000		44.92						
PART D - PHYSICAL DAMAGE COVERAGE								
COMPREHENSIVE LOSS ACV LESS	D 250	84.39						
COLLISION LOSS ACV LESS	D 500	165.51						
TOWING AND LABOR		6.63						

TOTAL PREMIUM - SEE FOLLOWING PAGE(S)

VEH 07 ADDNL INTEREST - CO-OWNER JUNETTA ROBERTS,
COLUMBIA, SC ENDT A073 APPLIES
LOSS PAYEE
VEH 07 NISSAN MOTOR ACCEPTANCE, MINNEAPOLIS MN

VEH 07 RSF24000000

In WITNESS WHEREOF, the Subscribers at UNITED SERVICES AUTOMOBILE ASSOCIATION have caused these presents to be signed by their Attorney-in-Fact on this date SEPTEMBER 26, 2015

Laura Bishop
Laura Bishop
President, USAA Reciprocal Attorney-in-Fact, Inc.

5000 U 07-11
53461-07-11

ELECTRONICALLY FILED - 2019 JUN 28 01:07 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

UNITED SERVICES AUTOMOBILE ASSOCIATION

(A RECIPROCAL INTERINSURANCE EXCHANGE)
9800 Fredericksburg Road - San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY
RENEWAL DECLARATIONS
(ATTACH TO PREVIOUS POLICY)

State	Veh	POLICY NUMBER
SC	Terr	01405 46 83U 7102 9

POLICY PERIOD: (12:01 A.M. standard time)
EFFECTIVE NOV 01 2015 TO MAY 01 2016

Named Insured and Address

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

Description of Vehicle(s)

VEH	YEAR	TRADE NAME	MODEL	BODY TYPE	ANNUAL MILEAGE	IDENTIFICATION NUMBER	VEH USE* SYM		WORK/SCHOOL Miles One Way	WORK/SCHOOL Days per Week

The Vehicle(s) described herein is principally garaged at the above address unless otherwise stated. * W/C=Work/School; B=Business; F=Farm; P=Pleasure

This policy provides ONLY those coverages where a premium is shown below. The limits shown may be reduced by policy provisions and may not be combined regardless of the number of vehicles for which a premium is listed unless specifically authorized elsewhere in this policy.

COVERAGES / LIMITS OF LIABILITY ("ACV" MEANS ACTUAL CASH VALUE)	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $
***COVERAGES EXCLUDED WHEN ANY VEHICLE OPERATED BY KEVIN SIMMS ***								
VEHICLE TOTAL PREMIUM		526.51						

6 MONTH PREMIUM $ 2295.62
PREMIUM DUE AT INCEPTION. THIS IS NOT A BILL, STATEMENT TO FOLLOW.

EARNED ACCIDENT FORGIVENESS APPLIES WITH FIVE YEARS CLEAN DRIVING WITH USAA.
THE FOLLOWING COVERAGE(S) DEFINED IN THIS POLICY ARE NOT PROVIDED FOR:
VEH 07 - RENTAL REIMBURSEMENT

ADDITIONAL MESSAGE(S) - SEE FOLLOWING PAGE(S)

In WITNESS WHEREOF, the Subscribers at UNITED SERVICES AUTOMOBILE ASSOCIATION have caused these presents to be signed by their Attorney-in-Fact on this date SEPTEMBER 26, 2015

Laura Bishop
Laura Bishop
President, USAA Reciprocal Attorney-in-Fact, Inc.

5000 U 07-11
53461-07-11

ELECTRONICALLY FILED - 2019 Jan 31 1:07 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

UNITED SERVICES AUTOMOBILE ASSOCIATION

(A RECIPROCAL INTERINSURANCE EXCHANGE)
9800 Fredericksburg Road - San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY
RENEWAL DECLARATIONS
(ATTACH TO PREVIOUS POLICY)

State	Veh	POLICY NUMBER
SC	Terr	01405 46 83U 7102 9

POLICY PERIOD: (12:01 A.M. standard time)
EFFECTIVE NOV 01 2015 TO MAY 01 2016

Named Insured and Address

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

Description of Vehicle(s)

VEH	YEAR	TRADE NAME	MODEL	BODY TYPE	ANNUAL MILEAGE	IDENTIFICATION NUMBER	VEH USE* SYM		WORK/SCHOOL Miles One Way	WORK/SCHOOL Days per Week

The Vehicle(s) described herein is principally garaged at the above address unless otherwise stated. * W/C=Work/School; B=Business; F=Farm; P=Pleasure

This policy provides ONLY those coverages where a premium is shown below. The limits shown may be reduced by policy provisions and may not be combined regardless of the number of vehicles for which a premium is listed unless specifically authorized elsewhere in this policy.

COVERAGES / LIMITS OF LIABILITY ("ACV" MEANS ACTUAL CASH VALUE)	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $
EARNED ACCIDENT FORGIVENESS APPLIES WITH FIVE YEARS CLEAN DRIVING WITH USAA.								

In WITNESS WHEREOF, the Subscribers at UNITED SERVICES AUTOMOBILE ASSOCIATION have caused these presents to be signed by their Attorney-in-Fact on this date SEPTEMBER 26, 2015

Laura Bishop
Laura Bishop
President, USAA Reciprocal Attorney-in-Fact, Inc.

5000 U 07-11
53461-07-11

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USAA®

SUPPLEMENTAL INFORMATION

EFFECTIVE NOV 01 2015 TO MAY 01 2016

The following approximate premium discounts or credits have already been applied to reduce your policy premium costs.

NOTE: Age or **senior citizen** status, if allowed by your state/location, was taken into consideration when your rates were set and your premiums have already been adjusted.

VEHICLE 01		
ANNUAL MILEAGE DISCOUNT	-$	4.63
DAYTIME RUNNING LIGHTS DISCOUNT	-$	2.91
MULTI-CAR DISCOUNT	-$	81.00
PASSIVE RESTRAINT DISCOUNT	-$	1.94
PREMIER DRIVER DISCOUNT	-$	34.55
VEHICLE 02		
ANNUAL MILEAGE DISCOUNT	-$	12.22
MULTI-CAR DISCOUNT	-$	51.73
PREMIER DRIVER DISCOUNT	-$	22.06
VEHICLE 05		
ANNUAL MILEAGE DISCOUNT	-$	4.53
MULTI-CAR DISCOUNT	-$	79.25
PASSIVE RESTRAINT DISCOUNT	-$	2.30
PREMIER DRIVER DISCOUNT	-$	33.80
VEHICLE 06		
ANNUAL MILEAGE DISCOUNT	-$	44.16
DAYTIME RUNNING LIGHTS DISCOUNT	-$	1.55
MULTI-CAR DISCOUNT	-$	57.15
PASSIVE RESTRAINT DISCOUNT	-$	1.13
PREMIER DRIVER DISCOUNT	-$	24.38
VEHICLE 07		
ANTI-THEFT DISCOUNT	-$	19.38
DAYTIME RUNNING LIGHTS DISCOUNT	-$	4.70
MULTI-CAR DISCOUNT	-$	85.32
NEW VEHICLE DISCOUNT	-$	17.29
PASSIVE RESTRAINT DISCOUNT	-$	2.31
PREMIER DRIVER DISCOUNT	-$	36.38

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ELECTRONICALLY FILED - 2019 Jul 09 1:07 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

Auto Policy Change Coming: $5,000 Limit for Custom Equipment

Your renewal policy includes coverage for custom equipment that is permanently installed. The policy provides coverage for custom equipment without a dollar limit; however, beginning with a future policy renewal, coverage for custom equipment will be limited to $5,000 for each covered loss.

Many insurers limit coverage for custom equipment to $1,000 or $1,500. Because the majority of vehicles do not have more than $5,000 of custom equipment, our coverage limit will still provide great protection for most policyholders. If you have questions about custom equipment, call us at 1-800-531-USAA (8722).

Q: What is custom equipment?
A: Custom equipment includes, but isn't limited to, items such as TVs, GPS receivers and special wheel rims ("spinners") that aren't original manufacturer parts or equipment. Special paint jobs, including graphics and murals, are also considered custom equipment.

Q: How will I know when this coverage change is effective for my policy?
A: You'll receive notification in your policy renewal packet before the change becomes effective. Please call us at that time if your vehicle has custom equipment valued greater than $5,000, and we'll discuss coverage options.

Q: What if my custom equipment is valued at less than $5,000?
A: The $5,000 limit for custom equipment will be automatic with your policy renewal. No endorsement or additional premium will be required. Also, you won't need to provide a list of your custom equipment to us unless you make a claim.

Q: Will the $5,000 coverage limit apply to equipment that assists people who are disabled?
A: No. Coverage for custom equipment designed to assist people who are disabled will continue without a dollar limit.

ELECTRONICALLY FILED - 2019 Jul 09 1:07 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

OFFER OF ADDITIONAL UNINSURED MOTORIST COVERAGE AND OPTIONAL UNDERINSURED MOTORIST COVERAGE

Automobile liability insurance coverage pays other motor vehicle drivers and their passengers for the damages caused by you and for which you are legally responsible. There are two types of automobile liability insurance coverage: bodily injury and property damage. Bodily injury coverage pays for bodily injuries to others inflicted by your motor vehicle. Property damage coverage pays for damages which your motor vehicle causes to other motor vehicles or property.

Under South Carolina law, we may refuse to write your automobile liability insurance for a number of reasons. If we decide to write your automobile liability insurance coverage, however, it must provide to you at least $25,000 of bodily injury for each person whom you may injure and $50,000 of bodily injury for two or more persons whom you may injure in any single accident. We must also provide to you at least $25,000 in property damage coverage for each accident which you may cause. You may have seen these limits described as $25,000/$50,000/$25,000 or 25-50-25. These limits are commonly known as minimum limits. In order to drive your automobile upon the roads of this State, you must have at least these minimum limits of insurance, unless you post a satisfactory bond or pay a $550 fee to drive uninsured. There is no requirement that we offer higher than the minimum limits of automobile liability insurance coverage. If we do not offer more than the minimum limits, you will be required to pay an additional premium for those increased limits of protection.

An insurer that writes your automobile liability insurance coverage must also offer two additional coverages which will protect you in the event you are damaged in an automobile accident by an at-fault driver who either has no automobile insurance or whose automobile insurance liability limits are less than your damages in that accident. These coverages are termed additional uninsured motorists coverage and optional underinsured motorists coverage, respectively. You may also see them referred to as UM and/or UIM. If you decide to purchase either of these coverages, you will be required to pay an additional premium for each of these coverages.

Uninsured motorists coverage compensates you, or other persons insured under your automobile insurance policy, for amounts which you may be legally entitled to collect as damages from an owner or operator of an at-fault uninsured motor vehicle. An uninsured motor vehicle is a motor vehicle which either has no liability insurance coverage or is operated by a hit-and-run driver. By law, your automobile insurance policy automatically provides uninsured motorists coverage of $25,000/$50,000/$25,000. There is a $200 deductible for uninsured property damage claims.

You also have the right to buy additional uninsured motorists coverage, in various limits up to the limits of liability coverage you have purchased. The limits of additional uninsured motorist coverage which we are authorized to write and for which you are eligible are shown on this form, together with the additional premium for those increased limits. You may not purchase uninsured motorist coverage with limits in excess of your liability limits.

Underinsured motorists coverage compensates you, or other persons insured under your automobile insurance policy, for amounts which you legally may be entitled to collect as damages from an owner or operator of an at-fault underinsured motor vehicle. An underinsured motor vehicle is a motor vehicle which is covered by some form of liability insurance, but which is insufficient to fully compensate you for your damages.

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Your automobile insurance policy does not automatically provide any underinsured motorists coverage. However, you have the right to buy, and we are required to offer, optional underinsured motorists coverage in various limits up to the limits of liability coverage you have purchased. The limits of optional underinsured motorists coverage which we are authorized to write and for which you are eligible are shown on this form, together with the additional premiums for those limits. You may not purchase underinsured motorist coverage with limits in excess of your liability limits.

If you reject optional underinsured or additional uninsured motorist coverages shown on this form and if you are involved in an automobile accident that is not your fault, this form may be used by us as evidence against you if you make a claim for additional uninsured motorists coverage or optional underinsured motorists coverage.

If you do not complete this form and return it to us within 30 days, we are required by law to add additional uninsured motorists coverage and optional underinsured motorist coverage, in the same limits as the automobile liability insurance, to your automobile insurance policy. You will be required to pay an additional premium for each of these coverages and your policy may be cancelled for non-payment of that additional premium.

In the future, if you wish to increase or to decrease your limits of additional uninsured motorist coverage or optional underinsured motorist coverage, you must contact us. You will not be presented with another copy of this form by us upon renewal of your automobile liability insurance policy. You will not be presented with another copy of this form by us when you extend, change, supersede, or replace your automobile liability insurance policy. You may also complete this form online at usaa.com.

Please read this form carefully. We must answer any questions which you may have. If you have any questions, please call Policy Service at 1-800-531-USAA (8722).

If you have any further questions, you may contact the Department of Insurance at:

Office of Consumer Services
South Carolina Department of Insurance
1201 Main Street., Suite 1000, Columbia, SC 29201
(803) 737-6180
(800) 768-3467 E-mail address: consumers@doi.sc.gov.

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REJECTION/SELECTION FORM

Minimum limits of Uninsured Motorists (UM) Coverage are automatically provided. If you wish to purchase additional UM, please select the limit desired. Underinsured Motorists (UIM) coverage is not automatically provided. If you wish to purchase UIM in either the base limit or an additional limit, please select the limit desired. The premiums below reflect the total premium for this coverage for all the vehicles insured on your policy. The coverage-limit combinations displayed in this form are examples. You can create other combinations of the coverage limits displayed in this example.

THESE LIMITS CANNOT EXCEED YOUR AUTOMOBILE INSURANCE LIABILITY LIMITS.

(Semi-annual premiums per policy)

To make a change to your current policy, you must check one of the following boxes or enter your desired UM limits:

UM Premium		Available Limits UM/UIM/BI / UM/UIM/PD Per person/per accident		UIM Premium
$ 98.11	☐	$ 25,000/$ 50,000	☐	$ 157.45
$ 110.55	☐	$ 50,000/$ 100,000	☐	$ 195.95
$ 128.30	☐	$ 100,000/$ 200,000	☐	$ 243.19
$ 142.23	☐	$ 100,000/$ 300,000	☐	$ 258.03
$ 156.88	☐	$ 300,000/$ 500,000	☐	$ 308.10
$ 178.87	☐	$ 500,000/$ 500,000	☐	$ 350.04
$ 186.06	☐	$ 500,000/$ 1,000,000	☐	$ 360.04
$ 200.70	☐	$ 1,000,000/$ 1,000,000	☐	$ 428.06

If you prefer a combination of UM limits other than those shown above, please enter those desired here:

UM (Per person/per accident)

$ _____ /$ _____ /$ _____

UIM (Per person/per accident)

$ _____ /$ _____ /$ _____

☐ I do not wish to purchase additional UM coverage. ☐ I do not wish to purchase optional UIM coverage.

By my signature, I acknowledge that I have read – or I have had read to me – the above explanations and offers of additional uninsured motorists coverage and optional underinsured motorists coverage. I understand that the above explanations of these coverages are intended only to be brief descriptions of additional uninsured motorist coverage and optional underinsured motorist coverage, and that payment of benefits under either of these coverages is subject both to the terms and conditions of my automobile insurance policy and to the State of South Carolina's law.

I also acknowledge that I have personally marked this form to indicate the coverages and amounts of coverage I wish to purchase. At the time of this signature, no other person has written on, typed in or in any other way marked this form.

USAA Number: _____ Phone Number: _____ Today's Date: _____

Type or Print Your Name: _____

Signature: _____

Address: _____

Please complete this form and fax it to 1-800-531-8877 or mail it to USAA, 9800 Fredericksburg Road, San Antonio, Texas 78288; or complete this form on usaa.com

If this form is sent by facsimile machine (fax), the sender adopts the document USAA receives as a duplicate original and adopts the signature the receiving fax machine produces as the sender's original signature.

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ADDITIONAL COVERED PERSON ENDORSEMENT

This endorsement forms a part of the auto policy to which it is attached. It is effective from the policy effective date or from the date shown on the amended Declarations.

We agree that, with respect to the covered auto described in the Declarations, Part A, Liability Coverage, applies to each additional covered person named in the Declarations, but only to the extent that such additional covered person qualifies as a covered person under Definition No. 3 of **covered person** Part A of the policy. **Our** inclusion of this additional covered person does not operate to increase the limits shown in the Declarations.

This additional covered person is not responsible for the payment of any premiums. Any premiums returned and any dividend **we** may declare will be paid to the named insured.

The named insured is authorized to act for the additional covered person in all matters pertaining to this insurance.

We further agree that if the named insured elects to cancel the policy, **we** will mail a written notice of the cancellation and its effective date to the additional covered person at the address shown in the Declarations. If **we** decide to cancel the policy, **we** will give the same advance notice of cancellation to the additional covered person as **we** give to the named insured shown in the Declarations.

Countersigned by:

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ADDED PERSONAL INJURY PROTECTION COVERAGE
SOUTH CAROLINA

The Definitions and General Provisions of the contract and the provisions of Part B, Personal Injury Protection Coverage of this policy apply unless modified by this endorsement.

INSURING AGREEMENT

We will pay added personal injury protection benefits to or for a **covered person** who sustains **bodily injury** caused by an accident and resulting from the ownership, maintenance or use of an auto as an auto.

Exclusion 2 of Part B, Personal Injury Protection Coverage does not apply to this coverage.

LIMIT OF LIABILITY

The Limit of Liability shown in Part B of the Policy for Personal Injury Protection Coverage does not apply to this coverage. The amount shown in the Declarations for this coverage is the most we will pay regardless of the number of:

1. **Covered persons;**
2. Claims made;
3. Vehicles or premiums shown in the Declarations;
4. Vehicles involved in the accident; or
5. Insurers providing no-fault benefits.

If you or a **family member** sustain **bodily injury** while **occupying** or as a pedestrian as a result of an accident involving an auto (other than **your covered auto**), this coverage applies only in the amount by which the limit of liability shown in the Declarations exceeds the applicable limit of liability for Added Personal Injury Protection Coverage available under the policy insuring the auto.

EXCESS PROVISION

This coverage is excess to any applicable personal injury protection benefits.

Countersigned by:

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AMENDMENT OF POLICY PROVISIONS

This Amendment forms a part of the auto policy to which it is attached, and it modifies that policy as follows:

This Amendment replaces Part D in its entirety.

PART D - PHYSICAL DAMAGE COVERAGE

DEFINITIONS

A. **Actual cash value** means the amount that it would cost, at the time of **loss,** to buy a comparable vehicle. As applied to **your covered auto,** a comparable vehicle is one of the same make, model, model year, body type, and options with substantially similar mileage and physical condition.

B. **Collision** means the impact with an object and includes upset of a vehicle. **Loss** caused by the following is covered under Comprehensive Coverage and is not considered **collision:** fire; missiles or falling objects; hail, water or flood; malicious mischief or vandalism; theft or larceny; riot or civil commotion; explosion or earthquake; contact with bird or animal; windstorm; or breakage of window glass. If breakage of window glass is caused by a **collision you** may elect to have it considered a **loss** caused by **collision.**

C. **Equipment and accessories** means personal property while in or upon **your covered auto.**

D. **Loss** means direct and accidental damage to the operational safety, function, or appearance of, or theft of, **your covered auto** or **equipment and accessories** that are not permanently installed in **your covered auto. Loss** includes a total loss, but does not include any damage other than the cost to **repair** or replace. **Loss** does not include any loss of use, or diminution in value that would remain after **repair** or replacement of the damaged or stolen property.

E. **Nonowned vehicle.**

1. **Nonowned vehicle** means any private passenger auto, pickup, **van, miscellaneous vehicle,** or **trailer** not owned by, or furnished or available for the regular use of, **you** or a **family member.** This applies only when the vehicle is in the custody of or being operated by **you** or a **family member.**

2. A **nonowned vehicle** does not include any of the following vehicles used in any business or occupation other than farming or ranching:

   a. A pickup;

   b. A **van;** or

   c. A **miscellaneous vehicle.**

F. **Repair.**

1. **Repair** means restoring the damaged property to its pre-**loss** operational safety, function, and appearance. This may include the replacement of component parts.

2. **Repair** does not require:

   a. A return to the pre-**loss** market value of the property;

   b. Restoration, alteration, or replacement of undamaged property, unless such is needed for the operational safety of the vehicle; or

   c. Rekeying of locks following theft or misplacement of keys.

G. **Your covered auto,** as used in this Part, includes:

1. **Equipment and accessories** permanently installed in **your covered auto.**

2. A **nonowned vehicle.** If there is a **loss** to a **nonowned vehicle, we** will provide the broadest coverage shown on the Declarations.

INSURING AGREEMENT

A. Comprehensive Coverage (excluding **collision**).

1. Physical damage. **We** will pay for **loss** caused by other than **collision** to **your covered auto,** and **equipment and accessories** that are not permanently installed in **your covered auto,** minus any applicable deductible shown on the Declarations. No deductible under Comprehensive Coverage or Collision Coverage applies to the cost of repairing or replacing damaged automobile safety glass.

2. Transportation expenses. **We** will also pay:

a. Up to $15 a day, to a maximum of $450, for transportation expenses incurred by **you.** This applies only in the event of a total theft of **your covered auto. We** will pay only transportation expenses incurred during the period beginning 48 hours after the theft and ending when **your covered auto** is returned to use or, if not recovered or not **repairable,** up to seven days after **we** have made a settlement offer.

b. If Increased Rental Reimbursement Coverage is afforded, limits for transportation expenses are increased up to $30 per day to a maximum of $900.

B. Collision Coverage. **We** will pay for **loss** caused by **collision** to **your covered auto** and **equipment and accessories** that are not permanently installed in **your covered auto,** minus any applicable deductible shown on the Declarations.

C. Rental Reimbursement Coverage and Increased Rental Reimbursement Coverage (for **loss** other than total theft).

1. **We** will reimburse **you** for expenses **you** incur to rent a substitute for **your covered auto.** These coverages apply only if:

a. **Your covered auto** is withdrawn from use for more than 24 hours due to a **loss,** other than a total theft, to that auto; and

b. The **loss** is covered under Comprehensive Coverage or caused by **collision,** and the cause of **loss** is not otherwise excluded under Part D of this policy.

2. **We** will reimburse **you** only for that period of time reasonably required to **repair** or replace **your covered auto.** If **we** determine **your covered auto** is a total loss, the rental period will end no later than seven days after **we** have made a settlement offer.

D. Towing and Labor Costs Coverage. **We** will pay the reasonable costs **you** incur for one of the following each time **your covered auto** is disabled:

1. Mechanical labor up to one hour at the place of breakdown.

2. Towing, to the nearest place where necessary repairs can be made during regular business hours, if the vehicle will not run or is stranded on or immediately next to a public road.

3. Delivery of gas to, or a change of tire on a disabled vehicle. However, **we** do not pay for the cost of these items.

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LIMIT OF LIABILITY

A. Total loss to **your covered auto. Our** limit of liability under Comprehensive Coverage and Collision Coverage is the **actual cash value** of the vehicle. **We** will declare **your covered auto** to be a total loss if, in **our** judgment, the cost to **repair** it would be greater than its **actual cash value** minus its salvage value after the **loss.**

B. Other than a total loss to **your covered auto.**

1. **Our** limit of liability under Comprehensive Coverage and Collision Coverage is the amount necessary to **repair** the **loss** based on **our** estimate or an estimate that **we** approve, if submitted by **you** or a third-party. Upon request, **we** will identify at least one facility that is willing and able to complete the **repair** for the amount of the estimate.

2. **Our** estimate may specify used, rebuilt, remanufactured, or non-Original Equipment Manufacturer (non-OEM) parts.

3. **You** may request that damaged parts be replaced with new Original Equipment Manufacturer (OEM). **You** will be responsible, however, for any cost difference between the parts included in **our** estimate and the new OEM parts used in the **repair.**

4. **We** will not take a deduction for depreciation. **We** will take a deduction if prior damage has not been **repaired.** Prior damage does not include wear and tear.

C. **Equipment and accessories** that are not permanently installed in **your covered auto.** The limits of liability described below are separate from the limits available for a **loss** to **your covered auto:**

1. **Our** limit of liability is the lesser of:

a. The amount necessary to replace the damaged or stolen property; or

b. $250.

2. **We** will not take a deduction for depreciation.

D. Under Rental Reimbursement Coverage, **our** limit of liability is $15 a day, to a maximum of $450. Under Increased Rental Reimbursement Coverage, **our** limit of liability is $30 a day, to a maximum of $900.

E. Under Towing and Labor Costs Coverage, **our** limit of liability is the reasonable price for the covered service.

PAYMENT OF LOSS

We may pay for **loss** in money, or **repair** or replace the damaged or stolen property. **We** may, at **our** expense, return any stolen property to **you** or to the address shown on the Declarations. If **we** return stolen property, **we** will pay for any damage resulting from the theft. **We** may keep all or part of the damaged or stolen property and pay **you** an agreed or appraised value for it. **We** cannot be required to assume the ownership of damaged property. **We** may settle a claim either with **you** or with the owner of the property.

LOSS PAYABLE CLAUSE

Loss or damage under this policy will be paid, as interest may appear, to the named insured and the loss payee shown on the Declarations. This insurance, with respect to the interest of the loss payee, will not become invalid because of **your** fraudulent acts or omissions unless the **loss** results from **your** conversion, secretion, or embezzlement of **your covered auto. We** may cancel the policy as permitted by policy terms and the cancellation will terminate this agreement as to the loss payee's interest. **We** will give the same advance notice of cancellation to the loss payee as **we** give to the named insured shown on the Declarations. **We** may send notices to the loss payee either by mail or by electronic means. However, if the loss payee requests in writing that **we** not send notices, including a notice of cancellation, **we** will abide by that request. When **we** pay the loss payee **we** will, to the extent of payment, be subrogated to the loss payee's rights of recovery.

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WAIVER OF COLLISION DEDUCTIBLE

We will not apply the deductible to **loss** caused by **collision** with another vehicle if all of these conditions are met:

1. The **loss** to **your covered auto** is greater than the deductible amount; and

2. The owner and driver of the other vehicle are identified; and

3. The owner or driver of the other vehicle has a liability policy covering the **loss;** and

4. The driver of **your covered auto** is not legally responsible, in any way, for causing or contributing to the **loss.**

EXCLUSIONS

We will not pay for:

1. **Loss** to **your covered auto** which occurs while it is used to carry persons for a fee. This exclusion (1.) does not apply to a share-the-expense car pool.

2. Damage due and confined to wear and tear, freezing, or road damage to tires. This does not apply if the damage results from the total theft of **your covered auto.** This exclusion (2.) does not apply to Towing and Labor Costs Coverage.

3. Damage due and confined to mechanical or electrical breakdown or failure, including such damage resulting from negligent servicing or repair of **your covered auto** or its equipment. **We** will pay for ensuing damage only to the extent the damage occurs outside of the major component (such as transmission/transaxle, electrical system, engine including cooling and lubrication thereof, air conditioning, computer, suspension, braking, drive assembly, and steering) in which the initial mechanical or electrical breakdown or failure occurs.

   This exclusion (3.) does not apply if the damage results from the total theft of **your covered auto,** and it does not apply to Towing and Labor Costs Coverage.

4. **Loss** due to or as a consequence of war, insurrection, revolution, nuclear reaction, or radioactive contamination.

5. **Loss** to a camper body or **trailer you** own which is not shown on the Declarations. This exclusion (5.) does not apply to one **you** acquire during the policy period and ask **us** to insure within 30 days after **you** become the owner.

6. **Loss** to any **nonowned vehicle** when used by any person without a reasonable belief that that person is entitled to do so.

7. **Loss** to equipment designed or used to evade or avoid the enforcement of motor vehicle laws.

8. **Loss** to any **nonowned vehicle** arising out of its use by **you** or a **family member** while employed or otherwise engaged in **auto business** operations.

9. **Loss** to **your covered auto** while it is rented or leased to others.

10. **Loss** to any vehicle while it is being operated in, or in practice for, any **driving contest or challenge.**

11. **Loss** resulting from:

    a. The acquisition of a stolen vehicle;

    b. Any legal or governmental action to return a vehicle to its legal owner; or

    c. Any confiscation or seizure of a vehicle by governmental authorities.

    This exclusion (11.) does not apply to innocent purchasers of stolen vehicles for value under circumstances that would not cause a reasonable person to be suspicious of the sales transaction or the validity of the title.

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12. **Loss** resulting from use in any illicit or prohibited trade or transportation.

13. Any **loss** arising out of any act committed:

    a. By or at the direction of **you** or any **family member;** and

    b. With the intent to cause a **loss.**

14. **Loss** caused by **fungi,** wet or dry rot, or bacteria. This means the presence, growth, proliferation, spread, or any activity of **fungi,** wet or dry rot, or bacteria. This exclusion (14.) does not apply to damage directly resulting from a **loss** covered under Comprehensive Coverage or Collision Coverage.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the **loss, we** will pay only **our** share of the **loss. Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide with respect to a **nonowned vehicle** will be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the **nonowned vehicle.**

2. Any other applicable physical damage insurance.

3. Any other source of recovery applicable to the **loss.**

This provision does not apply to Towing and Labor Costs Coverage.

APPRAISAL

If **we** and **you** do not agree on the amount of **loss,** either may demand an appraisal. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the **actual cash value** and the amount of **loss.** If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will pay its chosen appraiser and share the expenses of the umpire equally. Neither **we** nor **you** waive any rights under this policy by agreeing to an appraisal.

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ACCIDENT FORGIVENESS

When a premium for Accident Forgiveness is shown on the Declarations:

1. If **you** or any **family member** shown as an operator on the Declarations:

   a. Is involved in an at-fault accident that occurs after the effective date of this endorsement, **we** will waive any premium increase under this policy that would otherwise be applied for the first such at-fault accident.

   b. Was involved in an at-fault accident forgiven in a policy written by **us** or one of **our** affiliates and such operator was removed from that policy and added to this policy without any gap in coverage, **we** will continue to forgive the accident on this policy for the remainder of the period of time the premium increase would have occurred under this policy if there are no other at-fault accidents for which premium is waived under this policy.

   We will waive the premium increase for only one at-fault accident per policy period, regardless of the number of operators shown on the Declarations.

2. **We** will waive the premium increase for the at-fault accident in Section I for the period of time during which:

   a. This endorsement is in effect; and

   b. A premium increase for such at-fault accident would have otherwise applied to this policy.

The Accident Forgiveness Endorsement must remain in effect during any renewal period of this policy over the full accident forgiveness period for the premium increase waiver to remain in effect.

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AMENDATORY ENDORSEMENT
TRANSPORTATION EXPENSES/RENTAL REIMBURSEMENT

This Endorsement forms a part of the auto policy to which it is attached. The coverage provided by this Endorsement is subject to all the provisions of the policy and amendments except as they are modified below. In the event of a conflict with provisions of the auto policy or other Endorsements or Amendments, provisions of this Endorsement will control.

PART D - PHYSICAL DAMAGE COVERAGE

INSURING AGREEMENT

Paragraph A.2. of the Insuring Agreement is revised as follows:

2. Transportation expenses. **We** will also pay:

   a. Up to $30 a day, to a maximum of $900, for transportation expenses incurred by **you** or a **family member**. This applies only in the event of a total theft of **your covered auto. We** will pay only transportation expenses incurred during the period beginning 48 hours after the theft and ending when **your covered auto** is returned to use or, if not recovered or not **repairable,** up to seven days after **we** have made a settlement offer.

   b. If Rental Reimbursement Coverage is afforded, limits for transportation expenses are the limits of liability shown on the Declarations for Rental Reimbursement Coverage for that vehicle.

Paragraph C. of the Insuring Agreement is replaced in its entirety by the following:

C. Rental Reimbursement Coverage (for **loss** other than total theft).

   1. **We** will reimburse **you** for expenses **you** or a **family member** incurs to rent a substitute for **your covered auto.** This coverage applies only if:

      a. **Your covered auto** is withdrawn from use for more than 24 hours due to a **loss,** other than a total theft, to that auto; and

      b. The **loss** is covered under Comprehensive Coverage or caused by **collision,** and the cause of **loss** is not otherwise excluded under Part D of this policy.

   2. **We** will reimburse **you** only for that period of time reasonably required to **repair** or replace **your covered auto.** If **we** determine **your covered auto** is a total loss, the rental period will end no later than seven days after **we** have made a settlement offer.

LIMIT OF LIABILITY

Paragraph D. of the Limit of Liability is replaced in its entirety by the following:

D. Under Rental Reimbursement Coverage, **our** maximum limits of liability are the limits of liability shown on the Declarations for Rental Reimbursement Coverage for that vehicle.

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AMENDMENT OF POLICY PROVISIONS

This Amendment forms a part of the auto policy to which it is attached, and it modifies that policy as follows:

DEFINITIONS

Definition I., temporary substitute vehicle, is deleted.

The following definitions are revised:

F. **Miscellaneous vehicle** means the following motorized vehicles: motor home; golf cart; snowmobile; all-terrain vehicle; or dune buggy.

L. **Your covered auto** means:

1. Any vehicle shown on the Declarations.
2. Any **newly acquired vehicle**.
3. Any **trailer you** own.

The following definitions are added:

M. **Driving contest or challenge** includes, but is not limited to:

1. A competition against other people, vehicles, or time; or
2. An activity that challenges the speed or handling characteristics of a vehicle, or improves or demonstrates driving skills, provided the activity occurs on a track or course that is closed from non-participants.

N. **Fungi** means any type or form of fungi, including mold or mildew, and includes any mycotoxins, spores, scents, or byproducts produced or released by fungi.

O. **Motorcycle** means a two- or three-wheeled motor vehicle that is subject to motor vehicle licensing in the location where the **motorcycle** is principally garaged.

P. **Newly acquired vehicle**.

1. **Newly acquired vehicle** means a vehicle, not insured under another policy, that is acquired by **you** or any **family member** during the policy period and is:
   a. A private passenger auto, pickup, or **van**;
   b. A **miscellaneous vehicle** that is not used in any business or occupation; or
   c. A **motorcycle**, but only if a **motorcycle** is shown on the current Declarations.
2. **We** will automatically provide for the **newly acquired vehicle** the broadest coverages as are provided for any vehicle shown on the Declarations. If **your** policy does not provide Comprehensive Coverage or Collision Coverage, **we** will automatically provide these coverages for the **newly acquired vehicle** subject to a $500 deductible for each loss.
3. Any automatic provision of coverage under P.2. will apply for up to 30 days after the date **you** or a **family member** becomes the owner of the **newly acquired vehicle**. If **you** wish to continue coverage for the **newly acquired vehicle** beyond this 30-day period, **you** must request it during this 30-day period, and **we** must agree to provide the coverage **you** request for this vehicle. If **you** request coverage after this 30-day period, any coverage that **we** agree to provide will be effective at the date and time of **your** request unless **we** agree to an earlier date.

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4. **You** must pay an additional premium, as set out in Part E, Changes, B.3., for any coverage **we** provide under P.2. or P.3. above.

PART A - LIABILITY COVERAGE

EXCLUSIONS

Exclusion A.1. is revised as follows:

A. **We** do not provide Liability Coverage for any **covered person**:

1. Who intentionally acts or directs to cause **BI** or **PD**, or who acts or directs to cause with reasonable expectation of causing, **BI** or **PD**. This exclusion applies only to the extent that the limit of liability for this coverage exceeds **BI** limit of $25,000 for each person and $50,000 for each accident and **PD** limit of $25,000.

Exclusion B.4. is revised as follows:

4. Any vehicle while being operated in, or in practice for, any **driving contest or challenge**.

Exclusion C. is revised as follows:

C. There is no coverage for **BI** or **PD** for which a **covered person** becomes legally responsible to pay a member of that **covered person's** family residing in that **covered person's** household. This exclusion applies only to the extent that the limit of liability for this coverage exceed **BI** limit of $25,000 for each person and $50,000 for each accident and **PD** limit of $25,000.

The following exclusion is added:

E. **We** do not provide Liability Coverage for **BI** sustained as a result of exposure to **fungi**, wet or dry rot, or bacteria.

PART B - PERSONAL INJURY PROTECTION COVERAGE

DEFINITIONS

Definitions A., Air Bag, and G., Seat Belt, are deleted.

Definitions D. is revised as follows:

D. **Covered person** as used in this part means:

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

2. Anyone else who sustains **BI** while:

   a. **occupying your covered auto**; or

   b. a pedestrian;

   as a result of an accident involving **your covered auto**.

INSURING AGREEMENT

Paragraph B., Air Bag and Seat Belt Benefits, is deleted.

LIMIT OF LIABILITY

Paragraph B. is deleted.

EXCLUSIONS

Exclusions 10. & 11. are added:

10. Sustained while a participant in, or in practice for, any **driving contest or challenge**.

11. Sustained as a result of a **covered person's** exposure to **fungi**, wet or dry rot, or bacteria.

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OTHER INSURANCE

The Other Insurance section is replaced in its entirety by the following:

No person shall recover benefits from more than one policy or one insurer on either a duplicate or supplemental basis, regardless of the number of motor vehicles covered or insurers (including self-insurers).

CONDITIONS

The Conditions section is deleted in its entirety.

PART B - MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

Paragraph A. of the Insuring Agreement is replaced in its entirety by the following:

A. Medical Payments Coverage.

1. **We** will pay only the **reasonable fee** for **medically necessary and appropriate medical services** and the reasonable expense for funeral services. These fees and expenses must:

   a. Result from **BI** sustained by a **covered person** in an auto accident; and

   b. Be incurred for services rendered within one year of the date of the auto accident.

2. **We** or someone on **our** behalf will review, by audit or otherwise, claims for benefits under this coverage to determine if the charges are **reasonable fees** for **medically necessary and appropriate services** or reasonable expenses for funeral services. A provider of medical or funeral services may charge more than the amount **we** determine to be **reasonable fees** and reasonable expenses, but such additional charges are not covered.

EXCLUSIONS

Exclusion 11. is revised as follows:

11. Sustained while a participant in, or in practice for, any **driving contest or challenge**.

The following exclusion is added:

12. Sustained as a result of a **covered person's** exposure to **fungi**, wet or dry rot, or bacteria.

ARBITRATION

The Arbitration section is deleted in its entirety.

PART C - UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

B.2. is revised as follows:

2. **PD** to **your covered auto**. However, this does not include damage to property owned by the **covered person** while contained in **your covered auto**.

EXCLUSIONS

Exclusion A.5. is revised as follows:

5. While **occupying** any vehicle when it is being operated in, or in practice for, any **driving contest or challenge**.

ARBITRATION

The Arbitration section is deleted in its entirety.

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PART E - GENERAL PROVISIONS

AIR BAG

The Air Bag section is deleted in its entirety.

CHANGES

Paragraph B. is revised as follows:

B. If, during the policy period, the risk exposure changes for any of the following reasons, **we** will make the necessary premium adjustments effective the date of change in exposure. Change in exposure means the occurrence of an event listed in B.1. through B.7. or in E. below, or a similar event, that may increase or decrease the policy premium. **You** agree to give **us** notice of any exposure change as soon as is reasonably possible. Changes that may result in a premium adjustment include, but are not limited to, the following:

1. Change in location where any vehicle is garaged.

2. Change in description, equipment, purchase date, registration, cost, usage, miles driven annually, or operators of any vehicle.

3. Replacement or addition of any vehicle. A replacement or additional vehicle is a **newly acquired vehicle**. **You** must pay the applicable premium for the **newly acquired vehicle** beginning on the date **you** or a **family member** becomes the owner of the vehicle. See DEFINITIONS - **newly acquired vehicle**.

4. Deletion of a vehicle. The named insured may request that a vehicle shown on the Declarations be deleted from this policy. The effective date of this change cannot be earlier than the date of the named insured's request unless **we** agree to an earlier date.

5. Change in date of birth, marital status, driver's license information, or driving record of any operator.

6. Addition or deletion of an operator.

7. Change, addition, or deletion of any coverage or limits.

The following paragraph is added:

E. Deployment.

1. If, because of **your** active-duty deployment in one of the military services of the United States, **you** have reduced the coverage on **your covered auto** and placed the vehicle in storage, then, upon **your** return from the deployment, **we** will automatically reinstate the coverage that was on the vehicle prior to the deployment-caused reduction.

2. Any automatic reinstatement of coverage under E.1. will apply for up to 60 days after the date **you** returned from deployment. If **you** wish to continue the reinstated coverage beyond the 60-day period, **you** must request it during the 60-day period. If **you** request reinstated coverage after this 60-day period, any coverage **we** agree to provide will be effective at the date and time of **your** request unless **we** agree to an earlier date.

3. **You** must pay an additional premium, as set out in Part E., Changes, B.7., for the reinstated coverage.

OWNERSHIP

The Ownership section is replaced in its entirety by the following:

For purposes of this policy, a vehicle is deemed to be owned by a person if leased under a written agreement to that person for a continuous period of at least six months.

The following section is added:

SPOUSE ACCESS

A. The named insured and **we** agree that the named insured and resident spouse are "customers" for purposes of state and federal privacy laws. The resident spouse will have access to the same information available to the named insured and may initiate the same transactions as the named insured.

B. The named insured may notify **us** that he/she no longer agrees that the resident spouse shall be treated as a "customer" for purposes of state and federal privacy laws, and **we** will not permit the resident spouse to access policy information.

TERMINATION

Paragraph A.1. is revised as follows:

A. Cancellation. This policy may be canceled during the policy period as follows:

1. **You** may cancel the policy at any time, but the effective date of cancellation cannot be earlier than the date of the request unless **we** agree to an earlier date.

Paragraph C. is replaced in its entirety by the following:

C. Automatic Termination. If **we** offer to renew and **you** do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal premium when due will mean that **you** have not accepted **our** offer.

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VOIDING AUTOMOBILE INSURANCE WHILE NAMED PERSON IS OPERATING CAR

This endorsement forms a part of

Policy Number issued to

by the

of San Antonio, Texas, and is

effective (Mo.–Day–Yr.) (12:01 A.M. Standard Time)

In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is hereby agreed that with respect to such insurance as is afforded under this policy, including any obligation to defend, the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

_____
(Name of Person to be Excluded)

In all other respects this policy remains unchanged. Notwithstanding the "changes" condition or General Provision of this or any subsequent policy, this agreement shall remain in force as long as the policy remains in force. This agreement shall also apply to any continuation, extension, renewal or replacement of this policy with another auto policy issued to the named insured by any USAA Insurance Company affiliate, or to any reinstatement of this policy within thirty days of a lapse thereof.

The Named Insured accepts this endorsement as witness his signature signifying his agreement. The Named Insured states the excluded person has surrendered their driver's license to the State Highway Department, ( ) or has obtained a policy of insurance (or other security) ( ) to enable them to drive vehicles. (Check one.)

_____ _____
(Named Insured) (Date)

If this form is sent by facsimile machine (fax), the sender adopts the document received by USAA as a duplicate original and adopts the signature produced by the receiving fax machine as the sender's original signature.

USAA
9800 Fredericksburg Road
San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY

READ YOUR POLICY, DECLARATIONS AND ENDORSEMENTS CAREFULLY

The automobile insurance contract between the named insured and the company shown on the Declarations page consists of this policy plus the Declarations page and any applicable endorsements. The Quick Reference section outlines essential information contained in the Declarations and the major parts of the policy.

The policy provides the coverages and amounts of insurance shown in the Declarations for which a premium is shown.

This is a participating policy. You are entitled to dividends as may be declared by the company's Board of Directors.

If this policy is issued by United Services Automobile Association ("USAA"), a reciprocal interinsurance exchange, the following apply:

By purchasing this policy you are a member of USAA and are subject to its bylaws.

This is a non-assessable policy. You are liable only for the amount of your premium as USAA has a free surplus in compliance with Article 19.03 of the Texas Insurance Code of 1951, as amended.

The USAA Board of Directors may annually allocate a portion of USAA's surplus to Subscriber's Savings Accounts. Amounts allocated to such accounts remain a part of USAA's surplus and may be used as necessary to support the operations of the Association. A member shall have no right to any balance in the member's account except until following termination of membership, as provided in the bylaws.

QUICK REFERENCE

		DECLARATIONS PAGE
		Named Insured and Address Policy Period Operators Description of Vehicle(s) Coverages, Amounts of Insurance and Premiums Endorsements
Beginning on Page	3	**Agreement and Definitions**
Part A	4	**Liability Coverage**
		Definitions Insuring Agreement Bodily Injury Liability Coverage and Property Damage Liability Coverage Limit of Liability Supplementary Payments Exclusions Out of State Coverage Other Insurance
Part B	6	**Personal Injury Protection Coverage**
		Definitions Insuring Agreement Personal Injury Protection Coverage Air Bag and Seat Belt Benefits Limit of Liability Exclusions Other Insurance Conditions Arbitration
Part B	10	**Medical Payments Coverage**
		Definitions Insuring Agreement Medical Payments Coverage Limit of Liability Exclusions Other Insurance Special Provisions Arbitration
Part C	12	**Uninsured Motorists Coverage** **Underinsured Motorists Coverage**
		Definitions Insuring Agreement Uninsured Motorists Coverage Underinsured Motorists Coverage Limit of Liability Exclusions Other Insurance Conformity To Statute Non-Duplication Arbitration
		(Quick Reference continued on Page 2)

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Part D 19	Physical Damage Coverage
	Definitions Insuring Agreement Comprehensive Coverage Collision Coverage Full Safety Glass Rental Reimbursement Coverage Towing and Labor Costs Coverage Limit of Liability Payment of Loss Loss Payable Clause Waiver of Collision Deductible Exclusions No Benefit to Bailee Other Sources of Recovery Appraisal

Part E 22	General Provisions
	Air Bag Bankruptcy Changes Duties After an Accident or Loss Legal Action Against Us Misrepresentation Non-duplication of Payment Our Right to Recover Payment Ownership Policy Period and Territory Termination Transfer of Your Interest in this Policy Two or More Auto Policies

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SOUTH CAROLINA AUTO POLICY

AGREEMENT

In return for payment of the premium and subject to all the terms of this policy, we will provide the coverages and limits of liability for which a premium is shown in the Declarations.

DEFINITIONS

The words defined below are used throughout this policy. They are in **boldface** when used.

A. **You** and **your** refer to the "named insured" shown in the Declarations and spouse if a resident of the same household.

B. **We, us,** and **our** refer to the Company providing this insurance.

C. **Auto business** means the business of altering, customizing, leasing, parking, repairing, road testing, delivering, selling, servicing, or storing vehicles.

D. **Bodily injury** (referred to as **BI**) means bodily harm, sickness, disease or death.

E. **Family member** means a person related to **you** by blood, marriage, or adoption who is a resident of **your** household. This includes a ward or foster child.

F. **Miscellaneous vehicle** means the following motorized vehicles: a motorcycle, moped or similar type vehicle; motor home; golf cart; snowmobile; all-terrain vehicle; or dune buggy.

G. **Occupying** means in, on, getting into or out of.

H. **Property damage** (referred to as **PD**) means physical injury to, destruction of, or loss of use of tangible property.

I. **Temporary substitute vehicle** means a private passenger auto, pickup, **van, miscellaneous vehicle** or **trailer** not owned by **you** or a **family member** while it is used as a temporary replacement for **your covered auto** when withdrawn from normal use because of its breakdown, repair, servicing, loss, or destruction.

J. **Trailer** means a vehicle designed to be pulled by a private passenger auto, pickup, **van,** or **miscellaneous vehicle.** It also means a farm wagon or implement while towed by such vehicles.

K. **Van** means a four-wheeled land motor vehicle of the van type with a load capacity of not more than 2,000 pounds.

L. **Your covered auto** means:

1. Any vehicle shown in the Declarations.
2. Any of the following types of vehicles acquired by **you** or a **family member** during the policy period, beginning on the date **you** or a **family member** becomes the owner, but only if no other insurance policy provides coverage for such vehicle:
   a. A private passenger auto;
   b. A pickup or **van;** or
   c. A **miscellaneous vehicle** not used in any business or occupation.

   For such newly acquired vehicles, **we** will automatically provide the broadest coverages as are provided for any vehicle shown in the Declarations. If **your** policy does not provide Comprehensive and Collision coverages, **we** will provide each with a $250 deductible. However, **we** will not provide any coverage for more than 30 days after the date **you** or a **family member** becomes the owner of the vehicle. If **you** wish to continue any coverage beyond the 30-day period, **you** must request it prior to the end of the 30-day period.
3. Any **trailer you** own.
4. Any **temporary substitute vehicle.** Only those coverages provided for the vehicle withdrawn from normal use will be extended to its **temporary substitute vehicle.**

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PART A - LIABILITY COVERAGE

DEFINITIONS

Covered person as used in this Part means:

1. **You** or any **family member** for the ownership, maintenance, or use of any auto or **trailer**.
2. Any person using **your covered auto.**
3. Any other person or organization, but only with respect to legal liability imposed on them for the acts or omissions of a person for whom coverage is afforded in 1. or 2. above. With respect to an auto or **trailer** other than **your covered auto,** this provision only applies if the other person or organization does not own or hire the auto or **trailer.**

The following are not **covered persons** under Part A:

1. The United States of America or any of its agencies.
2. Any person with respect to **BI** or **PD** resulting from the operation of an auto by that person as an employee of the United States Government. This applies only if the provisions of Section 2679 of Title 28, United States Code as amended, require the Attorney General of the United States to defend that person in any civil action which may be brought for the **BI** or **PD.**

INSURING AGREEMENT

We will pay damages for **BI** or **PD** for which any **covered person** becomes legally liable because of an auto accident. **We** will settle or defend, as **we** consider appropriate, any claim or suit asking for these damages. **Our** duty to settle or defend ends when **our** limit of liability for these coverages has been paid or tendered. **We** have no duty to defend any suit or settle any claim for **BI** or **PD** not covered under this policy.

LIMIT OF LIABILITY

For **BI** sustained by any one person in any one auto accident, **our** maximum limit of liability for all resulting damages, including, but not limited to, all direct, derivative or consequential damages recoverable by any persons, is the limit of liability shown in the Declarations for "each person" for **BI** Liability. Subject to this limit for "each person", the limit of liability shown in the Declarations for "each accident" for **BI** Liability is **our** maximum limit of liability for all damages for **BI** resulting from any one auto accident. The limit of liability shown in the Declarations for "each accident" for **PD** Liability is **our** maximum limit of liability for all damages to all property resulting from any one auto accident.

These limits are the most **we** will pay regardless of the number of:

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

However, if a policy provision that would defeat coverage for a claim under this Part is declared to be unenforceable as a violation of the state's Financial Responsibility law, **our** limit of liability will be the minimum required by the state's Financial Responsibility law.

SUPPLEMENTARY PAYMENTS

In addition to **our** limit of liability, **we** will pay on behalf of a **covered person:**

1. Premiums on appeal bonds and bonds to release attachments in any suit **we** defend. But **we** will not pay the premium for bonds with a face value over **our** limit of liability shown in the Declarations.
2. Prejudgment interest awarded against the **covered person** on that part of the judgment **we** pay. If **we** make an offer to pay the applicable limit of liability, **we** will not pay any prejudgment interest based on that period of time after the offer.
3. Interest accruing after a judgment is entered in any suit **we** defend. **Our** duty to pay interest ends when **we** offer to pay that part of the judgment which does not exceed **our** limit of liability for this coverage.
4. Up to $100 a day for loss of wages because of attendance at hearings or trials at **our** request.

5. The amount a **covered person** must pay to the United States Government because of damage to a government-owned private passenger auto, pickup, or **van** which occurs while the vehicle is in the care, custody, or control of a **covered person.** The most **we** will pay is an amount equal to one month of the basic salary of the **covered person** at the time of loss. Only Exclusions A.1. and A.8. apply.
6. Other reasonable expenses incurred at **our** request.
7. All defense costs **we** incur.

EXCLUSIONS

A. **We** do not provide Liability Coverage for any **covered person:**

1. Who intentionally acts or directs to cause **BI** or **PD,** or who acts or directs to cause with reasonable expectation of causing, **BI** or **PD.** This exclusion applies only to the extent that the limit of liability for this coverage exceeds **BI** limit of $15,000 for each person and $30,000 for each accident and **PD** limit of $10,000.
2. For **PD** to property owned or being transported by a **covered person.**
3. For **PD** to property rented to, used by, or in the care of any **covered person.** This does not apply to damage to a residence or garage.
4. For **BI** to an employee of that person which occurs during the course of employment. This exclusion (A.4.) does not apply to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
5. For that person's liability arising out of the ownership or operation of a vehicle while it is being used to carry persons for a fee. This exclusion (A.5.) does not apply to a share-the-expense car pool.
6. While employed or otherwise engaged in the **auto business.** This exclusion (A.6.) does not apply to the ownership, maintenance, or use of **your covered auto** by **you,** any **family member,** or any partner, agent, or employee of **you** or any **family member.**
7. Maintaining or using any vehicle while that person is employed or otherwise engaged in any business or occupation other than the **auto business,** farming, or ranching. This exclusion (A.7.) does not apply to the maintenance or use of a private passenger auto; a pickup or **van** that **you** own; or a **trailer** used with these vehicles.
8. Using a vehicle without expressed or implied permission.
9. For **BI** or **PD** for which that person is an insured under any nuclear energy liability policy. This exclusion (A.9.) applies even if that policy is terminated due to exhaustion of its limit of liability.
10. For **BI** or **PD** occurring while **your covered auto** is rented or leased to others.

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

1. Any vehicle that is not **your covered auto** unless that vehicle is:
   a. A four or six wheel land motor vehicle designed for use on public roads with a rated load capacity of no more than 2000 pounds;
   b. A moving van for personal use;
   c. A **miscellaneous vehicle** having at least four wheels; or
   d. A vehicle used in the business of farming or ranching.
2. Any vehicle, other than **your covered auto,** that is owned by **you,** or furnished or available for **your** regular use.
3. Any vehicle, other than **your covered auto,** that is owned by, or furnished or available for the regular use of, any **family member.**

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This exclusion (B.3.) does not apply to **your** maintenance or use of such vehicle.

4. Any vehicle while being operated in, or in practice for, any speed contest.

C. There is no coverage for **BI** or **PD** for which a **covered person** becomes legally responsible to pay a member of that **covered person's** family residing in that **covered person's** household. This exclusion applies only to the extent that the limit of liability for this coverage exceed **BI** limit of $15,000 for each person and $30,000 for each accident and **PD** limit of $10,000.

D. There is no coverage for liability assumed by any **covered person** under any contract or agreement.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, **your** policy will provide at least the minimum amounts and types of coverages required by law. However, no one will be entitled to duplicate payments for the same elements of loss.

OTHER INSURANCE

If there is other applicable liability insurance, **we** will pay only **our** share of the loss. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide to a **covered person** with respect to the following vehicles shall be excess over (1) any other applicable liability insurance or (2) any self-insurance in compliance with a state's financial responsibility law:

a. A vehicle **you** do not own; or

b. **Your covered auto** while in the possession of an **auto business.**

PART B - PERSONAL INJURY PROTECTION COVERAGE

DEFINITIONS

A. **Air Bag** means a supplemental passive restraint system commonly referred to as an **air bag** which is originally installed by the vehicle manufacturer and which, at the time of the accident, had not been made inoperable through modification, deactivation, disconnection, switching off or prior deployment.

B. **Auto** means a motor vehicle of the kind required to be registered under the South Carolina Motor Vehicle Registration and Licensing Act.

C. **Beneficiary** means (in order of priority of payment):

1. The surviving spouse if a resident in the same household as the deceased at the time of the accident; or
2. If the deceased is an unmarried minor, either of the surviving parents who had legal custody at the time of the accident; or
3. The estate of the deceased.

D. **Covered person** as used in this Part means:

1. For Personal Injury Protection Coverage:
   a. **You** or any **family member**; or
   b. Anyone else who sustains **BI** while:
      1. **occupying your covered auto;** or
      2. a pedestrian;

      as a result of an accident involving **your covered auto.**
2. For Air Bag and Seat Belt Benefits:
   a. **You** or any **family member** while **occupying** any auto;
   b. Any other person while **occupying your covered auto.**

E. **Medically necessary and appropriate medical services** are those services or supplies provided or prescribed by a licensed hospital, licensed physician, or other licensed medical provider that, as determined by **us** or someone on **our** behalf, are required to identify or treat **BI** caused by an auto accident and sustained by a **covered person** and that are:

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1. Consistent with the symptoms, diagnosis, and treatment of the **covered person's** injury and appropriately documented in the **covered person's** medical records;
2. Provided in accordance with recognized standards of care for the **covered person's** injury at the time the charge is incurred;
3. Consistent with published practice guidelines and technology, and assessment standards of national organizations or multi-disciplinary medical groups;
4. Not primarily for the convenience of the **covered person,** his or her physician, hospital, or other health care provider;
5. The most appropriate supply or level of service that can be safely provided to the **covered person;** and
6. Not excessive in terms of scope, duration, or intensity of care needed to provide safe, adequate, and appropriate diagnosis and treatment.

However, **medically necessary and appropriate medical services** do not include the following:

1. Nutritional supplements or over-the-counter drugs;
2. Experimental services or supplies, which means services or supplies that **we** determine have not been accepted by the majority of the relevant medical specialty as safe and effective for treatment of the condition for which its use is proposed;
3. Inpatient services or supplies provided to the **covered person,** when these could safely have been provided to the **covered person** as an outpatient.

F. **Reasonable fee** is the amount, as determined by **us** or someone on **our** behalf, which **we** will pay for charges made by a licensed hospital, licensed physician, or other licensed medical provider for **medically necessary and appropriate medical services. We** will pay the lesser of:

1. The actual charge;
2. The charge negotiated with a provider; or
3. The charge determined by a statistically valid database that is designed to reflect charges for the same or comparable services or supplies in the same or similar geographic region. The database will also reflect, where applicable, (a) the value of the actual medical services based on a nonspecialty specific relative value scale for the services relative to other services and, (b) in the case of new procedures, services, or supplies, a comparison to commonly-used procedures, services, or supplies.

G. **Seat Belt** means manual or automatic safety belts or seat and shoulder restraints or a child restraint device. Both the lap and shoulder restraints must be worn at the time of the accident for coverage to apply. If the **covered person** is a child, the child restraint device must meet federal motor vehicle safety standards and must be one recommended by its manufacturer as appropriate for use by children of like age and weight. The child must be properly seated and restrained within the device and the device must be attached to the interior of the vehicle in accordance with the manufacturer's instructions.

INSURING AGREEMENT

A. Personal Injury Protection Coverage. **We** will pay personal injury protection benefits to or for a **covered person** who sustains **BI.** The **BI** must be caused by an accident and result from the ownership, maintenance or use of an **auto** as an **auto.**

We, or someone on **our** behalf, will review and audit claims for personal injury protection benefits under this coverage. **We** are only obligated to pay expenses for benefits described below:

1. Medical Expenses. The **reasonable fee** for **medically necessary and appropriate medical services** incurred within 3 years from the date of the accident for a **covered person's** care or recovery.

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This includes remedial care and treatment rendered in accordance with a recognized religious or licensed method of healing.

Only semi-private hospital room charges will be paid unless special or intensive care is required.

2. Funeral Expense. Reasonable funeral and burial expense incurred.
3. Work Loss Benefits. Benefits for loss of income during the:
   a. Three years from the date of the accident; and
   b. Lifetime of the **covered person.**

   Work loss applies only if the **covered person** was an income or wage producer at the time of the accident.
4. Essential Services Expenses. Necessary and reasonable expenses incurred during the:
   a. Three years from the date of the accident and
   b. Lifetime of the **covered person;**

   for services which are ordinarily performed by the **covered person** for the care and maintenance of his or her family. Essential services apply only if the **covered person** was not an income or wage producer at the time of the accident.

B. Air Bag and Seat Belt Benefits. **We** will provide the benefits described only if at the time of the accident, Personal Injury Protection Coverage was provided by the policy and the **covered person** for whom benefits are sought was:
   1. Wearing a **seat belt;** or
   2. Wearing a **seat belt** and **occupying** a seat in an automobile in which he was protected by an **air bag;** and
   3. Entitled to collect benefits for medical expenses incurred as a result of the accident under the terms of the policy's Personal Injury Protection Coverage.

   We will pay a Death Benefit of $15,000 to the **beneficiary** of a **covered person** who dies as the direct result of **BI** sustained in an automobile accident while wearing a **seat belt. We** will pay an Additional Death Benefit of $10,000 to the **beneficiary** of a **covered person** who dies as a direct result of **BI** sustained in an automobile accident while wearing a **seat belt** and **occupying** a seat protected by an **air bag.** In either case, death must occur within three years of the date of the accident.

LIMIT OF LIABILITY

A. Personal Injury Protection Coverage. One thousand dollars ($1,000) is **our** maximum limit of liability for each **covered person** injured in any one **auto** accident. This is the most **we** will pay regardless of the number of:
   1. **Covered persons;**
   2. Claims made;
   3. Vehicles or premiums shown in the Declarations;
   4. Vehicles involved in the accident; or
   5. Insurers providing no-fault benefits.

B. The maximum Death Benefit **we** will pay under Air Bag and Seat Belt Benefits is $15,000 for death of any one **covered person.** The maximum Additional Death Benefit **we** will pay for death of any one **covered person** is $10,000. These amounts are the most **we** will pay regardless of the number of vehicles to which this coverage applies, the number of coverages or premiums shown in the Declarations.

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

EXCLUSIONS

We do not provide any coverage or benefits under this Part for **BI**:

1. Sustained by any **covered person** who:
   a. Intentionally causes the accident resulting in the injury; or
   b. Operates or voluntarily rides in a vehicle known by that person to be stolen; or

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c. Is committing a felony; or

d. Fails to stop an **auto** he or she is operating when signaled by any law enforcement vehicle by means of a siren or flashing light.

2. To any **covered person** while **occupying,** or while a pedestrian as a result of an accident involving an **auto** (other than **your covered auto**) insured for personal injury protection.

3. Sustained by a pedestrian, if the accident occurs outside South Carolina. This exclusion does not apply to:

   a. **You**; or

   b. Any **family member**.

4. Sustained by any **covered person** resulting from the maintenance or use of an **auto** while located for use as a residence or premises.

5. Caused by or as a consequence of:

   a. Discharge of a nuclear weapon (even if accidental);

   b. War (declared or undeclared);

   c. Civil war;

   d. Insurrection; or

   e. Rebellion or revolution.

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

   a. Nuclear reaction;

   b. Radiation; or

   c. Radioactive contamination.

7. Sustained by any **covered person** arising out of the ownership, maintenance or use of a motorcycle by such person.

8. Sustained by **you** or any **family member** while **occupying** any **auto** owned by **you** which is not **your covered auto**.

9. Sustained by any **family member** while **occupying** any **auto** owned by that **family member.**

OTHER INSURANCE

No person shall recover benefits from more than one policy or one insurer on either a duplicate or supplemental basis, regardless of the number of motor vehicles covered or insurers (including self-insurers).

The Death Benefit and Additional Death Benefit provided by Air Bag and Seat Belt Benefits will be paid in addition to any death benefit payable under the policy's Personal Injury Protection Coverage.

If there is other applicable air bag and seat belt benefits, the maximum limit of **our** liability for the death of any one **covered person** under all such policies shall not exceed $15,000 for the Death Benefit and $10,000 for the Additional Death Benefit.

CONDITIONS

The Air Bag and Seat Belt Benefits coverage provided is subject to all provisions and conditions of the policy's Personal Injury Protection Coverage and to the policy's general conditions, except as specifically modified herein.

ARBITRATION

If **we** and a **covered person** do not agree:

1. On the **reasonable fee;**

2. That expenses are reasonable;

3. Whether services or supplies are **medically necessary and appropriate medical services;** or

4. Whether there is coverage under the terms of the Insuring Agreement for Part B.

then, that disagreement may be arbitrated, provided both parties so agree. This arbitration shall be limited to the aforementioned issues and shall not address any other coverage questions. Any arbitration finding that goes beyond the aforementioned issues shall be voidable by **us** or the **covered person** involved in the disagreement.

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If both parties agree to arbitrate, each party will select an arbitrator, and those two arbitrators will select a third. If the two arbitrators cannot agree on a third within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the county in which the **covered person** lived at the time of the accident, and local rules of law as to procedure and evidence will apply. A decision agreed to by two or more of the arbitrators will be binding up to an amount that, when added to amounts previously paid by **us,** does not exceed the limit of liability for this coverage.

PART B - MEDICAL PAYMENTS COVERAGE

DEFINITIONS

A. **Covered person** as used in this Part means:

1. **You** or any **family member** while **occupying** any auto.
2. Any other person while **occupying your covered auto.**
3. **You** or any **family member** while not **occupying** a motor vehicle if injured by:
   a. A motor vehicle designed for use mainly on public roads;
   b. A **miscellaneous vehicle;**
   c. A **trailer.**

B. **Medically necessary and appropriate medical services** are those services or supplies provided or prescribed by a licensed hospital, licensed physician, or other licensed medical provider that, as determined by **us** or someone on **our** behalf, are required to identify or treat **BI** caused by an auto accident and sustained by a **covered person** and that are:

1. Consistent with the symptoms, diagnosis, and treatment of the **covered person's** injury and appropriately documented in the **covered person's** medical records;
2. Provided in accordance with recognized standards of care for the **covered person's** injury at the time the charge is incurred;
3. Consistent with published practice guidelines and technology, and assessment standards of national organizations or multi-disciplinary medical groups;
4. Not primarily for the convenience of the **covered person,** his or her physician, hospital, or other health care provider;
5. The most appropriate supply or level of service that can be safely provided to the **covered person;** and
6. Not excessive in terms of scope, duration, or intensity of care needed to provide safe, adequate, and appropriate diagnosis and treatment.

However, **medically necessary and appropriate medical services** do not include the following:

1. Nutritional supplements or over-the-counter drugs;
2. Experimental services or supplies, which means services or supplies that **we** determine have not been accepted by the majority of the relevant medical specialty as safe and effective for treatment of the condition for which its use is proposed;
3. Inpatient services or supplies provided to the **covered person,** when these could safely have been provided to the **covered person** as an outpatient.

C. **Reasonable fee** is the amount, as determined by **us** or someone on **our** behalf, which **we** will pay for charges made by a licensed hospital, licensed physician, or other licensed medical provider for **medically necessary and appropriate medical services. We** will pay the lesser of:

1. The actual charge;
2. The charge negotiated with a provider; or

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3. The charge determined by a statistically valid database that is designed to reflect charges for the same or comparable services or supplies in the same or similar geographic region. The database will also reflect, where applicable, (a) the value of the actual medical services based on a nonspecialty specific relative value scale for the services relative to other services and, (b) in the case of new procedures, services, or supplies, a comparison to commonly-used procedures, services, or supplies.

INSURING AGREEMENT

Medical Payments Coverage. **We** will pay only the **reasonable fee** for **medically necessary and appropriate medical services** and the reasonable expense for funeral services because of **BI** caused by an auto accident, sustained by a **covered person** and incurred for services rendered within three years of the date of the accident.

A provider of medical services may charge more than the limits established by this policy's defined terms, but such additional charges are not covered. **We** or someone on **our** behalf will review, by audit or otherwise, claims for benefits under this coverage to determine whether fees and expenses were reasonable and whether treatment was medically necessary and appropriate.

LIMIT OF LIABILITY

The following provisions represent the most **we** will pay regardless of the number of **covered persons**, claims made, vehicles or premiums shown in the Declarations, or vehicles involved in an auto accident.

A. The limit of liability shown in the Declarations for Medical Payments Coverage is the maximum limit of liability for each **covered person** injured in any one accident.

B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.

EXCLUSIONS

We do not provide benefits under this Part for any **covered person** for **BI:**

1. Sustained while **occupying** any vehicle that is not **your covered auto** unless that vehicle is:
   a. A four or six wheel land motor vehicle designed for use on public roads with a rated load capacity of no more than 2000 pounds;
   b. A moving van for personal use;
   c. A **miscellaneous vehicle** having at least four wheels; or
   d. A vehicle used in the business of farming or ranching.
2. Sustained while **occupying your covered auto** when it is being used to carry persons for a fee. This does not apply to a share-the-expense car pool.
3. Sustained while **occupying** any vehicle located for use as a residence.
4. Occurring during the course of employment if workers' compensation benefits are required or available.
5. Sustained while **occupying,** or when struck by, any vehicle, other than **your covered auto,** that is owned by **you** or furnished or available for **your** regular use.
6. Sustained while **occupying,** or when struck by, any vehicle, other than **your covered auto,** that is owned by or furnished or available for the regular use of any **family member.** This does not apply to **you.**
7. Sustained while **occupying** a vehicle without expressed or implied permission.
8. Sustained while **occupying** a vehicle when it is being used in the business or occupation of a **covered person.** This does not apply to **BI** sustained while **occupying** a private passenger auto; a pickup or **van you** own; or a **trailer** used with these vehicles.

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9. Caused by or as a consequence of war, insurrection, revolution, nuclear reaction, or radioactive contamination.
10. Sustained while **occupying your covered auto** while it is rented or leased to others.
11. Sustained while a participant in, or in practice for, any speed contest.

OTHER INSURANCE

If there is other applicable auto medical payments insurance, **we** will pay only **our** share of the loss. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide with respect to a vehicle **you** do not own shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.

SPECIAL PROVISIONS

If **your covered auto** and every other motor vehicle **you** own are within the policy territory referred to in Part E, General Provisions, then coverage under Part B will apply to **you** and any **family member** anywhere in the world.

ARBITRATION

If **we** and a **covered person** do not agree:

1. On the **reasonable fee;**
2. That expenses are reasonable;
3. Whether services or supplies are **medically necessary and appropriate medical services;** or
4. Whether there is coverage under the terms of the Insuring Agreement for Part B.

then, that disagreement may be arbitrated, provided both parties so agree. This arbitration shall be limited to the aforementioned issues and shall not address any other coverage questions. Any arbitration finding that goes beyond the aforementioned issues shall be voidable by **us** or the **covered person** involved in the disagreement.

If both parties agree to arbitrate, each party will select an arbitrator, and those two arbitrators will select a third. If the two arbitrators cannot agree on a third within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the county in which the **covered person** lived at the time of the accident, and local rules of law as to procedure and evidence will apply. A decision agreed to by two or more of the arbitrators will be binding up to an amount that, when added to amounts previously paid by **us,** does not exceed the limit of liability for this coverage.

PART C - UNINSURED MOTORISTS COVERAGE (referred to as UM) and UNDERINSURED MOTORISTS COVERAGE (referred to as UIM)

DEFINITIONS

A. **Covered person** as used in this Part means:

1. **You** or any **family member.**
2. Any other person **occupying your covered auto.**
3. Any person for damages that person is entitled to recover because of **BI** to which this coverage applies sustained by a person described in 1. or 2. above.

However, the definition of a **covered person** does not include the Government of the United States of America.

B. **Uninsured motor vehicle** means a land motor vehicle or **trailer** of any type:

1. To which neither a liability bond or policy, nor cash or securities deposited with the State Treasurer, applies at the time of the accident.
2. To which a liability bond or policy applies at the time of the accident. In this case its limit for liability must be less than the minimum limits specified by the South Carolina Financial Responsibility Act.

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3. That is a hit-and-run motor vehicle whose operator or owner cannot be identified and which hits or which causes an accident resulting in **BI** or **PD** without hitting:
   a. **You** or any **family member;**
   b. A vehicle which **you** or any **family member** are **occupying;**
   c. **Your covered auto;** or
   d. Any of **your** property.

   If there is no physical contact with the hit-and-run vehicle the facts of the accident must be corroborated by an affidavit attesting to the truth of the facts of the accident signed by any eyewitness other than the owner or operator of the vehicle which **you** or any **family member** were **occupying** at the time of the accident.
4. To which a liability bond or policy applies at the time of the accident but the bonding or insuring company:
   a. Successfully denies coverage;
   b. Is or becomes insolvent;
   c. Is in delinquency proceedings, suspension or receivership; or
   d. Is proven unable to respond to a judgment.
5. For which the owner has not qualified as a self-insurer.

However, **uninsured motor vehicle** does not include any vehicle or equipment:

1. Owned by any governmental unit or agency unless a cause of action against that governmental unit or agency is barred by the Tort Claims Act, South Carolina Laws 1986, Ratification No. 514, Sub-section 15-78-60, or by other applicable statute.
2. Operated on rails or crawler treads, except for a snowmobile.
3. Designed mainly for use off public roads while not on public roads.

C. **Underinsured motor vehicle** means a land motor vehicle or **trailer** of any type to which a liability bond or policy applies at the time of the accident in limits equal to or greater than the minimum limit for liability specified by the South Carolina Financial Responsibility Act, but the limits of that bond or policy are not enough to pay the full amount the **covered person** is legally entitled to recover as damages.

However, **underinsured motor vehicle** does not include any vehicle or equipment:

1. Operated on rails or crawler treads, except for a snowmobile.
2. Designed mainly for use off public roads while not upon public roads.
3. While located for use as a residence or premises.

INSURING AGREEMENT

A. UNINSURED MOTORISTS COVERAGE

We will pay the following damages which a **covered person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of an auto accident:

1. **BI** sustained by a **covered person**; and
2. Injury to or destruction of the property of a **covered person.**

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle.**

Any judgment for damages arising out of a suit brought without **our** written consent is not binding on **us.**

We will pay under this coverage only after the limits of liability under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements. This provision applies only to Definition B.2. under this Part.

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B. **UNDERINSURED MOTORISTS COVERAGE**

We will pay the following damages which a **covered person** is legally entitled to recover from the owner or operator of an **underinsured motor vehicle** because of an auto accident:

1. **BI** sustained by a **covered person**; and
2. Injury to or destruction of **your covered auto.** However, this does not include damage to property owned by the **covered person** while contained in **your covered auto.**

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **underinsured motor vehicle.**

LIMIT OF LIABILITY

UNINSURED MOTORISTS COVERAGE

A. If **BI** or **PD** is sustained in an accident by **you** or any **family member** while **occupying your covered auto:**

1. **Our** maximum limit of liability for all resulting damages, including, but not limited to, all direct, derivative or consequential damages recoverable by any persons, is the sum of the limits of liability shown in the Declarations for "each person" for Bodily Injury Liability Uninsured Motorists Coverage.
2. Subject to this limit for "each person", **our** maximum limit of liability for all damages arising out of **BI** sustained in that accident is the sum of the limits of liability shown in the Declarations for "each accident" for Bodily Injury Liability Uninsured Motorists Coverage.
3. **Our** maximum limit of liability for all **PD** resulting from that accident is the sum of the limits of liability shown in the Declarations for "each accident" for Property Damage Liability Uninsured Motorists Coverage.
4. Subject to the maximum limit of liability set forth in paragraphs 1., 2. or 3. above:
   a. The most **we** will pay for **BI** or **PD** sustained in that accident by a **covered person** other than **you** or any **family member** is that **covered person's** pro-rata share of the "each person" or "each accident" limit shown in the Declarations for this coverage applicable to the vehicle that **covered person** was **occupying** at the time of the accident; and
   b. **You** or any **family member** who sustains **BI** or **PD** in that accident will also be entitled to a pro-rata share of the "each person" or "each accident" limit described in paragraph a. above.

   A person's pro-rata share shall be the proportion that that person's damages bears to the total damages sustained by all **covered persons.**

   The maximum limit of liability is the most **we** will pay regardless of the number of:
   1. **Covered persons;** <
   2. Claims made;
   3. Vehicles or premiums shown in the Declarations;
   4. Premiums paid; or
   5. Vehicles involved in the accident.

B. If **BI** or **PD** is sustained in an accident by **you** or any **family member** while not **occupying** any auto:

1. **Our** maximum limit of liability for all resulting damages, including, but not limited to, all direct, derivative or consequential damages recoverable by any persons, is the highest "each person" limit of liability shown in the Declarations for Bodily Injury Liability Uninsured Motorists Coverage applicable to any one of **your covered autos.**

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2. Subject to this limit for "each person", **our** maximum limit of liability for all damages arising out of **BI** sustained in that accident is the highest "each accident" limit of liability shown in the Declarations for Bodily Injury Liability Uninsured Motorists Coverage applicable to any one of **your covered autos;** and

3. **Our** maximum limit of liability for all **PD** resulting from that accident is the highest "each accident" limit of liability shown in the Declarations for Property Damage Liability Uninsured Motorists Coverage applicable to any one of **your covered autos.**

The maximum limit of liability is the most **we** will pay regardless of the number of:

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

C. If **BI** or **PD** is sustained in an accident by **you** or any **family member** while **occupying** a vehicle not owned by **you** or any **family member:**

1. **Our** maximum limit of liability for all resulting damages, including, but not limited to, all direct, derivative or consequential damages recoverable by any persons, is the highest "each person" limit of liability shown in the Declarations for Bodily Injury Liability Uninsured Motorists Coverage applicable to any one of **your covered autos.**

2. Subject to this limit for "each person", **our** maximum limit of liability for all damages arising out of **BI** sustained in that accident is the highest "each accident" limit of liability shown in the Declarations for Bodily Injury Liability Uninsured Motorists Coverage applicable to any one of **your covered autos;** and

3. **Our** maximum limit of liability for all **PD** resulting from that accident is the highest "each accident" limit of liability shown in the Declarations for Property Damage Liability Uninsured Motorists Coverage applicable to any one of **your covered autos.**

The maximum limit of liability is the most **we** will pay regardless of the number of:

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

D. If **BI** or **PD** is sustained by a **covered person** other than **you** or any **family member** in an accident in which neither **you** nor any **family member** sustained **BI** or **PD:**

1. **Our** maximum limit of liability for all resulting damages, including, but not limited to, all direct, derivative or consequential damages recoverable by any persons, will be the "each person" limit of liability shown in the Declarations for Bodily Injury Liability Uninsured Motorists Coverage applicable to the vehicle that **covered person** was **occupying** at the time of that accident.

2. Subject to this limit for "each person", **our** maximum limit of liability for all damages arising out of **BI** sustained in that accident is the "each accident" limit of liability shown in the Declarations for Bodily Injury Liability Uninsured Motorists Coverage applicable to the vehicle that **covered person** was **occupying** at the time of the accident; and

3. **Our** maximum limit of liability for all **PD** resulting from that accident is the "each accident" limit of liability shown in the Declarations for Property Damage Liability Uninsured Motorists Coverage applicable to the vehicle that **covered person** was **occupying** at the time of the accident.

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The maximum limit of liability is the most **we** will pay regardless of the number of:

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

E. Any amounts otherwise payable for damages under UM Coverage shall be reduced by all sums paid because of the **BI** or **PD** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part A.

UNDERINSURED MOTORISTS COVERAGE

A. If **BI** is sustained in an accident by **you** or any **family member** while **occupying your covered auto,** or if **your covered auto** sustains **PD** in an accident:

1. **Our** maximum limit of liability for all resulting damages, including, but not limited to, all direct, derivative or consequential damages recoverable by any persons, is the sum of the limits of liability shown in the Declarations for "each person" for Bodily Injury Liability Underinsured Motorists Coverage.
2. Subject to this limit for "each person", **our** maximum limit of liability for all damages arising out of **BI** sustained in that accident is the sum of the limits of liability shown in the Declarations for "each accident" for Bodily Injury Liability Underinsured Motorists Coverage; and
3. **Our** maximum limit of liability for all **PD** resulting from that accident is the sum of the limits of liability shown in the Declarations for "each accident" for Property Damage Liability Underinsured Motorists Coverage.
4. Subject to the maximum limit of liability set forth in paragraphs 1., 2. or 3. above:
   a. The most **we** will pay for **BI** sustained in that accident by a **covered person** other than **you** or any **family member** is that **covered person's** pro-rata share of the "each person" or "each accident" limit shown in the Declarations for Bodily Injury Liability Underinsured Motorists Coverage applicable to the vehicle that **covered person** was **occupying** at the time of the accident; and
   b. **You** or any **family member** who sustains **BI** in that accident will also be entitled to a pro-rata share of the "each person" or "each accident" limit described in paragraph a. above.

   A person's pro-rata share shall be the proportion that that person's **BI** damages bears to the total of all **BI** damages sustained by all **covered persons.**

   The maximum limit of liability is the most **we** will pay regardless of the number of:

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

B. If **BI** is sustained in an accident by **you** or any **family member** while not **occupying** any auto:

1. **Our** maximum limit of liability for all resulting damages, including, but not limited to, all direct, derivative or consequential damages recoverable by any persons, is the highest "each person" limit of liability shown in the Declarations for Bodily Injury Liability Underinsured Motorists Coverage applicable to any one of **your covered autos.**
2. Subject to this limit for "each person", **our** maximum limits of liability for all damages arising out of **BI** sustained in that accident is the highest "each accident" limit of liability shown in the Declarations for Bodily Injury Liability Underinsured Motorists Coverage applicable to any one of **your covered autos.**

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The maximum limit of liability is the most **we** will pay regardless of the number of:

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

C. If **BI** is sustained in an accident by **you** or any **family member** while **occupying** a vehicle not owned by **you** or any **family member:**

1. **Our** maximum limit of liability for all resulting damages, including, but not limited to, all direct, derivative or consequential damages recoverable by any persons, is the highest "each person" limit of liability shown in the Declarations for Bodily Injury Liability Underinsured Motorists Coverage applicable to any one of **your covered autos.**
2. Subject to this limit for "each person", **our** maximum limit of liability for all damages arising out of **BI** sustained in that accident is the highest "each accident" limit of liability shown in the Declarations for Bodily Injury Liability Underinsured Motorists Coverage applicable to any one of **your covered autos.**

The maximum limit of liability is the most **we** will pay regardless of the number of:

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

D. If **BI** is sustained by a **covered person** other than **you** or any **family member** in an accident in which neither **you** nor any **family member** sustained **BI**:

1. **Our** maximum limit of liability for all damages, including, but not limited to, all direct, derivative or consequential damages recoverable by any persons, will be the "each person" limit of liability shown in the Declarations for Bodily Injury Liability Underinsured Motorists Coverage applicable to the vehicle that **covered person** was **occupying** at the time of that accident.
2. Subject to this limit for each person, **our** maximum limit of liability for all damages arising out of **BI** sustained in that accident is the "each accident" limit of liability shown in the Declarations for Bodily Injury Liability Underinsured Motorists Coverage applicable to the vehicle that **covered person** was **occupying** at the time of the accident.

The maximum limit of liability is the most **we** will pay regardless of the number of:

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

E. Any amounts otherwise payable for damages under UIM Coverage shall be reduced by all sums paid because of the **BI** or **PD** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part A.

EXCLUSIONS

A. **We** do not provide UM or UIM Coverage for **PD** or **BI** sustained by any **covered person:**

1. If that person or the legal representative settles the **BI** or **PD** claim without **our** consent. This exclusion (A.1.) does not apply to UIM.

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2. When **your covered auto** is being used to carry persons for a fee. This exclusion (A.2.) does not apply to a share-the-expense car pool.
3. Using a vehicle without expressed or implied permission.
4. While **your covered auto** is rented or leased to others.
5. While **occupying** any vehicle when it is being operated in, or in practice for, any speed contest.

B. **We** do not provide UM Coverage for the first $200 of the amount of **PD** to the property of each **covered person** as the result of any one accident.

C. UM Coverage or UIM Coverage shall not apply directly or indirectly to benefit:

1. Any insurer or self-insurer under any of the following or similar law:
   a. Workers' compensation law; or
   b. Disability benefits law.
2. Any insurer of property.

OTHER INSURANCE

A. If a **covered person** sustains **BI** while **occupying** a vehicle not owned by that person or while not **occupying** any vehicle, the following priorities of recovery apply:

FIRST PRIORITY — The policy affording UM or UIM Coverage to the vehicle the **covered person** was **occupying** at the time of the accident.

SECOND PRIORITY — Any policy affording UM or UIM Coverage to the **covered person** as a named insured or **family member.**

1. If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.
2. If there is applicable insurance available under the first priority:
   a. The limit of liability applicable to the vehicle the **covered person** was **occupying** under the policy in the first priority, shall first be exhausted; and
   b. The maximum recovery in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.
3. **We** will pay only **our** share of the loss, not to exceed **our** share of the maximum recovery. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits in the same level of priority.

B. With respect to **PD,** this insurance shall apply only after the limits of any other collectible insurance applicable to the damaged property have been exhausted.

CONFORMITY TO STATUTE

This Part is intended to be in full conformity with the South Carolina Insurance Laws. If any provision of this Part conflicts with that law, it is changed to comply with the law.

NON-DUPLICATION

No **covered person** will be entitled to receive duplicate payments under this coverage for the same elements of loss which were:

A. Paid because of the **BI** or **PD** by or on behalf of persons or organizations who may be legally responsible.

B. Paid or payable under any workers' compensation law or similar disability benefits law. (This does not apply to UM Coverage.)

C. Paid under Part A in this policy.

D. Paid because of **PD** under Part D of this policy or any similar coverage under any other policy.

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ARBITRATION

A. If **we** and a **covered person** disagree as to:

1. Whether the **covered person** is legally entitled to recover damages from the owner or operator of an **uninsured motor vehicle** or an **underinsured motor vehicle;** or

2. The amount of damages that the **covered person** is legally entitled to collect from that owner;

then, that disagreement may be arbitrated, provided both parties so agree. This arbitration shall be limited to the two aforementioned factual issues and shall not address any other issues, including but not limited to, coverage questions. Any arbitration finding that goes beyond the two aforementioned factual issues shall be voidable by **us** or a **covered person.**

B. If both parties agree to arbitration, each party will select an arbitrator, and those two arbitrators will select a third. If the two arbitrators cannot agree on a third within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

C. Unless both parties agree otherwise, arbitration will take place in the county in which the **covered person** lived at the time of the accident, and local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding up to the coverage limit of liability.

PART D - PHYSICAL DAMAGE COVERAGE

DEFINITIONS

A. **Actual cash value** means the amount that it would cost, at the time of **loss,** to buy a vehicle of the same make, model, body type, model year, and equipment, with substantially similar mileage and physical condition.

B. **Collision** means the impact with an object and includes upset of a vehicle. **Loss** caused by the following is covered under Comprehensive Coverage and is not considered **collision:** fire; missiles or falling objects; hail, water or flood; malicious mischief or vandalism; theft or larceny; riot or civil commotion; explosion or earthquake; contact with bird or animal; windstorm; or breakage of window glass. If breakage of window glass is caused by a **collision you** may elect to have it considered a **loss** caused by **collision.**

C. **Loss** means direct and accidental damage to the operational safety, function, or appearance of **your covered auto,** including its equipment. **Loss** does not include any diminution in value that remains after the damaged or stolen property or parts thereof have been **repaired or replaced.**

D. **Nonowned vehicle** means any private passenger auto, **trailer,** pickup, **van,** or **miscellaneous vehicle** not owned by, or furnished or available for the regular use of, **you** or any **family member.** This applies only when such vehicle is in the custody of or being operated by **you** or a **family member.** A **nonowned vehicle** does not include a **temporary substitute vehicle** or any of the following vehicles used in any business or occupation other than farming or ranching - pickup, **van** or **miscellaneous vehicle.**

E. **Repair or replace** means restoring the damaged property or parts thereof to their pre-accident operational safety, function, and appearance. However, **we** may at **our** option **repair or replace** with parts of like kind and quality, including used or non-OEM parts (non-OEM parts are those produced by someone other than the original equipment manufacturer). **Repair or replace** does not require:

1. A return to the pre-accident market value of the property or parts thereof; or

2. Restoration, alteration, or replacement of undamaged property or parts thereof, unless such is needed for the operational safety of the vehicle.

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F. **Your covered auto,** as used in this Part, includes:

1. A **nonowned vehicle.** If there is a **loss** to a **nonowned vehicle, we** will provide the broadest coverages shown in the Declarations.
2. Equipment and accessories of **your covered auto.**
3. Any device or instrument for the transmitting, recording, receiving or reproduction of data, sound or pictures that is operated by power from the electrical system of **your covered auto,** including:
   a. Accessories or antennas; or
   b. Tapes, wires, records, discs or other media for use with any such device or instrument;

   while in or upon **your covered auto.**

INSURING AGREEMENT

A. Comprehensive Coverage (excluding **collision**). **We** will pay for **loss** caused by other than **collision** to **your covered auto,** minus any applicable deductible shown in the Declarations. The deductible will be waived for **loss** to glass that can be repaired rather than replaced. In cases where the repair proves unsuccessful and the glass must be replaced, the full amount of the deductible, if any, must be paid.

In addition, **we** will pay up to $15 a day, to a maximum of $450, for transportation expenses incurred by **you.** This applies only in the event of a total theft of **your covered auto. We** will pay only transportation expenses incurred during the period beginning 48 hours after the theft and ending when **your covered auto** is returned to use or, if not recovered or not repairable, three days after **we** have made a settlement offer.

If Increased Rental Reimbursement Coverage is afforded, limits for transportation expenses are increased up to $30 per day to a maximum of $900.

B. Collision Coverage. **We** will pay for **loss** caused by **collision** to **your covered auto** minus any applicable deductible shown in the Declarations.

C. Full Safety Glass. Any deductible under Comprehensive Coverage or Collision Coverage does not apply to the cost of repairing or replacing damaged automobile safety glass.

D. Rental Reimbursement Coverage and Increased Rental Reimbursement Coverage (for **loss** other than total theft). **We** will reimburse **you** for expenses **you** incur to rent a substitute for **your covered auto.** These coverages apply only if **your covered auto** is withdrawn from use for more than 24 hours due to a **loss,** other than a total theft, to that auto. **Our** payment will be limited to that period of time reasonably required to **repair or replace your covered auto.** If **we** determine **your covered auto** is not repairable the rental period will end three days after **we** have made a settlement offer.

Under Rental Reimbursement Coverage, **we** will pay up to $15 a day, to a maximum of $450. Under Increased Rental Reimbursement Coverage, **we** will pay up to $30 a day, to a maximum of $900.

E. Towing and Labor Costs Coverage. **We** will pay the reasonable costs **you** incur for one of the following each time **your covered auto** is disabled:

1. Mechanical labor up to one hour at the place of breakdown.
2. Towing, to the nearest place where necessary repairs can be made during regular business hours, if the vehicle will not run or is stranded on or immediately next to a public road.
3. Delivery of gas, oil, a battery or a change of tire. However, **we** do not pay for the cost of these items.

LIMIT OF LIABILITY

A. For total losses, the limit of liability for Comprehensive and Collision Coverage, is the **actual cash value** of **your covered auto.**

B. For partial losses, the limit of liability for Comprehensive and Collision Coverages is the amount necessary to **repair or replace** the damaged or stolen property or parts thereof without deduction for depreciation.

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PAYMENT OF LOSS

We may pay for **loss** in money, or **repair or replace** the damaged or stolen property. **We** may, at **our** expense, return any stolen property to **you** or to the address shown in the Declarations. If **we** return stolen property **we** will pay for any damage resulting from the theft. **We** may keep all or part of the damaged or stolen property and pay **you** an agreed or appraised value for it. **We** cannot be required to assume the ownership of damaged property. **We** may settle a claim either with **you** or with the owner of the property.

LOSS PAYABLE CLAUSE

Loss or damage under this policy will be paid, as interest may appear, to the named insured and the loss payee shown in the Declarations. This insurance, with respect to the interest of the loss payee, will not become invalid because of **your** fraudulent acts or omissions unless the **loss** results from **your** conversion, secretion, or embezzlement of **your covered auto. We** may cancel the policy as permitted by policy terms and the cancellation will terminate this agreement as to the loss payee's interest. **We** will give the same advance notice of cancellation to the loss payee as **we** give to the named insured shown in the Declarations. When **we** pay the loss payee **we** will, to the extent of payment, be subrogated to the loss payee's rights of recovery.

WAIVER OF COLLISION DEDUCTIBLE

We will not apply the deductible to **loss** caused by **collision** with another vehicle if all of these conditions are met:

1. The **loss** to **your covered auto** is greater than the deductible amount; and
2. The owner and driver of the other vehicle are identified; and
3. The owner or driver of the other vehicle has a liability policy covering the **loss;** and
4. The driver of **your covered auto** is not legally responsible, in any way, for causing or contributing to the **loss.**

EXCLUSIONS

We will not pay for:

1. **Loss** to **your covered auto** which occurs while it is used to carry persons for a fee. This does not apply to a share-the-expense car pool.
2. Damage due and confined to wear and tear, freezing, or road damage to tires. This does not apply if the damage results from the total theft of **your covered auto.** This exclusion (2.) does not apply to Towing and Labor Costs Coverage.
3. Damage due and confined to mechanical or electrical breakdown or failure, including such damage resulting from negligent servicing or repair of **your covered auto** or its equipment. **We** will pay for ensuing damage only to the extent the damage occurs outside of the major component (such as transmission/transaxle, electrical system, engine including cooling and lubrication thereof, air conditioning, computer, suspension, braking, drive assembly, and steering) in which the initial mechanical or electrical breakdown or failure occurs.

   This exclusion does not apply if the damage results from the total theft of **your covered auto,** and it does not apply to Towing and Labor Costs Coverage.
4. **Loss** due to or as a consequence of war, insurrection, revolution, nuclear reaction, or radioactive contamination.
5. **Loss** to a camper body or **trailer you** own which is not shown in the Declarations. This does not apply to one **you** acquire during the policy period and ask **us** to insure within 30 days after **you** become the owner.
6. **Loss** to any **nonowned vehicle** or **temporary substitute vehicle** when used by any person without reasonable belief that that person is entitled to do so.
7. **Loss** to equipment designed or used to evade or avoid the enforcement of motor vehicle laws.
8. **Loss** to any **nonowned vehicle** arising out of its use by **you** or a **family member** while employed or otherwise engaged in **auto business** operations.

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9. **Loss** to **your covered auto** while it is rented or leased to others.
10. **Loss** to any vehicle while it is being operated in, or in practice for, any speed contest.
11. **Loss** resulting from:
    a. The acquisition of a stolen vehicle;
    b. Any legal or governmental action to return a vehicle to its legal owner; or
    c. Any confiscation or seizure of a vehicle by governmental authorities.

    This exclusion does not apply to innocent purchasers of stolen vehicles for value under circumstances that would not cause a reasonable person to be suspicious of the sales transaction or the validity of the title.
12. **Loss** resulting from use in any illicit or prohibited trade or transportation.
13. Any **loss** arising out of any act committed:
    a. By or at the direction of **you** or any **family member;** and
    b. With the intent to cause a **loss.**

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also covers the **loss, we** will pay only **our** share of the **loss. Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide with respect to a **nonowned vehicle** or **temporary substitute vehicle** will be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the **nonowned vehicle** or **temporary substitute vehicle.**
2. Any other applicable physical damage insurance.
3. Any other source of recovery applicable to the **loss.**

This provision does not apply to Towing and Labor Costs Coverage.

APPRAISAL

If **we** and **you** do not agree on the amount of **loss,** either may demand an appraisal. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the **actual cash value** and the amount of **loss.** If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will pay its chosen appraiser and share the expenses of the umpire equally. Neither **we** nor **you** waive any of **our** rights under this policy by agreeing to an appraisal.

PART E - GENERAL PROVISIONS

AIR BAG

If an air bag in **your covered auto** deploys for any reason, **we** will pay without deductible to replace it.

BANKRUPTCY

Bankruptcy or insolvency of the **covered person,** as defined in this policy, shall not relieve **us** of any obligations under this policy.

CHANGES

A. The premium is based on information **we** have received from **you** and other sources. **You** agree to cooperate with **us** in determining if this information is correct and complete. **You** agree that if this information changes, or is incorrect or incomplete, **we** may adjust **your** premiums accordingly during the policy period.

B. If, during the policy period, the risk exposure changes for any of the following reasons, the necessary premium adjustments will be made effective the date of change in exposure. **You** agree to give **us** notice of such exposure changes as soon as is reasonably possible:
    1. Change in location where any vehicle is garaged.

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2. Change, addition, or deletion relating to the description, equipment, purchase date, registration, cost, usage, miles driven annually, or operators of any vehicle.
3. Replacement, deletion, or addition of any vehicle. **You** must request coverage for a newly acquired vehicle within 30 days from the date the vehicle is acquired if **you** wish to continue any coverage. See DEFINITIONS - **your covered auto.**
4. Change, addition, or deletion relating to the date of birth, marital status, or driving record of any operator.
5. Addition or deletion of an operator.
6. Change, addition, or deletion of any coverage or limits.

C. **We** will make any calculations or adjustments of **your** premium using the applicable rules, rates, and forms as of the effective date of the change.

D. If **we** make a change which broadens coverage under this edition of **our** policy without additional premium charge, that change will automatically apply to **your** insurance as of the date **we** implement that change in **your** location. This paragraph does not apply to changes implemented with a revision that includes both broadenings and restrictions in coverage. Otherwise, this policy includes all of the agreements between **you** and **us.** Its terms may not be changed or waived except by endorsement issued by **us.**

DUTIES AFTER AN ACCIDENT OR LOSS

A. **We** must be notified promptly of how, when, and where an accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.

B. A person seeking any coverage must:
1. Cooperate with **us** in the investigation, settlement, or defense of any claim or suit.
2. Promptly send **us** copies of any notices or legal papers received in connection with a suit, accident or loss.
3. Submit, as often as **we** reasonably require:
   a. To physical exams by physicians **we** select. **We** will pay for these exams.
   b. To examination under oath. The examination must be signed.
4. Authorize **us** to obtain medical reports and other pertinent records.
5. Submit a proof of loss when required by **us.**
6. Promptly notify the police if a hit-and-run driver is involved.

C. A person seeking coverage under Part B - Personal Injury Protection must also:
1. Submit a written proof of claim when required by **us**.
2. Promptly send **us** copies of the legal papers if a suit is brought.

D. A person seeking coverage under Part C - Uninsured Motorist Coverage must also:
1. Promptly notify the police if a hit-and-run driver is involved.
2. Promptly send **us** copies of the legal papers if a suit is brought.

E. A person seeking coverage under Part C - Underinsured Motorist Coverage must also promptly send **us** copies of the legal papers if a suit is brought.

F. A person seeking coverage under Part D - Physical Damage must also:
1. Take reasonable steps after loss to protect **your covered auto** and its equipment from further loss. **We** will pay reasonable expenses incurred to do this.
2. Promptly notify the police if **your covered auto** is stolen.
3. Permit **us** to inspect and appraise the damaged property before its repair or disposal.

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LEGAL ACTION AGAINST US

A. No legal action may be brought against **us** until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against **us** until **we** agree in writing that the **covered person,** as defined in Part A, has an obligation to pay, or the amount of that obligation has been finally determined by judgment after trial.

B. No person or organization has any right under this policy to bring **us** into any action to determine the liability of a **covered person,** as defined in this policy.

MISREPRESENTATION

We do not provide coverage for any **covered person,** as defined in this policy, who has knowingly concealed or misrepresented any material fact or circumstance relating to this insurance:

1. At the time application was made; or
2. At any time during the policy period; or
3. In connection with the presentation or settlement of a claim.

NON-DUPLICATION OF PAYMENT

When a claim, or part of a claim, is payable under more than one provision of this policy, **we** will pay the claim only once under this policy.

OUR RIGHT TO RECOVER PAYMENT

A. If **we** make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another, **we** will be subrogated to that right. That person shall do whatever is necessary to enable **us** to exercise **our** rights, and shall do nothing after loss to prejudice them. However, **our** rights in this paragraph do not apply under Part D, against any person using **your covered auto** with a reasonable belief that that person is entitled to do so.

B. If **we** make a payment under this policy and the person to or for whom payment was made recovers damages from another, that person shall hold in trust for **us** the proceeds of the recovery and reimburse **us** to the extent of **our** payment.

C. The following provisions apply to payments made under Part C - Uninsured Motorists Coverage.

1. If **we** make payment under this policy and the person to or for whom payment was made has a right to recover damages from another, **we** shall be subrogated to that right to the extent of such payment that does not exceed the minimum limits specified by the South Carolina Motor Vehicle Financial Responsibility Act. That person shall do:
   a. Whatever is necessary to enable **us** to exercise **our** rights; and
   b. Nothing after loss to prejudice them.
2. If a **covered person** has prosecuted to judgment any suit against any person responsible, **we** will be entitled to an assignment of the judgment to the extent of payment under this insurance that does not exceed the minimum limits specified by the South Carolina Motor Vehicle Financial Responsibility Act.
3. **We** will pay **our** proportionate part of any reasonable costs and expenses incurred for any recovery, including reasonable attorneys' fees. However, **we** reserve the right to retain an attorney of **our** choice to pursue a claim instead of reasonable attorneys' fees.
4. If a **covered person** making a claim for **PD** under this insurance is also entitled to insurance or other compensation for the **PD**, **we** will not be obligated to pay a claim until the **covered person** has assigned **us** the rights to the compensation, to the extent of payment under this insurance that does not exceed the minimum limits specified by the South Carolina Motor Vehicle Financial Responsibility Act.

D. Paragraphs A. and B. do not apply to Part B - Personal Injury Protection Coverage, Part B - Medical Payments Coverage, or Part C - Underinsured Motorists Coverage.

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(PART E Cont'd.)

E. If the **covered person,** as defined in this policy, recovers from the party at fault and **we** share in the recovery, **we** will pay **our** share of the legal expenses. **Our** share is that percent of the legal expenses that the amount **we** recover bears to the total recovery. This does not apply to any amounts recovered or recoverable by **us** from any other insurer under any inter-insurer arbitration agreement.

F. If **we** make payment for a claim under Part A, and the **covered person,** as defined in Part A:

1. Failed or refused to comply with the duties specified in this provision; and
2. Prejudiced **our** defense of the liability claim by such failure or refusal;

then, the **covered person** shall reimburse **us** to the extent of **our** payment and cost of defense.

OWNERSHIP

For purposes of this policy, a private passenger type auto, pickup or **van** is deemed to be owned by a person if leased under a written agreement to that person for a continuous period of at least six months.

POLICY PERIOD AND TERRITORY

A. This policy applies only to accidents and losses which occur during the policy period as shown in the Declarations and within the policy territory. The policy territory is the United States of America (USA), its territories and possessions, Puerto Rico, and Canada, including transportation of **your covered auto** between any ports of these locations.

B. The policy territory also includes Mexico, subject to the following conditions:

1. All coverages afforded by the policy are extended to include coverage during trips into Mexico. This applies only to loss or accident that occurs within 75 miles of the USA border.
2. Any liability coverage afforded by the policy is extended to include the remainder of Mexico, but only if **you** have valid and collectible liability coverages from a licensed Mexican insurance company at the time of loss. Also, for this Part to be effective, the original liability suit for **BI** or **PD** must be brought in the USA.

This coverage does not extend:

a. To any **covered person**, as defined in this policy, who does not live in the USA.

b. To any **covered person**, as defined in this policy, **occupying** an auto which is not principally garaged and used in the USA.

c. To any auto which is not principally garaged and used in the USA.

The words "state or province" as used in the Out of State Coverage provision in Part A of the policy do not include a "state or province" of Mexico.

Losses payable under Part D of the policy will be paid in the USA. If the auto must be repaired in Mexico, **our** limit of liability will be determined at the nearest point in the USA where repairs can be made.

Any insurance **we** provide will be excess over any other similar valid and collectible insurance.

TERMINATION

A. Cancellation. This policy may be cancelled during the policy period as follows:

1. The named insured may cancel this policy at any time, but the effective date of cancellation cannot be earlier than the date of the request.
2. **We** may cancel by mailing a notice to the named insured shown in the Declarations at the address shown in this policy by giving at least 15 days notice.

3. During the first 90 days this policy is in effect, the policy may be cancelled for any reason.
4. After this policy is in effect for 90 days, or if this is a renewal policy, **we** will cancel only:
   a. For nonpayment of premium; or
   b. If **your** driver's license or that of any driver who either resides in the same household or customarily operates **your covered auto** has been suspended or revoked. This must have occurred:
      (1) During the policy period; or
      (2) During the 90 days immediately preceding the last anniversary of the effective date.
5. **We** may cancel for any other reason permitted by law.

B. Nonrenewal. If **we** decide not to renew this policy, **we** will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 15 days before the end of the policy period.

C. Automatic Termination. If **we** offer to renew and **you** do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal premium when due will mean that **you** have not accepted **our** offer.

If **you** obtain other insurance on **your covered auto,** any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance. This does not apply to liability coverage purchased for travel in Mexico.

D. Other Termination Provisions.
1. **We** may deliver any notice instead of mailing it. Proof of mailing of any notice will be sufficient proof of notice.
2. If this policy is cancelled, the named insured shown in the Declarations may be entitled to a premium refund. If so, **we** will send the named insured shown in the Declarations the refund. The premium refund, if any, will be computed according to **our** manuals. However, making or offering to make the refund is not a condition of cancellation.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.

TRANSFER OF YOUR INTEREST IN THIS POLICY

Your rights and duties under this policy may not be assigned without **our** written consent. However, if a named insured shown in the Declarations dies, **we** will provide coverage until the end of the policy period for:

1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations; and
2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto.**

TWO OR MORE AUTO POLICIES

A. If this policy and any other auto insurance policy **we** issued to **you** apply to the same accident, the maximum limit of **our** liability under all the policies will not exceed the highest applicable limit of liability under any one policy.

B. This provision does not apply to Part C - Uninsured Motorists Coverage or Underinsured Motorists Coverage.

C. No one will be entitled to receive duplicate payments for the same elements of loss under Part C - Uninsured Motorists Coverage and Underinsured Motorists Coverage.

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Amendatory Endorsement
Auto Policy

The following endorsement forms a part of the auto policy to which it is attached on page 1.

This is a participating policy. You are entitled to dividends as may be declared by the board of directors.

If this policy is issued by United Services Automobile Association ("USAA"), a reciprocal interinsurance exchange, the following apply:

- By purchasing this policy you are a member of USAA and are subject to its bylaws.
- This is a non-assessable policy. You are liable only for the amount of your premium as USAA has a free surplus in compliance with Article 19.03 of the Texas Insurance Code of 1951, as amended.
- The board of directors may annually allocate a portion of USAA's surplus to Subscriber's Accounts. Amounts allocated to such accounts remain a part of USAA's surplus and may be used as necessary to support the operations of the Association. A member shall have no right to any balance in the member's account except until following termination of membership, as provided in the bylaws.

VOIDING AUTOMOBILE INSURANCE WHILE NAMED PERSON IS OPERATING CAR

This endorsement forms a part of

Policy Number 01405 46 83U 7102 9 issued to BELINDA GAMBLE PICKENS

BELINDA GAMBLE PICKENS
MSG USA
1233 W 61ST ST
DAVENPORT IA 52806-1999

by the United Services Automobile Association

of San Antonio, Texas, and is

effective (Mo.-Day-Yr.) 05-01-2008 (12:01 A.M. Standard Time)

In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is hereby agreed that with respect to such insurance as is afforded under this policy, including any obligation to defend, the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

KEVIN S. PICKENS
(Name of Person to be Excluded)

In all other respects this policy remains unchanged. Notwithstanding the "changes" condition or General Provision of this or any subsequent policy, this agreement shall remain in force as long as the policy remains in force. This agreement shall also apply to any continuation, extension, renewal or replacement of this policy with another auto policy issued to the named insured by any USAA Insurance Company affiliate, or to any reinstatement of this policy within thirty days of a lapse thereof.

The Named Insured accepts this endorsement as witness his signature signifying his agreement. The Named Insured states the excluded person has surrendered their driver's license to the State Highway Department, ( ) or has obtained a policy of insurance (or other security) (X) to enable them to drive vehicles. (Check one.)

(Named Insured)

1 MAY 08
(Date)

If this form is sent by facsimile machine (fax), the sender adopts the document received by USAA as a duplicate original and adopts the signature produced by the receiving fax machine as the sender's original signature.

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EXHIBIT B

0901119c95d35b3c

Name Belinda Pickens

Street Address 1233 W 61ST Street

City and State Davenport IA | Zip Code 52806

IS THIS A CHANGE OF ADDRESS? YES ☐ NO ☒

QUAD CITIES IL P&DF
IL 612
02 MAY 2008 PM
05/05/2008 00:58 GMT

USA First-Class Mail

USAA
9800 FREDERICKSBURG ROAD
SAN ANTONIO TX 78288-0508

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VOIDING AUTOMOBILE INSURANCE WHILE NAMED PERSON IS OPERATING CAR

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Policy Number 01405 46 83U 7102 9 issued to BELINDA GAMBLE PICKENS

BELINDA GAMBLE PICKENS
MSG USA
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effective (Mo.-Day-Yr.) 05-01-2008 (12:01 A.M. Standard Time)

In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is hereby agreed that with respect to such insurance as is afforded under this policy, including any obligation to defend, the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

KEVIN S. PICKENS
(Name of Person to be Excluded)

In all other respects this policy remains unchanged. Notwithstanding the "changes" condition or General Provision of this or any subsequent policy, this agreement shall remain in force as long as the policy remains in force. This agreement shall also apply to any continuation, extension, renewal or replacement of this policy with another auto policy issued to the named insured by any USAA Insurance Company affiliate, or to any reinstatement of this policy within thirty days of a lapse thereof.

The Named Insured accepts this endorsement as witness his signature signifying his agreement. The Named Insured states the excluded person has surrendered their driver's license to the State Highway Department, ( ) or has obtained a policy of insurance (or other security) (X) to enable them to drive vehicles. (Check one.)

(Named Insured)

1 MAY 08
(Date)

If this form is sent by facsimile machine (fax), the sender adopts the document received by USAA as a duplicate original and adopts the signature produced by the receiving fax machine as the sender's original signature.

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOR THE FIFTH JUDICIAL CIRCUIT
COUNTY OF RICHLAND	)	
	)	CASE NUMBER: 2019-CP-40-03702
United Services Automobile Association,	)	
	)	
Plaintiff,	)	**ANSWER ON BEHALF OF**
	)	**BELINDA PICKENS**
v.	)	
	)	
Belinda Pickens,	)	
	)	
Defendant.	)	

Defendant Belinda Pickens ("Defendant") submits the following Answer in response to the Complaint for Declaratory Judgment filed in this matter by United Services Automobile Association ("USAA"):

FOR A FIRST DEFENSE

1. Defendant admits the allegations in paragraph 1.

2. Defendant admits the allegations in paragraph 2.

3. Defendant admits that the complaint purports to set forth a claim for declaratory judgment under SCRCP 57, the Uniformed Declaratory Judgment Act, and South Carolina Code Ann. §§ 15-53-10 through 15-53-140. Except as expressly admitted, Defendant denies the allegations in paragraph 3.

4. Defendant admits the allegations in paragraph 4.

5. Defendant admits the allegations in paragraph 5.

6. Defendant admits the allegations in paragraph 6.

7. Defendant admits the allegations in paragraph 7.

8. Defendant denies the allegations in paragraph 8 and demands strict proof thereof.

9. Defendant admits the allegations in paragraph 9.

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10. Defendant admits the allegations in paragraph 10.

11. Defendant denies the allegations in paragraph 11 and demands strict proof thereof.

12. Defendant admits Kevin Simms is her son but expressly denies all other allegations in paragraph 12.

13. Defendant admits the allegations in paragraph 13.

14. Defendant repeats and answers each and every one of the preceding paragraphs as if set forth verbatim below.

15. Defendant admits the allegations in paragraph 15.

16. Defendant denies the allegations in paragraph 16 and demands strict proof thereof.

17. Defendant admits the allegations in paragraph 17.

18. Defendant admits Kevin S. Pickens was designated by name as an excluded driver but expressly denies all other allegations in paragraph 18.

19. Defendant admits Kevin Simms was operating the vehicle but expressly denies all other allegations in paragraph 19.

20. The allegations in paragraph 20 state a legal conclusion to which no response is required. To the extent a response is required, Defendant denies USAA is entitled to a declaration that the "Named Driver Exclusion" applies and the policy does not provide coverage for the uninsured motorist (UM) claim Defendant has made.

WHEREFORE, Defendant prays that the court inquiries into these matters and make the following declarations:

A. Denying USAA's request for a declaratory judgment and determining that Belinda Picken's USAA policies provide coverage for the accident which occurred on March 10, 2016.

B. For such other further relief as the court may deem just and proper.

Respectfully Submitted:

By /s/Richard C. Alexander

Richard C. Alexander, Esq. (SC Bar No.: 77958)
Shelly Leeke Law Firm, LLC
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North Charleston, SC
August 21, 2019

Attorney for Defendant

ELECTRONICALLY FILED - 2019 Aug 21 1:15 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

ELECTRONICALLY FILED - 2019 Oct 02 1:33 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	FOR THE FIFTH JUDICIAL CIRCUIT
COUNTY OF RICHLAND)	
)	CASE NUMBER: 2019-CP-40-03702
United Services Automobile Association,)	
)	
Plaintiff,)	**DEFENDANT'S NOTICE OF MOTION**
)	**MOTION FOR SUMMARY JUDGMENT**
v.)	
)	
Belinda Pickens,)	
)	
Defendant.)	

TO: WESLEY B. SAWYER, ATTORNEY FOR THE PLAINTIFF:

The Defendant, Belinda Pickens, (hereafter "the Defendant"), through her undersigned attorney, will move before this Honorable Court at a time and place to be set for an Order granting the dismissal of the Declaratory Judgment Action on the grounds that South Carolina Code Annotated § 38-77-340 et seq. only applies to liability insurance.

The Defendant makes this motion pursuant to South Carolina Rules of Civil Procedure 56 as well as South Carolina Code Annotated § 38-77-10 et seq. This motion is supported by all applicable law and may be supplemented further with memoranda, affidavits or other supporting material as permitted under and pursuant to the South Carolina Rules of Civil Procedure.

Respectfully Submitted:

By /s/Richard C. Alexander

Richard C. Alexander, Esq. (SC Bar No.: 77958)
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North Charleston, SC
October 2, 2019

Attorney for Defendant

ELECTRONICALLY FILED - 2019 Nov 01 3:06 PM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF RICHLAND	CIVIL ACTION NO: 2019-CP-40-03702
United Services Automobile Association, Plaintiff, v. Belinda Pickens, Defendant.	**PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT**

TO: RICHARD C. ALEXANDER, ESQUIRE, ATTORNEY FOR DEFENDANT AND TO THE DEFENDANT ABOVE NAMED:

YOU WILL PLEASE TAKE NOTICE that the undersigned, as attorneys for the Plaintiff, United Services Automobile Association, will move before the presiding judge of the Richland County Court of Common Pleas at the Richland County Courthouse at 10:00 a.m. on the tenth (10th) day after service hereof, or as soon thereafter as counsel may conveniently be heard, for an Order granting summary judgment in favor of the Plaintiff on grounds that there is no genuine issue as to any material fact.

This Motion is made pursuant to Rule 56 of the South Carolina Rules of Civil Procedure and will be supplemented and supported by such affidavits, depositions, discovery responses, memoranda of law, and such other documents as appropriate.

MURPHY & GRANTLAND, P.A.

S/Wesley B. Sawyer

Wesley B. Sawyer, Esquire (SC Bar #100229)
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Attorneys for Plaintiff

Columbia, South Carolina
November 1, 2019

ELECTRONICALLY FILED - 2020 Jan 08 9:58 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF RICHLAND	CIVIL ACTION NO: 2019-CP-40-03702
United Services Automobile Association, Plaintiff, v. Belinda Pickens, Defendant.	**MEMORANDUM IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT**

Plaintiff, United Services Automobile Association (hereinafter "USAA"), in support of its Motion for Summary Judgment, states as follows.

SUMMARY

This declaratory judgment action arises from an automobile accident that occurred when Defendant Belinda Pickens was a passenger in a 1997 Chevrolet operated by Kevin Simms. (Ex. A, Stipulation and Agreement, ¶ 6). USAA issued a policy of automobile insurance to Pickens listing the 1997 Chevrolet as an insured auto. However, Pickens executed a form titled Voiding Automobile Insurance While Named Person is Operating Car (hereinafter "Excluded Driver Endorsement"), listing Kevin as an excluded driver. In the Excluded Driver Endorsement, Pickens agreed USAA "shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy . . . while said automobile is being driven or operated by" Kevin. (Ex. B, Excluded Driver Endorsement); (Ex. A, Stip. And Agreement, ¶¶ 2-5).[1]

[1] Although the Excluded Driver Endorsement form lists the excluded driver as "Kevin S. Pickens," the parties agree and stipulate that the form was intended to exclude Kevin Simms and that Kevin Simms was operating the vehicle at the time of the accident. (Ex. A, Stip. And Agreement ¶¶ 2-5).

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Pickens claims the accident was caused by a John Doe motorist, and she has made a claim for uninsured motorist coverage under the USAA policy. Although she admits signing the Excluded Driver Endorsement and she admits that an excluded driver was operating her vehicle at the time of the accident, Pickens claims the exclusion can only be applied to liability coverage. Therefore, even though she had excluded liability coverage and was allowing her vehicle to be operated without insurance at the time of the accident, she wants to collect under her policy's UM coverage. On October 2, 2019, the South Carolina Court of Appeals rejected a similar argument. in *Nationwide Ins. Co. v. Knight*, __ S.C. __, 835 S.E.2d 538 (Ct. App. Oct. 2, 2019). In *Knight*, the Court of Appeals held that an Excluded Driver Endorsement applies to all coverages when the excluded driver operates an insured vehicle, not just liability coverage.

Because the policy excluded coverage while Kevin was operating any vehicle, USAA filed this declaratory judgment. The parties admit Kevin was an excluded driver, that Pickens signed the named driver exclusion, and that Kevin was operating the insured vehicle at the time of the accident. Therefore, like the insurer in *Knight*, USAA is entitled to summary judgment declaring that the policy does not provide coverage for the accident.

UNDISPUTED FACTS

USAA issued a personal auto policy to Pickens identified by policy number 01405 46 83U 7102 9. (Ex. A, Stip. And Agreement ¶ 4). The Policy lists a 1997 Chevrolet, VIN No. 2G1FP32K9V2142738, as an insured vehicle. (Compl. ¶ 5; Ans. ¶ 5). On May 1, 2008, Pickens executed the Excluded Driver Endorsement listing Kevin as an excluded driver. (Ex. A, Stip. And Agreement ¶ 2-4). In doing so, she declared that Kevin had "obtained a policy of insurance (or other security) to enable [him] to drive vehicles." (Ex. B, Excluded Driver Endorsement). The Excluded Driver Endorsement stated in pertinent part:

> In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is

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> hereby agreed that with respect to such coverage as is afforded under this policy, including any obligation to defend, the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

(Ex. B, Excluded Driver Endorsement). Moreover, the declarations page of the insurance policy stated: ***COVERAGES EXCLUDED WHEN ANY VEHICLE OPERATED BY KEVIN SIMMS ***. (Ex. C, Policy Declarations). Thus, Pickens and USAA agreed that the coverage under the policy would not apply for claims arising when Kevin was operating a vehicle.

On March 10, 2016, Defendant Simms was operating the 1997 Chevrolet with Pickens as a passenger. (Ex. A, Stipulation and Agreement, ¶ 6). Because the Named Driver Exclusion was part of the policy on the date of the accident, Kevin was driving the vehicle without liability insurance at the time of the accident. While Kevin was driving with Pickens in the uninsured 1997 Chevrolet, a collision occurred with another uninsured motorist, John Doe, causing injury to Pickens. As a result, Pickens sought uninsured motorist (UM) coverage under the USAA policy even though the policy did not provide coverage while Pickens was operating a vehicle.

ARGUMENT

The USAA policy does not provide coverage for Pickens' claims because coverage under the USAA policy did not apply while the vehicle was operated by Kevin. The Excluded Driver Endorsement is specifically authorized by South Carolina Code Section 38-77-340. Section 340 states that, "coverage under such a policy of liability insurance ***shall not apply*** while the motor vehicle is being operated by a natural person designated by name." S.C. Code § 38-77-340 (emphasis added). In other words, the insurance policy is not in effect while a vehicle is operated by an excluded driver.

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The declarations page of the policy and the Excluded Driver Endorsement follow the statutory scheme, stating "COVERAGES EXCLUDED WHEN ANY VEHICLE OPERATED BY KEVIN" (Declarations) and "with respect to such insurance as is afforded under this policy . . . the Company shall not be liable for damages . . . while said automobile is being driven or operated by" Kevin. (Excluded Driver Endorsement). Thus, because Kevin was driving the vehicle at the time of the accident, coverage under the USAA policy does not apply.

Because the endorsement is expressly authorized by statute, the Excluded Driver Endorsement applies to all coverage, including coverage providing minimum limits insurance. In *Lincoln General Ins. Co. v. Progressive Northern Ins. Co.*, 406 S.C. 534, 541, 753 S.E.2d 437, 441 (Ct. App. 2013), held "the legislative expression of the public policy of the State as revealed in the various motor vehicle insurance statutes specifies that ***an insurer's obligation to provide minimum limits for "insureds" is inapplicable when the person named in the endorsement is driving and the statute's remaining requirements are satisfied***." Therefore, all coverage – including UM and UIM coverage – are not in effect while the vehicle is operated by Kevin.

I. The Excluded Driver Endorsement complies with every requirement of South Carolina Code § 38-77-30.

South Carolina's excluded driver statute provides in pertinent part:

> Notwithstanding the definition of "insured" in Section 38-77-30, the insurer and any named insured must, by the terms of a written amendatory endorsement, the form of which has been approved by the director or his designee, agree that coverage under such a policy of liability insurance shall not apply while the motor vehicle is being operated by a natural person designated by name. The agreement, when signed by the named insured, is binding upon every insured to whom the policy applies and any substitution or renewal of it. However, no natural person may be excluded unless the *named insured declares* in the agreement that (1) the driver's license of the excluded person has been turned in to the Department of Motor Vehicles or (2) an appropriate policy of liability insurance or other security as may be

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> authorized by law has been properly executed in the name of the person to be excluded.

S.C. Code Ann. § 38-77-340 (emphasis added). Under the terms of the statute, the Excluded Driver Endorsement is valid and enforceable where the form has been approved by the South Carolina Department of Insurance, the endorsement names the excluded driver, and the named insured declares that either the named driver has turned in his license to the DMV or has an appropriate policy of liability insurance. Each of these elements has been satisfied here.

All parties agree that the Excluded Driver Endorsement was approved by the Department of Insurance pursuant to the requirements of S.C. Code Ann. § 38-77-340. (Ex. A, Stipulation and Agreement, ¶ 1). All parties agree that although the Excluded Driver Endorsement lists "Kevin S. Pickens" as the driver to be excluded from the Policy's coverage, both USAA and Defendant intended to exclude "Kevin Simms." (Ex. A, Stipulation and Agreement ¶¶ 3–4). Finally, all parties agree that Defendant marked the box on the Excluded Driver Endorsement indicating that Kevin Simms had obtained a policy of insurance that would enable him to drive. (Compl. ¶ 7; Ans. ¶ 7). Thus, there is no genuine issue of material fact regarding the Excluded Driver Endorsement's compliance with S.C. Code Ann. § 38-77-340.

II. The Excluded Driver Endorsement applies to all coverage under the Policy, not just liability coverage.

Pickens contends that the Excluded Driver Endorsement only applies to liability coverage. (Def.'s Not. Of Mot. For Summ. J.). After Pickens filed her summary judgment motion, the South Carolina Court of Appeals rendered its decision in *Nationwide Ins. Co. of America v. Knight*, __ S.C. __, 835 S.E.2d 538, 2019 WL 4853631 (Ct. App. Oct. 2, 2019), specifically rejecting the argument made by Pickens. Therefore, when the Excluded Driver Endorsement statute says coverage "shall not apply" under the policy while an excluded driver operates a vehicle, the exclusion applies to all coverages, not just liability coverage.

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In *Knight*, the named insured signed an Excluded Driver Endorsement naming her then-fiancé as an excluded driver. 835 S.E.2d at 539-40. After the policy was issued, her then-husband – the excluded driver – was operating his own motorcycle insured by another carrier when he was struck and killed by an underinsured motorist. *Id.* at 540. After collecting from the at-fault motorist's liability carrier and the motorcycle policy's UIM coverage, the estate sought to stack UIM coverage from the wife's policy.

Like Pickens here, the wife in *Knight* argued that the Excluded Driver Endorsement could only apply to liability coverage because Section 38-77-340 uses the phrase "policy of liability insurance." *Id.* at 541. The Court of Appeals looked to similar defined phrases throughout South Carolina's insurance statutes and found that the phrase "policy of liability insurance" would not be limited to liability coverage. For example, South Carolina Code Section 56-9-20(5) defines the phrase "motor vehicle liability policy" as:

> An owner's or operator's policy of liability insurance that fulfills ***all the requirements of Section 38-77-140 through 38-77-230*** . . . .

S.C. Code Ann. § 56-9-20(5) (emphasis added). As the Court of Appeals held, "Section 38-77-160, referenced in the MVFRA definition, addresses the UIM coverage that may be purchased as 'Additional coverage' with the purchase of a motor vehicle liability policy." *Id.* at 542.

Likewise, UM coverage falls within those "requirements of Section 38-77-140 through 38-77-230." Specifically, South Carolina Code Section 38-77-150 states, "[n]o automobile insurance policy or contract may be issued or delivered unless it contains a provision . . . herein referred to as the uninsured motorist provision . . .." S.C. Code Ann. § 38-77-150. Thus, UM coverage is a necessary part of a "motor vehicle liability policy," as defined by statute. Additionally, Section 38-77-30(1) defines "automobile insurance" as "automobile bodily injury and property damage

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liability insurance, ***including medical payments and uninsured motorist coverage*** . . . ." S.C. Code Ann. § 38-77-30(1) (emphasis added).

The purposes of the Excluded Driver Endorsement statute is to allow a named insured to agree to limit coverage and, as a result, obtain a lower premium. *Knight*, 835 S.E.2d at 542 ("In enacting § 38-77-340, the Legislature empowered consumers to choose to limit their coverage—and corresponding premium—within applicable statutory constraints." *Id.* Therefore, the Court of Appeals held: "We find that to interpret § 38-77-140 to allow for the intentional exclusion of a resident relative from liability coverage, but not UIM coverage offered as optional 'additional coverage' in conjunction with the same liability policy, would impose a forced construction of the statute not intended by the General Assembly." *Id.* at 542.

Like the insured wife in *Knight*, Pickens elected to exclude coverage under the USAA policy if her son drove any insured vehicle. In fact, this case is even more connected with the excluded driver form than the accident at issue in *Knight*. In *Knight*, the excluded driver was driving his *own* motorcycle insured under a *different* insurance policy, and he only sought to stack UIM coverage from other at-home vehicles. In contrast, Pickens was a passenger in the 1997 Chevrolet listed on the USAA policy at the time of the accident. Therefore, while there would have been liability coverage had an accident been caused by the excluded driver in *Knight*, there would have been no liability coverage had Kevin caused an accident while driving the 1997 Chevrolet. It certainly would not comport with public policy if Pickens were allowed to protect herself via UM coverage when she allows an excluded driver to operate her vehicle. Thus, the only way the public policy of 38-77-340 can be satisfied is by applying the Excluded Driver Endorsement to <u>all</u> coverage under the policy.

Following the position endorsed by Defendant would lead to absurd results when compared to the goal of the MVFRA. South Carolina's goal is to require owners of vehicles to carry at least

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the minimum limits of insurance. *See* S.C. Code Ann. § 56-10-10 (requiring the owner of every vehicle registered in the State of South Carolina to maintain the security required by Section 56-10-20); S.C. Code Ann. § 56-10-20 (requiring policies "providing for at least (1) the minimum coverages specified in Sections 38-77-140 through 38-77-320 . . .."). In other words, the main goal of the MVFRA is to ensure that owners of vehicles purchase insurance for their vehicles that will protect the motoring public. The Excluded Driver Endorsement statute creates an exception to this requirement that allows the owner of a vehicle to name a particular person as an excluded driver and, when that excluded driver operates the vehicle, the coverage under the policy "shall not apply." In other words, "an insurer's obligation to provide minimum limits for 'insureds' is inapplicable when the person named in the endorsement is driving." *Lincoln General Ins. Co.*, 406 S.C. at 541, 753 S.E.2d at 441. Therefore, coverage does not apply when Kevin was driving the car.

By executing the Excluded Driver Endorsement, the owner is relieved of his or her obligation to provide protection to the motoring public when the vehicle is operated by the named excluded driver. In exchange, the owner pays a lower premium. If the owner can pay a reduced premium and yet still protect herself as a passenger in the vehicle while operated by the excluded driver, then an owner has a perverse incentive to exclude all members of his or her household. It is a legal position that actually harms the public by incentivizing the exclusion of drivers to create lower premiums. The Court of Appeals in *Knight* correctly read the statute in a way that promotes – rather than harms – the purpose of the MVFRA by holding that ***all*** coverages under the policy are not in effect while the vehicle is operated by an excluded driver. Because Kevin – an excluded driver – was operating the 1997 Chevrolet at the time of the accident, all coverages under the USAA policy were not in effect at the time of the accident.

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CONCLUSION

For the above-stated reasons, the Court should grant USAA's Motion for Summary Judgment. There is no dispute in this case that Pickens signed the Excluded Driver Endorsement to exclude coverage while Kevin was operating a vehicle. All of the statutory requirements of § 38-77-340 have been satisfied. Moreover, it is undisputed that Kevin was operating the 1997 Chevrolet listed on the Policy at the time of the accident. Therefore, the Policy provides that USAA "shall not be liable for damages, losses or claims" arising out of the accident, and USAA is entitled to a declaratory judgment that it does not owe any benefits under the Policy for any claims arising out of the March 10, 2016 accident.

MURPHY & GRANTLAND, P.A.

s/Wesley B. Sawyer
Wesley B. Sawyer, Esquire (SC Bar #100229)
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E-mail: wsawyer@murphygrantland.com
Attorneys for Plaintiff

January 8, 2020
Columbia, South Carolina

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EXHIBIT A

ELECTRONICALLY FILED - 2020 Jan 08 9:58 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF RICHLAND	CIVIL ACTION NO: 2019-CP-40-03702
United Services Automobile Association, Plaintiff, v. Belinda Pickens, Defendant.	**STIPULATION AND AGREEMENT**

The undersigned, as counsel for the Plaintiff and Defendant above-named, hereby stipulate and agree as follows:

1. The named driver exclusion form attached as Exhibit B to Plaintiff's Complaint was approved by the Department of Insurance pursuant to the requirements of S.C. Code Ann. § 38-77-340.

2. The named driver exclusion form attached as Exhibit B to Plaintiff's Complaint was executed by Belinda Gamble Pickens, the Defendant, on May 1, 2008.

3. The named driver exclusion from attached as Exhibit B to Plaintiff's Complaint named "Kevin S. Pickens" above the line "(Name of Person to be Excluded).

4. By the execution of the form attached as Exhibit B to Plaintiff's Complaint, both USAA and Belinda Pickens intended to exclude "Kevin Simms" from coverage under the USAA policy issued to Belinda Gamble Pickens, policy number 0145 46 83U 7102 9.

5. The named driver exclusion form attached as Exhibit B to Plaintiff's Complaint was included in the USAA policy issued to Belinda Gamble Pickens, policy number 0145 46 83U 7102 9, on March 10, 2016.

6. At the time of the March 10, 2016 accident, Defendant Pickens was a passenger in the 1997 Chevrolet listed on the USAA policy issued to her, policy number 0145 46 83U 7102 9, which was being operated by Kevin Simms.

The parties hereby SO STUPULATE AND AGREE.

I SO STIPULATE:

s/Wesley B. Sawyer
Wesley B. Sawyer, Esquire
(SC Bar #100229)
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4406-B Forest Drive (29206)
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Attorney for the Plaintiff

s/Richard C. Alexander
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Columbia, South Carolina
November 1, 2019

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EXHIBIT B

ELECTRONICALLY FILED - 2020 Jan 08 9:58 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

VOIDING AUTOMOBILE INSURANCE WHILE NAMED PERSON IS OPERATING CAR

This endorsement forms a part of

Policy Number 01405 46 83U 7102 9 issued to BELINDA GAMBLE PICKENS

BELINDA GAMBLE PICKENS
MSG USA
1233 W 61ST ST
DAVENPORT IA 52806-1999

by the United Services Automobile Association

of San Antonio, Texas, and is

effective (Mo.-Day-Yr.) 05-01-2008 (12:01 A.M. Standard Time)

In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is hereby agreed that with respect to such insurance as is afforded under this policy, including any obligation to defend, the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

KEVIN S. PICKENS
(Name of Person to be Excluded)

In all other respects this policy remains unchanged. Notwithstanding the "changes" condition or General Provision of this or any subsequent policy, this agreement shall remain in force as long as the policy remains in force. This agreement shall also apply to any continuation, extension, renewal or replacement of this policy with another auto policy issued to the named insured by any USAA Insurance Company affiliate, or to any reinstatement of this policy within thirty days of a lapse thereof.

The Named Insured accepts this endorsement as witness his signature signifying his agreement. The Named Insured states the excluded person has surrendered their driver's license to the State Highway Department, ( ) or has obtained a policy of insurance (or other security) (X) to enable them to drive vehicles. (Check one.)

(Named Insured)

1 MAY 08
(Date)

If this form is sent by facsimile machine (fax), the sender adopts the document received by USAA as a duplicate original and adopts the signature produced by the receiving fax machine as the sender's original signature.

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EXHIBIT C

ADDL INFO ON NEXT PAGE MAIL MCH-M-I

RENEWAL OF

UNITED SERVICES AUTOMOBILE ASSOCIATION

(A RECIPROCAL INTERINSURANCE EXCHANGE)
9800 Fredericksburg Road - San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY
RENEWAL DECLARATIONS
(ATTACH TO PREVIOUS POLICY)

State	01	02	05	06	Veh	POLICY NUMBER
SC	334	334	334	334	Terr	01405 46 83U 7102

POLICY PERIOD: (12:01 A.M. standard time)
EFFECTIVE NOV 01 2015 TO MAY 01 2016

OPERATORS
01 BELINDA GAMBLE PICKENS
05 JUNETTA ROBERTS

Named Insured and Address

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

Description of Vehicle(s)

VEH	YEAR	TRADE NAME	MODEL	BODY TYPE	ANNUAL MILEAGE	IDENTIFICATION NUMBER	VEH USE* SYM		WORK/SCHOOL Miles One Way	WORK/SCHOOL Days Per Week
01	97	CHEV	CAMARO CONV	CONV	9000	2G1FP32K9V2142738		B		
02	86	CHEV	CORVETTE 2D	2 DOOR	7000	1G1YY0784G5125211		P		
05	05	FORD	TAURUS	4 DOOR	9000	1FAFP56225A278286		B		
06	08	CHEV	TAHOE 4D	4 DOOR	2000	1GNFC13038R144868		P		

The Vehicle(s) described herein is principally garaged at the above address unless otherwise stated. * W/C=Work/School; B=Business; F=Farm; P=Pleasure

VEH 01 COLUMBIA SC 29209-4040
VEH 02 COLUMBIA SC 29209-4040
VEH 05 COLUMBIA SC 29209-4040
VEH 06 COLUMBIA SC 29209-4040

This policy provides ONLY those coverages where a premium is shown below. The limits shown may be reduced by policy provisions and may not be combined regardless of the number of vehicles for which a premium is listed unless specifically authorized elsewhere in this policy.

COVERAGES / LIMITS OF LIABILITY ("ACV" MEANS ACTUAL CASH VALUE)	VEH 01 D=DED AMOUNT	VEH 01 6-MONTH PREMIUM $	VEH 02 D=DED AMOUNT	VEH 02 6-MONTH PREMIUM $	VEH 05 D=DED AMOUNT	VEH 05 6-MONTH PREMIUM $	VEH 06 D=DED AMOUNT	VEH 06 6-MONTH PREMIUM $
PART A - LIABILITY								
BODILY INJURY EA PER $ 100,000 / EA ACC $ 200,000		116.44		80.62		150.43		92.37
PROPERTY DAMAGE EA ACC $ 50,000		78.49		54.54		85.68		74.14
PART B - PIP								
PERSONAL INJURY PROTECTION								
WORK LOSS BENEFIT AND ESSENTIAL SERVICES EXPENSES EXCLUDED		12.35		10.01		14.39		7.76
PART C - UNINSURED MOTORISTS								
BODILY INJURY EA PER $ 100,000 / EA ACC $ 200,000								
PROPERTY DAMAGE EA ACC $ 50,000	D 200	30.50	D 200	22.75	D 200	30.50	D 200	20.85
PART C - UNDERINSURED MOTORISTS								
BODILY INJURY EA PER $ 100,000 / EA ACC $ 200,000								
PROPERTY DAMAGE EA ACC $ 50,000		57.81		43.12		57.81		39.52
TOTAL PREMIUM - SEE FOLLOWING PAGE(S)								

LOSS PAYEE
VEH 01 ONEMAIN FINANCIAL, COLUMBIA SC
VEH 06 SPRINGLEAF FINANCIAL SERVICES, KENNESAW GA

ENDORSEMENTS: ADDED 11-01-15 - NONE
REMAIN IN EFFECT(REFER TO PREVIOUS POLICY)- A073(03) A043(04) A400SC(04) ACCFOR(01) A401CW(02) A100SC(04) EXCLUSION OF NAMED DRIVER 5100SC(04) AOASA(01)
INFORMATION FORMS: 93984(01) 999SC(23)

H1

VEH 01 XXX40000000 | VEH 02 XXX40000000 | VEH 05 XXX40000000 | VEH 06 RSF54000000

In WITNESS WHEREOF, the Subscribers at UNITED SERVICES AUTOMOBILE ASSOCIATION have caused these presents to be signed by their Attorney-in-Fact on this date SEPTEMBER 26, 2015

Laura Bishop
Laura Bishop
President, USAA Reciprocal Attorney-in-Fact, Inc.

5000 U 07-11
53461-07-11

ELECTRONICALLY FILED - 2020 Feb 28 9:58 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003703

ELECTRONICALLY FILED - 2020 Feb 08 9:58 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

UNITED SERVICES AUTOMOBILE ASSOCIATION

USAA®

(A RECIPROCAL INTERINSURANCE EXCHANGE)
9800 Fredericksburg Road - San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY
RENEWAL DECLARATIONS
(ATTACH TO PREVIOUS POLICY)

State	01	02	05	06	Veh	POLICY NUMBER
SC	334	334	334	334	Terr	01405 46 83U 7102

POLICY PERIOD: (12:01 A.M. standard time)
EFFECTIVE NOV 01 2015 TO MAY 01 2016

Named Insured and Address

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

Description of Vehicle(s)

VEH	YEAR	TRADE NAME	MODEL	BODY TYPE	ANNUAL MILEAGE	IDENTIFICATION NUMBER	VEH USE* SYM		WORK/SCHOOL Miles One Way	WORK/SCHOOL Days Per Week
01	97	CHEV	CAMARO CONV	CONV	9000	2G1FP32K9V2142738		B		
02	86	CHEV	CORVETTE 2D	2 DOOR	7000	1G1YY0784G5125211		P		
05	05	FORD	TAURUS	4 DOOR	9000	1FAFP56225A278286		B		
06	08	CHEV	TAHOE 4D	4 DOOR	2000	1GNFC13038R144868		P		

The Vehicle(s) described herein is principally garaged at the above address unless otherwise stated. * W/C=Work/School; B=Business; F=Farm; P=Pleasure

VEH 01 COLUMBIA SC 29209-4040
VEH 02 COLUMBIA SC 29209-4040
VEH 05 COLUMBIA SC 29209-4040
VEH 06 COLUMBIA SC 29209-4040

This policy provides ONLY those coverages where a premium is shown below. The limits shown may be reduced by policy provisions and may not be combined regardless of the number of vehicles for which a premium is listed unless specifically authorized elsewhere in this policy.

COVERAGES / LIMITS OF LIABILITY ("ACV" MEANS ACTUAL CASH VALUE)	VEH 01 D=DED AMOUNT	VEH 01 6-MONTH PREMIUM $	VEH 02 D=DED AMOUNT	VEH 02 6-MONTH PREMIUM $	VEH 05 D=DED AMOUNT	VEH 05 6-MONTH PREMIUM $	VEH 06 D=DED AMOUNT	VEH 06 6-MONTH PREMIUM $
PART D - PHYSICAL DAMAGE COVERAGE								
COMPREHENSIVE LOSS ACV LESS	D 500	92.32	D 500	66.72	D 500	43.03	D 500	61.93
COLLISION LOSS ACV LESS	D 500	107.44	D 500	51.82	D 500	103.60	D 500	63.77
RENTAL REIMBURSEMENT $ 30 A DAY/$ 900 MAXIMUM		18.00		18.00		18.00		18.00
TOWING AND LABOR		6.63		6.63		6.63		6.63
VEHICLE TOTAL PREMIUM		519.98		354.21		510.07		384.85
TOTAL PREMIUM - SEE FOLLOWING PAGE(S)								

VEH 01 XXX40000000 | VEH 02 XXX40000000 | VEH 05 XXX40000000 | VEH 06 RSF54000000

In WITNESS WHEREOF, the Subscribers at UNITED SERVICES AUTOMOBILE ASSOCIATION have caused these presents to be signed by their Attorney-in-Fact on this date SEPTEMBER 26, 2015

Laura Bishop
Laura Bishop
President, USAA Reciprocal Attorney-in-Fact, Inc.

5000 U 07-11
53461-07-11

ELECTRONICALLY FILED - 2020 Jan 29 9:58 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

UNITED SERVICES AUTOMOBILE ASSOCIATION

USAA®

(A RECIPROCAL INTERINSURANCE EXCHANGE)
9800 Fredericksburg Road - San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY
RENEWAL DECLARATIONS
(ATTACH TO PREVIOUS POLICY)

State	Veh	POLICY NUMBER
SC	07 / Terr 334	01405 46 83U 7102 9

POLICY PERIOD: (12:01 A.M. standard time)
EFFECTIVE NOV 01 2015 TO MAY 01 2016

Named Insured and Address

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

Description of Vehicle(s)

VEH	YEAR	TRADE NAME	MODEL	BODY TYPE	ANNUAL MILEAGE	IDENTIFICATION NUMBER	VEH USE* SYM		WORK/SCHOOL Miles One Way	WORK/SCHOOL Days per Week
07	14	NISSAN	ALTIMA	4 DOOR	7000	1N4AL3AP9EC133604		P		

The Vehicle(s) described herein is principally garaged at the above address unless otherwise stated
VEH 07 COLUMBIA SC 29209-4040

* W/C=Work/School; B=Business; F=Farm; P=Pleasure

This policy provides ONLY those coverages where a premium is shown below. The limits shown may be reduced by policy provisions and may not be combined regardless of the number of vehicles for which a premium is listed unless specifically authorized elsewhere in this policy.

COVERAGES / LIMITS OF LIABILITY ("ACV" MEANS ACTUAL CASH VALUE)	VEH 07 D=DED AMOUNT	VEH 07 6-MONTH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $
PART A - LIABILITY								
BODILY INJURY EA PER $ 100,000								
EA ACC $ 200,000		113.42						
PROPERTY DAMAGE EA ACC $ 50,000		73.48						
PART B - PIP								
PERSONAL INJURY PROTECTION								
WORK LOSS BENEFIT AND ESSENTIAL								
SERVICES EXPENSES EXCLUDED		14.46						
PART C - UNINSURED MOTORISTS								
BODILY INJURY EA PER $ 100,000								
EA ACC $ 200,000								
PROPERTY DAMAGE EA ACC $ 50,000	D 200	23.70						
PART C - UNDERINSURED MOTORISTS								
BODILY INJURY EA PER $ 100,000								
EA ACC $ 200,000								
PROPERTY DAMAGE EA ACC $ 50,000		44.92						
PART D - PHYSICAL DAMAGE COVERAGE								
COMPREHENSIVE LOSS ACV LESS	D 250	84.39						
COLLISION LOSS ACV LESS	D 500	165.51						
TOWING AND LABOR		6.63						

TOTAL PREMIUM - SEE FOLLOWING PAGE(S)

VEH 07 ADDNL INTEREST - CO-OWNER JUNETTA ROBERTS,
COLUMBIA, SC ENDT A073 APPLIES
LOSS PAYEE
VEH 07 NISSAN MOTOR ACCEPTANCE, MINNEAPOLIS MN

VEH 07 RSF2400000

In WITNESS WHEREOF, the Subscribers at UNITED SERVICES AUTOMOBILE ASSOCIATION have caused these presents to be signed by their Attorney-in-Fact on this date SEPTEMBER 26, 2015

Laura Bishop
Laura Bishop
President, USAA Reciprocal Attorney-in-Fact, Inc.

5000 U 07-11
53461-07-11

UNITED SERVICES AUTOMOBILE ASSOCIATION

(A RECIPROCAL INTERINSURANCE EXCHANGE)
9800 Fredericksburg Road - San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY
RENEWAL DECLARATIONS
(ATTACH TO PREVIOUS POLICY)

State	Veh Terr	POLICY NUMBER
SC		01405 46 83U 7102 9

POLICY PERIOD: (12:01 A.M. standard time)
EFFECTIVE NOV 01 2015 TO MAY 01 2016

Named Insured and Address

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

Description of Vehicle(s)

VEH	YEAR	TRADE NAME	MODEL	BODY TYPE	ANNUAL MILEAGE	IDENTIFICATION NUMBER	VEH USE* SYM	WORK/SCHOOL Miles One Way	WORK/SCHOOL Days per Week

The Vehicle(s) described herein is principally garaged at the above address unless otherwise stated. * W/C=Work/School; B=Business; F=Farm; P=Pleasure

This policy provides ONLY those coverages where a premium is shown below. The limits shown may be reduced by policy provisions and may not be combined regardless of the number of vehicles for which a premium is listed unless specifically authorized elsewhere in this policy.

COVERAGES / LIMITS OF LIABILITY ("ACV" MEANS ACTUAL CASH VALUE)	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $
***COVERAGES EXCLUDED WHEN ANY VEHICLE OPERATED BY KEVIN SIMMS ***								
VEHICLE TOTAL PREMIUM		526.51						

6 MONTH PREMIUM $ 2295.62
PREMIUM DUE AT INCEPTION. THIS IS NOT A BILL, STATEMENT TO FOLLOW.

EARNED ACCIDENT FORGIVENESS APPLIES WITH FIVE YEARS CLEAN DRIVING WITH USAA.
THE FOLLOWING COVERAGE(S) DEFINED IN THIS POLICY ARE NOT PROVIDED FOR:
VEH 07 - RENTAL REIMBURSEMENT

ADDITIONAL MESSAGE(S) - SEE FOLLOWING PAGE(S)

In WITNESS WHEREOF, the Subscribers at UNITED SERVICES AUTOMOBILE ASSOCIATION have caused these presents to be signed by their Attorney-in-Fact on this date SEPTEMBER 26, 2015

Laura Bishop
Laura Bishop
President, USAA Reciprocal Attorney-in-Fact, Inc.

5000 U 07-11
53461-07-11

ELECTRONICALLY FILED - 2020 Jan 28 8:58 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

ELECTRONICALLY FILED - 2020 Jan 08 9:58 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

UNITED SERVICES AUTOMOBILE ASSOCIATION

(A RECIPROCAL INTERINSURANCE EXCHANGE)
9800 Fredericksburg Road - San Antonio, Texas 78288

SOUTH CAROLINA AUTO POLICY
RENEWAL DECLARATIONS
(ATTACH TO PREVIOUS POLICY)

State	Veh	POLICY NUMBER
SC	Terr	01405 46 83U 7102

POLICY PERIOD: (12:01 A.M. standard time)
EFFECTIVE NOV 01 2015 TO MAY 01 2016

Named Insured and Address

BELINDA GAMBLE PICKENS
MSG USA RET
160 NESTLE CT
COLUMBIA SC 29209-4040

Description of Vehicle(s)

VEH	YEAR	TRADE NAME	MODEL	BODY TYPE	ANNUAL MILEAGE	IDENTIFICATION NUMBER	VEH USE* SYM		WORK/SCHOOL Miles One Way	WORK/SCHOOL Days Per Week

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COVERAGES / LIMITS OF LIABILITY ("ACV" MEANS ACTUAL CASH VALUE)	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $	VEH D=DED AMOUNT	VEH PREMIUM $
EARNED ACCIDENT FORGIVENESS APPLIES WITH FIVE YEARS CLEAN DRIVING WITH USAA.								

In WITNESS WHEREOF, the Subscribers at UNITED SERVICES AUTOMOBILE ASSOCIATION have caused these presents to be signed by their Attorney-in-Fact on this date SEPTEMBER 26, 2015

Laura Bishop
Laura Bishop
President, USAA Reciprocal Attorney-in-Fact, Inc.

5000 U 07-11
53461-07-11

ELECTRONICALLY FILED - 2020 Jan 13 10:37 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	FOR THE FIFTH JUDICIAL CIRCUIT
COUNTY OF RICHLAND)	
)	CASE NUMBER: 2019-CP-40-03702
UNITED SERVICES)	
AUTOMOBILE ASSOCIATION,)	
)	
PLAINTIFF,)	**OPPOSITION TO PLAINTIFF'S MOTION**
)	**FOR SUMMARY JUDGMENT**
v.)	
)	
BELINDA PICKENS,)	
)	
DEFENDANT.)	
)	

The Defendant Belinda Pickens and her undersigned attorney, in response to the Plaintiff's Motion for Summary Judgment, assert her opposition to the same for the reasons stated herein, and would move the court to deny the Plaintiff's motion.

FACTUAL BACKGROUND

This case pertains to a motor vehicle collision which occurred on March 10, 2016. Belinda Pickens had taken out an insurance policy through USAA. An excluded driver form was filled out, and it was intended to exclude Ms. Picken's son Kevin Simms from coverage. The form was printed with the name "Kevin S. Pickens" on it. The form was signed and incorporated into the document. Later, Kevin Simms was driving Ms. Pickens' car and Ms. Pickens was a passenger, and they were struck by a John Doe driver who fled the scene. Ms. Pickens attempted to make an uninsured motorist claim, and USAA denied coverage indicating that Kevin Simms' operation of the vehicle voided the uninsured motorist coverage.

OPPOSITION TO MOTION FOR SUMMARY JUDGMENT

There are two separate issues in this case which Defendant Pickens contends requires that the court rule in her favor and require that USAA provide coverage. The first issue is that the excluded

ELECTRONICALLY FILED - 2020 Jan 13 10:37 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

driver form was never properly consummated and therefore should not serve as a bar to coverage. The second issue is that uninsured motorist coverage should not be excludable under the excluded driver statute.

Regarding the propriety of the excluded driver form, it is a stipulated fact that the form as prepared by USAA listed "Kevin S. Pickens" as the driver to be excluded. This is in violation of S.C. Code § 38-77-340, the excluded driver statute, which states in part that the driver to be excluded must be "a natural person *designated by name* (emphasis added)." As such, to constitute a valid exclusion, Kevin Simms would have to have properly been named as "Kevin Simms" on the excluded driver form. In lieu of a proper exclusion form, the exclusion should be seen as void and the policy should be in full force and effect.

This remedy might seem harsh at first, and Plaintiff's counsel has urged the court to take into consideration the parol evidence of the intent of the parties as stipulated to. We make no argument that Ms. Pickens did not intend to exclude her son, and we also do not argue that Kevin Pickens is a separate person intended to be excluded. Rather, this argument is predicated upon the notion that insurance companies are the most savvy and law-conscious entity in a typical transaction for sale of insurance, and therefore the onus of properly completing documents should rest upon them.

This is similar to the analogous progeny of cases stemming from the Wannamaker decision involving UIM exclusion. This is a much more developed area of law than excluded drivers, likely because of the much more common application of exclusions. In the matter of UIM exclusions, insurance companies are often made to reform policies to include coverages as a result of form errors even in cases where it is undisputed that the intent of the parties was not to purchase coverage under any circumstance.

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We would direct the court to the case of Grinnell v. Wood, 663 S.E.2d 61 (S.C. Ct. App. 2008), wherein the appellate court ordered that a policy be reformed to include UIM coverage due to a rejection form not including premium amounts. This was held even in light of the insured's vice president of risk management, the individual who purchased the policy, stating that the company would not have bought excess coverage under any circumstances or price. This supports Defendant Pickens' contention that parol evidence of the intent of the parties should not be considered the dispositive factor, and rather that the general principle of insurance law dictates that failure to comply with statutory form requirements leaves the insurer in the position of having to reform their policy.

The first issue is a threshold issue to the second, insofar as a Defendant-friendly ruling on it will preclude the court from considering our second argument. Assuming arguendo that it is necessary, the Defendant would argue that Plaintiff is incorrect in stating that uninsured motorist coverage is something that can be waived under South Carolina law.

There are not many cases on excluded drivers, and none that Defendant's counsel has found which deals with uninsured motorists. The two seminal cases are Lincoln General v. Progressive and Nationwide v. Knight. The former upheld a denial of liability when an excluded driver operated a car, whereas the latter upheld a denial of uninsured motorist coverage. These should be excluded given that we are dealing here with uninsured motorist coverage for the reasons stated below.

When dealing with the interpretation and scope of the definition of "policy of liability insurance" as stated in the excluded driver statute, there are multiple code sections which the court has looked to. As detailed to great length in Nationwide, there are other, similar terms which might help guide us to potential definitions at code sections §56-9-20(5), §38-77-30(1), and §38-77-30(10.5). The first definition is likely the most broad, covering multiple code sections including the uninsured motorist section in its definition, whereas the third and final section limits the definition of insurance

ELECTRONICALLY FILED - 2020 Jan 13 10:37 AM - RICHLAND - COMMON PLEAS - CASE#2019CP4003702

coverage to acts arising from the use, ownership, or maintenance of a car. This creates an internal ambiguity within the code, given that the first definition would clearly preclude uninsured coverage if applied but the third definition would allow for uninsured motorist coverage since the action does not arise from Kevin Simms' use, ownership, or maintenance of the car involved. As such, it is imperative that we look to the purpose of the statute in determining the application of it with respect to uninsured motorist coverage.

The Lincoln General decision explained the purpose of the excluded driver statute as being to "alleviate the problem often faced by the owner of a family policy, who… has a relatively safe driving record but is forced to pay higher premiums because of another member of the family… is by definition also included in the policy coverage." This is also cited in the second to last paragraph of Nationwide. The policy of the excluded driver statute is clearly to allow for insureds to pay a lower premium by foregoing coverage for the negligent acts of riskier drivers, and similarly allowing insurance companies the ability to avoid coverage when the acts of negligence were committed by someone whose propensity to err is greater than what was budgeted for in their premiums.

This makes perfect sense in justifying the exclusion of liability and underinsured motorist coverages, but has no bearing at all on uninsured coverage. Liability insurance is by definition predicated upon the risk of the driver. A worse driver is a greater risk, requires a greater premium, and therefore should be excluded if not properly accounted for. Underinsured motorist coverage follows in the same vein, insofar as an injured passenger will be able to tap into underinsured motorist coverage after exhausting liability coverage for the negligence of a riskier driver. This is compounded by the fact that underinsured motorist coverage is not a required coverage under state law, and has traditionally been allowed to operate more freely within the realm of general contract law.

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Uninsured motorist coverage is a different animal altogether. It is a required coverage and therefore should be held to the highest standard in terms of policy reformation. Further, none of the policy considerations that have previously been used to justify excluding drivers are applicable here. It is not the excluded, riskier driver whose behavior is being indemnified, but rather it is that of a John Doe driver who is already contemplated in the setting of a premium. Furthermore, assuming arguendo that the excluded driver such as Kevin Simms really is a riskier driver, in a collision with a John Doe the driver would be more likely to be partially or completely at fault, mitigating the damages that the insurance company would otherwise owe and removing any prejudice they might experience in affording coverage.

CONCLUSION

For the reasons stated herein, the Defendant would ask this court to deny the Plaintiff's Motion for Summary Judgment.

s/Terence C. Wise
Chip Alexander
Terence C. Wise
SHELLY LEEKE LAW FIRM, LLC
Attorney at Law
3614 Ashley Phosphate Road
North Charleston, SC 29418
Phone: (843) 297-8485
Facsimile: (843) 297-8497
E-mail: terence@leekelaw.com
Attorneys for Defendant

January 13, 2020
North Charleston, South Carolina

STATE OF SOUTH CAROLINA

COURT OF COMMON PLEAS

COUNTY OF RICHLAND

----------x

UNITED SERVICES AUTOMOBILE ASSOCIATION,

Plaintiff,

vs.

BELINDA PICKENS,

Defendant.

----------x

Transcript of Record
2019-CP-40-003702

January 13, 2020

MOTIONS FOR SUMMARY JUDGMENT

B E F O R E:

The Honorable Robert E. Hood, Presiding Judge

A P P E A R A N C E S:

J.R. Murphy, Esq.
Attorney for the Plaintiff

Terence Wise, Esq.
Attorney for the Defendant

Court Reporter: Bonnie Kelly (retired)

Transcribed by: Bobbi Fisher, RPR, CET

I N D E X

PAGE

Argument by Mr. Murphy 3

Argument by Mr. Wise 8

E X H I B I T S

(No exhibits.)

P R O C E E D I N G S

(Whereupon, the following proceedings commenced at 2:09 p.m.)

THE COURT: 2019-CP-40-03702, USAA versus Belinda Pickens. And Mr. Murphy is here on behalf of the plaintiff. Is that right?

MR. MURPHY: Yes, Your Honor.

THE COURT: And Mr. Wise is here on behalf of Ms. Pickens?

MR. WISE: Yes, Your Honor.

THE COURT: It's Plaintiff's motion for summary judgment and the defendant's motion for summary judgment; is that right?

MR. WISE: Yes, Your Honor.

THE COURT: Okay. And who wants to go first?

MR. MURPHY: Well, I'll take the option, being the plaintiff, and who first filed goes. Is that okay?

THE COURT: Sounds good.

MR. MURPHY: All right. Thank you, Your Honor.

Your Honor, this is an excluded driver endorsement case. Ms. Pickens is the named insured on the policy of insurance with USAA. She was injured in an accident in which her son, who was the excluded driver, Kevin Sims, was operating the car but was not at fault. They were struck by, I believe, an unknown motorist, if I'm correct on that -- a John Doe. And so she then turned to USAA to make a UM claim under the policy

on which she had excluded her son, who she allowed to drive her vehicle at the time of the accident.

These are cross-motions for summary judgment based on the legal validity and the breadth, so to speak, of an excluded driver enforcement, and we'll be relying on several other South Carolina cases. We referred to them in our brief. Obviously, one of those is -- I wanted to let the Court know -- not a final decision but it is a published decision from the South Carolina Court of Appeals. That is the Knight case, I believe. And then in the First General vs. Progressive is another case that has some relevance to the issues that we have here.

So the excluded driver endorsement, which is Exhibit B to our memorandum, is listed there. And it does talk about the fact that the policy is, in essence, void. It provides no coverage of any kind whatsoever, if the person named in the endorsement is driving the vehicle. That is consistent with South Carolina Code Section 38-77-440, which allows coverage under a policy of liability insurance to be -- to contain an excluded driver endorsement. It says such a policy shall not apply while the motor vehicle is being operated by a natural person designated by name.

THE COURT: Her son was designated in the policy?

MR. MURPHY: Yes.

THE COURT: Not allowed to be a driver of the vehicle?

MR. MURPHY: That's correct. He was the excluded driver.

Now, one issue, I got opposing counsel's brief today while I was driving back in the driving rain from Lancaster, and they are challenging that in regard that the name was incorrect. Her name is Pickens. His name is actually Kevin Sims, and she is Belinda Pickens. And so the affidavit is in the name of Kevin S. Pickens and not Kevin Sims. However, my partner, Mr. Sawyer, had already addressed this issue in the stipulation where the parties agreed that it was intended to exclude Kevin Sims even though it might contain -- actually called him by the wrong name.

So we would submit that that is an improper argument or the Court can simply reform the endorsement based on a mutual mistake that has been admitted to by the parties that -- to correct a scrivener's error. It's nothing more than that. Mr. Kevin S. Pickens, you know, AKA or I like to say AAK -- actually known as -- not "also known as" but "actually known as" Kevin Sims.

So that was one of the arguments that I was made aware of today. I don't believe that would be a sufficient basis to void this endorsement in light of the stipulation of fact.

So there are two cases and we cited them in the brief. One is Lincoln General. And in Lincoln General, the Court was clear that the legislative intent is to allow owners, who insure their vehicles, to save a dime and exclude someone, and

that contravenes the requirement that all vehicles that have insurance were protecting the public. It's a contravention of that. And, clearly, it would not apply to liability coverage that might otherwise exist while that natural person is operating the vehicle.

The Knight case applied that to a UIM situation when the person injured was in the insured vehicle that was being operated by the excluded driver, but the excluded driver was not at fault. This would simply be a natural extension of the fact that, when an excluded driver operates the vehicle, all coverage is void. And it can be best illustrated, Your Honor, by the fact that the primary purpose is to protect the public, and if the public can be left unprotected when that person is operating -- in this case, Kevin Sims -- had he been at fault and hit someone else, it is clear there would be no issue that the policy would not provide coverage for them. Yet, the person who benefitted the most from excluding him, his mother, who saved a significant premium, is then going to be protected under the very policy which she alone designated him as an excluded driver? That would not make any sense whatsoever to interpret the statute that inconsistently, and of course, we don't believe either of the two cases -- either the Knight case or the -- I don't remember -- Lincoln General -- I was going to say "First General" -- Lincoln General versus Progressive Northern allows that. If you read those cases,

they have rejected those arguments and simply interpreted the excluded driver endorsement as standing for the proposition that no coverage applies under the policy while the excluded driver operates the vehicle.

I can remember arguing this 20 years ago, and I think the statute has been clarified to make sure that it acts as if that policy does not exist when the person named in the endorsement is driving, whether they're at fault or not at fault. That's not the purpose of it. It's to allow the person to get coverage as if that person doesn't exist with respect to that auto.

And, in fact, in the -- I believe in the Lincoln General case, the person was driving a motorcycle they owned and they did have it insured and they wanted to get stackable coverage, and the Court said, "No, you can't get that," even though the person was not violating the terms of the excluded driver endorsement at all.

In this case, Kevin Sims was clearly violating the restrictions that USAA had agreed to, that he would not operate the vehicle in order for there to be coverage. And so it's a much less sympathetic factual situation given that fact just making it even more compelling than the Lincoln General case and certainly within the parameter of the Knight case, although it would be clear with the Court, the Knight case -- the petition for rehearing has been denied. There is a

petition to usurp that's pending on that.

THE COURT: Mr. Wise?

MR. WISE: I don't have any disputes of factual recitation of opposing counsel. Obviously, he summarized our arguments fairly well. We do disagree that the excluding driver form is valid in this case. And, again, we refer to 38-77-340, the statute which says that, to exclude a driver, they have to be a natural person named in the form. And so while the name is pretty correct on the declarations page, the form, which is addressed by the statute, was not done correctly, and, therefore, we think it should be declared invalid and the policy should be reformed.

It's somewhat odd for us to be arguing that an error that small should result in such a dramatic issue involving the reformation of policy, but it's not entirely unheard of in insurance law. The excluded driver case law is fairly small, which is because of the fact that it doesn't happen that often, but in our brief, he now ties it to UIM coverage. There are often sometimes where an insurance company, being the more savvy party to an insurance contract, commits an error of form, and, therefore, has to pay the price of that error of form.

One of the cases that I thought was particularly on point was the 2008 Court of Appeals case, Burnell v. Wood. It's 663 S.E. 2d 61. I think that was particularly interesting here

because it's a UIM case wherein an insurance company sells policy to a corporate insured. The policy is taken out by the vice president of risk management for that company. The vice president of risk management says during the pendency of litigation that we would not, under any circumstance, have bought more insurance, an additional UM or UIM coverage. It would have increased all our personal liability because of the way that they were partially self-insured under the insurance contract. We wouldn't have done it.

So it was completely not an issue, if you are strictly looking at the intent of the parties, as opposing counsel would have us do here by referencing the stipulation involving an intent of the exclusion of a driver. However, because of the insurance company's failure to include certain policy premium information there, they said, Look, there's certain information you have got to provide to the insured, you have to provide in the contract. You didn't do it. Sorry, we have got to reform policy.

And that's all we're asking to be done here is that the person who's drafting the contract, that's in that situation to make sure that all the requirements imposed upon the bylaw are followed, and when they don't do what they're supposed to do, that the policy be reformed.

Now, that's a threshold issue. I think the second issue is much more interesting, but we're hard to lose on the first

one so we don't concede that. Assuming argument that Your Honor agrees that that was a valid exclusion, the cases that were cited -- Lincoln General -- deals with the exclusion of liability. Knight -- Nationwide in Knight deals with the exclusion of UIM. This is an UM case. So we don't have anything on point dealing with UIM. And, Your Honor, we'll put forward to the Court that that is a separate and discrete issue. We should not be held to be bound by those private cases.

UIM is a -- an interesting part of one, so far as it's additional coverage that has to be offered, but it's not required. The courts have routinely said that UIM coverage is not subject to the same degree of protection that liability of UM coverage is responsible for.

Liability coverage is also a distinction from UIM because the person who's driving would be the person who's risk that we would be putting off onto the insurance company here. And I would put forward the following quote, which was found in the Lincoln General cases and dealt down on the Knight case: The purpose of the excluded driver statute is being to, quote, "alleviate the problem often faced by an owner of a family policy who ... has a relatively safe driving record but is forced to pay higher premiums because another family member ... who is, by definition, also included in the policy coverage."

So that's the purpose, is that the insured should be able to say I want to pay a lower premium, but if he does something wrong, you shouldn't have to pay for it. And then the insurance company can turn around, if they violate that, and say he was a risky driver, you didn't know how to include him in the premiums; therefore, we shouldn't have to pay for it. And that's the most fair and fundamentally right thing to do. That's not what we're looking at here. The loss that we are looking for this Court to seek them to indemnify has absolutely nothing to do with the negligence of the person who is putatively excluded under this policy.

Now, that came up in an issue right after the Court addressed the common ambiguity in terms of the policy and liability insurance, and I think that's one of the big issues that needs to be addressed of the Supreme Court -- answered to the questions usurped. There were three statutes which addressed potentially where the scope of the liability issue of the insurance policy ends and begins. The first one, 56-9-20(5) states a (indiscernible) of code sections from 140 in sequence, which obviously would include the insured motorist coverage.

However, another one that they cite, just a page later, 38-77-30(10.5) specifies damages that are a result from ownership/user maintenance of the operation by the insured.

So you have two different issues here and two different

scopes of potential coverage that might be defined as waivable pursuant to this issue. And, therefore, I don't think we can just rely on pure statutory construction, and we have to look to the policy, which is don't make an insurance company liable for someone they could set the premiums on.

Now, as we address in our brief, we're not asking them to do that. We're asking them to take the responsibility for damages caused by a John Doe. John Doe is something that they build into the premiums. John Doe is just likely to hit a risky driver as a non-risky driver. And if we were to assume arguendo that Kevin Sims was a riskier driver, he would have a higher propensity to have a greater comparative negligence, which would actually allow them to reduce their overall liability, and then it would actually issue a benefit to the insurance company. So I think that we both win on the statutory construction and the fact that the form was done correctly, but if we're going to lose on that and look to the actual policy, the policy set forth for the last seven years by the courts of appeals just doesn't allow for the exclusion of uninsured motorist coverage.

If Your Honor has any questions, I'm happy to answer them.

THE COURT: All right. Mr. Murphy, any response?

MR. MURPHY: Just briefly. Grenell, of course, resulted in a finding that (indiscernible) the Supreme Court and a --

the issue that called for that really hair-splitting was because there was a conclusive presumption under 38-77-350(b) that they wanted to get when the form had information missing. It has nothing to do with whether a scrivener's error in typing in the wrong name or even the wrong policy number or letter would change it. So I think that's another bad argument.

Your Honor, I just want to read a quote from the Lincoln General case because it does apply to what would otherwise be mandatory coverage. I could understand if you said, Well, UIM and UM are two different things; we don't believe so. But this is what they said with other valid -- the other Court said, "We upheld that claimants were validly excluded from all automobile coverage due to statutorily permitted exclusions and despite the enemy FRAs mandate."

And then, later, they say the named driver endorsement statute is not inhibited by the public policy because the named driver endorsement statute constitutes separately approved public policy; therefore, it does not permit recovery at minimum limits coverage on a motor vehicle liability insurance policy when a person named in a policy provision pursuant to 38-77-340, Kevin Sims, is operating a motor vehicle and the requirements of the statute are satisfied because the policy shall not apply under those circumstances.

THE COURT: All right. I'll let y'all know my decision

by the end of the week. Thank you very much.

MR. MURPHY: Thank you, Your Honor.

MR. WISE: Thank you, Judge.

(The above hearing concluded.)

CERTIFICATE OF TRANSCRIBER

CASE/NO.: USAA v. Belinda Pickens

2019-CP-40-3702

DATE OF PROCEEDING: January 13, 2020

I, Bobbi J. Fisher, do hereby certify that the foregoing transcript is a true and correct record of the recorded proceedings; that said proceedings were transcribed to the best of my ability from the audio recording and supporting information; and that I am neither counsel for, related to, nor employed by any of the parties to this case, and I have no interest, financial or otherwise, in its outcome.

Bobbi Fisher

_____

Bobbi J. Fisher, RPR, CET

NCRA Registered Professional Reporter (RPR)

AAERT Certified Electronic Transcriber No. CET-1148

Prepared: June 20, 2020

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THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM THE RICHLAND COUNTY
Court of Common Pleas

Robert E. Hood, Circuit Court Judge

2019-CP-40-003702

United Services Automobile Association, Plaintiff/Respondents,

v.

Belinda Pickens, Defendant/Appellant,

NOTICE OF APPEAL

Defendant, Belinda Pickens (Appellant), hereby appeals the following order of the Honorable Robert E. Hood, Circuit Court Judge:

- His Honor's **Order Regarding Plaintiff's Motion for Summary Judgment & Defendant's Motion For Summary Judgement,** filed February 12, 2020.

A copy of the appealed order is attached hereto and incorporated herein by reference. Appellant received written notice of entry of the Order on February 12, 2020.

March 10, 2020

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THE STATE OF SOUTH CAROLINA
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APPEAL FROM THE RICHLAND COUNTY
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Robert E. Hood, Circuit Court Judge

2019-CP-40-003702

United Services Automobile Association, Plaintiff/Respondents,

v.

Belinda Pickens, Defendant/Appellant,

PROOF OF SERVICE

I, Richard C. Alexander, of Shelly Leeke Law Firm, LLC, attorneys for Appellant, hereby certify that the foregoing **NOTICE OF APPEAL** was served on all other parties to this matter by depositing a copy of same in the U.S. Mail on March 10, 2020, properly posted for delivery to the following addresses:

Wesley Brian Sawyer, Esq. (SC Bar No.: 100229)
J.R. Murphy, Esq. (SC Bar No.: 7941)
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Attorneys for Respondent

I also certify that a copy of this **NOTICE OF APPEAL** is this day, March 10, 2020, being E-Filed with the lower court (which will also, i.e., in addition to service by mail, effect service of the notice electronically on all counsel of record)

SHELLY LEEKE LAW FIRM, LLC

By: _____
Richard C. Alexander (SC Bar No.: 77958)

Charleston, South Carolina

Dated: 3-10-20

THE STATE OF SOUTH CAROLINA
In the Supreme Court

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

The Honorable Robert E. Hood, Circuit Court Judge

Appellate Case No. 2020-000439

United Services Automobile Association…….....Respondent,

v.

Belinda Pickens…….….....Appellant.

CERTIFICATE OF COMPLIANCE

The undersigned herein certifies that the Record on Appeal contains those matters designated by the parties and no other material.

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