

**LOYA INSURANCE COMPANY**

**LOYA INSURANCE COMPANY**

**A stock company organized under the laws of Texas**

**ILLINOIS PERSONAL AUTO POLICY**

**FOR INFORMATION, OR TO MAKE A COMPLAINT, CALL:**

Servicing Office: (915) 595-0510  
1-800-554-0595

Claims Office: (915) 590-5692  
1-800-880-0472

Address all correspondence to:

Service Office  
1800 Lee Trevino, Ste 201  
El Paso, Texas 79936

# LOYA INSURANCE COMPANY

## YOUR ILLINOIS PERSONAL AUTO POLICY – QUICK REFERENCE

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## IMPORTANT NOTICE

To obtain information or make a complaint:

You may contact your managing general agent at **1-800-554-0595**.

You may contact Loya Insurance Company's toll-free telephone number for information or to make a complaint at: **1-800-554-0595**

You may also write to Loya Insurance Company at:

**1800 Lee Trevino, Suite 201**

**El Paso, Texas 79936**

You may contact the Illinois Department of Insurance if you have any complaints at: **1-866-445-5364**

You may write the Illinois Department of Insurance:

Illinois Department of Insurance

Consumer Division or Public Services Section

320 West Washington Street

Springfield, IL 62767

## ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

## AGREEMENT

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

# LOYA INSURANCE COMPANY

## DEFINITIONS

- A. Throughout this policy, “you” and “your” refer to:
1. The “named insured” shown in the Declaration, and
  2. The spouse or party of a civil union if a resident of the same household.
- B. “We”, “us” and “our” refer to the Company providing this insurance.
- C. For purposes of this policy, a private passenger type auto or pickup or van shall be deemed to be owned by a person if leased.
1. Under written agreement to that person; and
  2. For a continuous period of at least six months.

Other words and phrases are defined. They are boldfaced when used.

D. **“Family member”** means a person who is a resident of your household and related to you by blood, marriage, civil union or adoption. This definition includes: 1) a ward or foster child who is a resident of your household; 2) your spouse even when not a resident of your household during a period of separation in contemplation of divorce; and 3) your partner in a civil union even when not a resident of your household during a period of separation in contemplation of dissolution of the civil union.

E. **“Occupying”** means in, upon, getting in, on, out or off.

F. **“Trailer”** means a vehicle designed to be pulled by a:

1. Private passenger auto; or
2. Pickup or van.

It also means a farm wagon or farm implement while towed by a vehicle listed in F.1. or F.2. above.

G. **“Your covered auto”** means:

1. Any vehicle shown in the Declarations;
2. **I.** Any of the following types of vehicles on the date you became the owner:
  - a. a private passenger auto; or
  - b. a station wagon, or any other 4-wheeled motor vehicle with a load capacity of 1500 pounds or less which is not used for your occupation, profession or business, or as a public livery conveyance for passengers nor rented to others.
- II.** This provision (G.2.) applies only if you:
  - a. acquire the vehicle during the policy period; and
  - b. notify us within 30 days after you become the owner.

If the vehicle you acquire replaces one shown in the Declarations, it will have the same coverage as the vehicle it replaced. You must notify us of a replacement vehicle within 30 days only if you wish to add or continue Coverage for Damage to Your Auto. If the vehicle you acquire is in addition to any shown in the Declarations, it will have the broadest coverage we now provide for any vehicle shown in the Declarations.

3. Any **trailer** you own.
4. Any auto or trailer you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:
  - a. breakdown;
  - b. repair;
  - c. servicing;
  - d. loss; or
  - e. destruction.

# LOYA INSURANCE COMPANY

## PART A – LIABILITY COVERAGE

### INSURING AGREEMENT

A. We will pay damage for bodily injury or property damage for which any **covered person** becomes legally responsible because of an auto accident. Property damage includes loss of use of the damaged property. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted.

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

1. You or any **family member** for the ownership, maintenance or use of any auto or **trailer**.
2. Any person using **your covered auto** with **your** permission.
3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under this Part.
4. For any auto or **trailer**, other than **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision ( B.4.) applies only if the person or organization does not own or hire the auto or **trailer**.

### SUPPLEMENTARY PAYMENTS

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

1. Up to \$250 for the cost of bail bonds required because of an accident including related traffic law violations. The accident must result in bodily injury or property damage covered under this policy.
2. Premiums on appeal bonds and bonds to release attachment in any suit we defend.
3. Interest accruing after a judgment is entered in any suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our limit of liability for this coverage.
4. Up to \$50 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
5. Other reasonable expenses incurred at our request.

### EXCLUSIONS

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

1. Who intentionally causes bodily injury or property damage;
2. For damage to property owned or being transported by that person;
3. I. For damage to property:
  - a. rented to;
  - b. used by; or
  - c. in the care of;that person.  
II. This exclusion (A.3.I.) does not apply to damage to:
  - a. residence or private garage; or
  - b. any of the following type vehicles not owned by or furnished or available for the regular use of you or any **family member**:
    - (1) private passenger autos
    - (2) **trailers**; or
    - (3) pickups or vans.
4. For bodily injury to an employee of that person during the course of employment. This exclusion (A.4.) does not apply to bodily injury to a domestic employee unless workers’ compensation benefits are required or available for that domestic employee.
5. For that person’s liability arising out of the ownership or operation of a vehicle while it is:
  - a. being used to carry persons for a fee; this does not apply to a share-the-expense car pool.
  - b. being used to carry property for a fee; this does not apply to you or any **family member** unless the primary usage of the vehicle is to carry property for a fee; or

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- c. rented or leased to another; this does not apply if you or any **family member** lends **your covered auto** to another for reimbursement of operating expenses only.
6. Using a vehicle without a reasonable belief that that person is entitled to do so. This exclusion (6.) does not apply to you or any **family member** while using **your covered auto**.
7. **I.** For bodily injury or property damage for which that person:
- a. is an insured under a nuclear energy liability policy; or
  - b. would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
- II.** A nuclear energy liability policy is a policy issued by any of the following or their successors:
- a. American Nuclear Insurers;
  - b. Mutual Atomic Energy Liability Underwriters; or
  - c. Nuclear Insurance Association of Canada.
- B.** We do not provide Liability Coverage for the ownership, maintenance or use of:
- 1. Any motorized vehicle having fewer than four wheels;
  - 2. Any vehicle, other than **your covered auto**, which is:
    - a. owned by you; or
    - b. furnished or available for your regular use.
  - 3. **I.** Any vehicle, other than **your covered auto**, which is:
    - a. owned by any **family member**.
    - b. furnished or available for the regular use of any **family member**.
  - II.** However, this exclusion (B.3.I. and II.) does not apply to your maintenance or use of any vehicle which is:
    - a. owned by a **family member**; or
    - b. furnished or available for the regular use of a **family member**.
- C.** We do not provide Liability Coverage for you or any **family member** for bodily injury to you or to any **family member**, except:
- 1. When a third party acquires a right of contribution against any **family member**; or
  - 2. When any person not in your household was driving the **covered auto** involved in the auto accident, which is the subject of the claim or lawsuit.

### LIMIT OF LIABILITY

**A.** If separate limits of liability for bodily injury and property damage liability are shown in the Declarations for this coverage the limit of liability for “each person” for bodily injury liability is our maximum limit of liability for all damages for bodily injury sustained by any one person in any one auto accident. Subject to this limit for “each person”, the limit of liability shown in the Declarations for “each accident” for bodily injury liability is our maximum limit of liability for all damages for bodily injury resulting from any one auto accident. The limit of liability shown in the Declarations for “each accident” for property damage liability is our maximum limit of liability for all damages to all property resulting from any one auto accident.

If the limit of liability shown in the Declarations for this coverage is for combined bodily injury and property damage liability, it is our maximum limit of liability for all damages resulting from any one auto accident.

This is the most we will pay regardless of the number of:

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

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

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

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## OUT OF STATE COVERAGE

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

- A.** If the state or province has:
1. A financial responsibility or similar law specifying limits of liability for bodily injury or property damage higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
  2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required minimum amounts and types of coverage.
- B.** No one will be entitled to duplicate payments for the same elements of loss.

## FINANCIAL RESPONSIBILITY REQUIRED

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.

## 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 liability insurance we provide to a **covered person** for the maintenance or use of a vehicle you do not own shall be excess over any other applicable liability insurance.

## PART B – MEDICAL PAYMENTS COVERAGE

### INSURING AGREEMENT

**A.** We will pay reasonable expenses incurred for necessary medical and funeral services because of bodily injury:

1. Caused by an accident; and
2. Sustained by a **covered person**.

We will pay only those expenses incurred within three years from the date of the accident.

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

1. You or any **family member**:
  - a. while **occupying**; or
  - b. when struck by;  
a motor vehicle designed for use mainly on public roads or a **trailer** of any type.
2. Any other person while **occupying your covered auto**.

### EXCLUSIONS

We do not provide Medical Payments Coverage for any person for bodily injury:

1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
2. Sustained while **occupying your covered auto** when it is:
  - a. being used to carry persons for a fee; this does not apply to a share-the-expense car pool; or
  - b. being used to carry property for a fee; this does not apply to you or any **family member** unless the primary usage of the vehicle is to carry property for a fee; or
  - c. rented or leased to another, this does not apply if you or any **family member** lends **your covered auto** to another for reimbursement of operating expenses only.
3. Sustained while **occupying** any vehicle located for use as a residence or premises.
4. Occurring during the course of employment if workers’ compensation benefits are required or available for the bodily injury.
5. Sustained while **occupying** or, when struck by, any vehicle (other than **your covered auto**) which is:
  - a. owned by you; or
  - b. furnished or available for your regular use.

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6. Sustained while **occupying** or, when struck by, any vehicle (other than **your covered auto**) which is:
  - a. owned by any **family member**; or
  - b. furnished or available for the regular use of any **family member**.However, this exclusion (6.) does not apply to you.
7. Sustained while **occupying** a vehicle without a reasonable belief that person is entitled to do so. This exclusion (7.) does not apply to you or any **family member** while using **your covered auto**.
8. 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.
9. From or as a consequence of the following whether controlled or uncontrolled or however caused:
  - a. nuclear reaction;
  - b. radiation; or
  - c. radioactive contamination.

### LIMIT OF LIABILITY

A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we pay regardless of the number of:

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

B. Any amounts otherwise payable for expenses under this coverage shall be reduced by any amounts paid or payable for the same expenses under any Auto Liability or Uninsured Motorists Coverage provided by this policy.

C. No payment will be made unless the injured person or that person's legal representative agrees in writing that any payment shall be applied toward any settlement or judgment that person receives under any Auto Liability or Uninsured Motorists Coverage provided by this policy.

### 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.

### ASSIGNMENT OF BENEFITS

Payments for medical expenses will be paid directly to a physician or other health care provider if we receive a written assignment signed by the **covered person** to whom such benefits are payable.

### PART C – UNINSURED MOTORISTS COVERAGE – BODILY INJURY

#### INSURING AGREEMENT

A. We will pay damages which a **covered person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of bodily injury sustained by a **covered person**, caused by an accident. The owner's or operator's liability for these damages must arise out of the ownership,



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maintenance or use of the **uninsured motor vehicle**. Any judgment for damages arising out of a suit brought without our consent is not binding on us. If we and you do not agree as to whether or not a vehicle is actually uninsured, the burden of proof as to that issue shall be on us.

**B. “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 bodily injury to which this coverage applies sustained by a person described in B.1. or B.2. above.

**C. “Motor vehicle”** means a vehicle that is self propelled or that is propelled by electric power obtained from overhead trolley wires, but not operated upon rails, except for vehicles moved solely by human power and motorized wheelchairs.

**D. “Uninsured motor vehicle”** means a **motor vehicle**,

1. To which no bodily injury liability bond or insurance policy applies at the time of the accident;
2. To which coverage less than the financial responsibility limits in Illinois apply at the time of the accident;
3. To which the liability insurer thereof is unable to make payment with respect to the legal liability of its insured because of insolvency on or after the accident date;
4. Which is a hit and run vehicle whose operator or owner cannot be identified and which hits or causes another object to hit:
  - a. you or any **family member**;
  - b. a vehicle which you or any **family member** are **occupying**; or
  - c. **your covered auto**.

If injury is sustained in an accident with a hit-and-run vehicle where no actual physical contact is made, the facts of the accident must be proven.

“**Uninsured motor vehicle**” does not include any vehicle or equipment owned by or furnished or available for the regular use of you or any **family member** unless it is **your covered auto** under Part A of this policy and where this policy’s liability coverage is excluded for damages sustained in the accident.

### EXCLUSIONS

We do not provide Uninsured Motorists Coverage – Bodily Injury for any person:

1. For bodily injury sustained while **occupying**, or when struck by, any motor vehicle or trailer of any type owned by you or any **family member** which is not insured for this coverage under this policy.
2. If that person or the legal representative settles the claim without our written consent.
3. When **your covered auto** is:
  - a. being used to carry persons for a fee; this does not apply to a share-the-expense car pool; or
  - b. being used to carry property for a fee; this does not apply to you or any **family member** unless the primary usage of the vehicle is to carry property for a fee; or
  - c. rented or leased to another; this does not apply if you or any **family member** lends **your covered auto** to another for reimbursement or operating expenses only.
4. Using a vehicle without a reasonable belief that the person is entitled to do so. This exclusion (4.) does not apply to you or any **family member** while using **your covered auto**.

### LIMIT OF LIABILITY

- A. I.** The limit of liability for “each person” for bodily injury liability is our maximum limit of liability for all damages for bodily injury sustained by any one person in any one motor vehicle accident. Subject to this limit for “each person”, the limit of liability shown in the Declarations for “each accident” for bodily injury liability is our maximum limit of liability for all damages for bodily injury resulting from any one motor vehicle accident, regardless of the number of:

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- a. **Covered persons;**
  - b. Claims made;
  - c. Policies or bonds applicable;
  - d. Vehicles or premiums shown in the Declarations; or
  - e. Vehicles involved in the accident.
- II. Subject to this maximum, our limit of liability will be the lesser of:
- a. The difference between the amount of a **covered person's** damages for bodily injury and the amount paid or payable to that **covered person** for such damages, by or on behalf of persons or organizations whom may be legally responsible; and
  - b. The applicable limit of liability for this coverage.

**B.** In order to avoid insurance benefits payments in excess of actual damages sustained, subject only to the limits set out in the Declarations and other applicable provisions of this coverage, we will pay all covered damages not paid or payable under any workers' compensation law, disability benefits law, any similar law or auto medical expense coverage.

**C.** Any payment under this coverage to or for a **covered person** will reduce any amount that person is entitled to recover for the same damages under the Liability Coverage of this policy.

### ARBITRATION

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

- 1. Whether that person is legally entitled to recover damages under this Part; or
- 2. As to the amount of damages;

either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If such arbitrators are not selected within 45 days, either party may request that the arbitration be submitted to the American Arbitration Association.

**B.** We will bear all the expenses of the arbitration except when the **covered person's** recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law. If this occurs, the **covered person** will be responsible up to the amount by which the **covered person's** recovery exceeds the statutory minimum for:

- 1. Payment of his or her expenses; and
- 2. An equal share of the third arbitrator's expenses.

**C.** Unless both parties agree otherwise, arbitration will take place in the county in which the **covered person** lives.

If arbitration is submitted to the American Arbitration Association, then American Arbitration Association Rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:

- 1. Is equal to or less than the minimum bodily injury liability limit specified in the Illinois Safety Responsibility Law, then the American Arbitration Association Rules shall apply.
- 2. Exceeds the minimum bodily injury liability limit specified in the Illinois Safety Responsibility Law, then the Rules of Evidence that apply in the circuit court for placing medical opinions into evidence shall govern.

A decision agreed to by two of the arbitrators will be binding as to:

- 1. Whether the **covered person** is legally entitled to recover damages; and
- 2. The amount of damages. The arbitration is binding up to \$75,000/\$150,000 or the policy limits, whichever is less.

### OTHER INSURANCE

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

### PART D – UNINSURED MOTORISTS COVERAGE – PROPERTY DAMAGE

#### INSURING AGREEMENT

A. If you do not purchase Collision Coverage, as described in Part E, we will pay damages which a **covered person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of property damage, caused by an accident. 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 consent is not binding on us. If we and you do not agree as to whether or not a vehicle is actually uninsured, the burden of proof as to that issue shall be on us.

B. "Covered person" as used in this Part means:

1. You or any **family member**;
2. Any other person **occupying your covered auto**.

C. "Motor vehicle" means a vehicle that is self propelled or that is propelled by electric power obtained from overhead trolley wires, but not operated upon rails, except for vehicles moved solely by human power and motorized wheelchairs.

D. "Property damage" as used in this Part means injury to, destruction of or loss of use of:

1. **Your covered auto**;
2. Any property owned by a person listed in B.1. or B.2. of **covered person** while contained in **your covered auto**; or
3. Any property owned by you or any **family member** while contained in any auto not owned, but being operated, by you or any **family member**.

E. "Uninsured motor vehicle" means a **motor vehicle**:

1. To which the liability insurer thereof is unable to make payment with respect to the legal liability of its insured because of insolvency on or after the accident date;
2. Which is a hit and run vehicle whose operator or owner cannot be identified and which hits:
  - a. you or any **family member**;
  - b. a vehicle which you or any **family member** are **occupying**; or
  - c. **your covered auto**.

However, "uninsured motor vehicle" does not include any vehicle or equipment owned by or furnished or available for the regular use of you or any **family member**.

#### EXCLUSIONS

We do not provide Uninsured Motorists Coverage - Property Damage for any person:

1. For bodily injury sustained while **occupying**, or when struck by, any motor vehicle or trailer of any type owned by you or any **family member** which is not insured for this coverage under this policy.
2. If that person or the legal representative settles the claim without our written consent.
3. When **your covered auto** is:
  - a. being used to carry persons for a fee; this does not apply to a share-the-expense car pool; or
  - b. being used to carry property for a fee; this does not apply to you or any **family member** unless the primary usage of the vehicle is to carry property for a fee; or
  - c. rented or leased to another; this does not apply if you or any **family member** lends **your covered auto** to another for reimbursement of operating expenses only.
4. For the first \$250 of the amount of damage to the property of that person as the result of any one accident.

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5. Using a vehicle without a reasonable belief that the person is entitled to do so. This exclusion (5.) does not apply to you or any **family member** while using **your covered auto**.

### LIMIT OF LIABILITY

**A.** Our limit of liability for all damages to all property resulting from any one motor vehicle accident will be the lesser of:

1. The amount of the actual cash value of the **covered auto**; or
2. \$15,000.

regardless of the number of:

- a. **Covered persons**;
- b. Claims made;
- c. Policies or bonds applicable;
- d. Vehicles or premiums shown in the Declarations; or
- e. Vehicles involved in the accident.

**B.** In order to avoid insurance benefits payments in excess of actual damages sustained, subject only to the limits set out in the Declarations and other applicable provisions of this coverage, we will pay all covered damages not paid under any other auto physical damage coverage.

**C.** Any payment under this coverage to or from a **covered person** will reduce any amount that person is entitled to recover for the same damages under the Liability Coverage of this policy.

### ARBITRATION

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

1. Whether that person is legally entitled to recover damages under this Part; or
2. As to the amount of damages

either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If such arbitrators are not selected within 45 days, either party may request that the arbitration be submitted to the American Arbitration Association.

**B.** We will bear all the expenses of the arbitration except when the **covered person's** recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law. If this occurs, the **covered person** will be responsible up to the amount by which the **covered person's** recovery exceeds the statutory minimum for:

1. Payment of his or her expenses; and
2. An equal share of the third arbitrator's expenses.

**C.** Unless both parties agree otherwise, arbitration will take place in the county in which the **covered person** lives. The rules of law as to procedure and evidence as set forth in 215 ILCS5/143a shall apply. A decision agreed to by two of the arbitrators will be binding as to:

1. Whether the **covered person** is legally entitled to recover damages; and
2. The amount of damages.

### OTHER INSURANCE

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

### PART E – COVERAGE FOR DAMAGE TO YOUR AUTO

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## INSURING AGREEMENT

**A.** We will pay for direct and accidental loss to **your covered auto**, including its equipment less any applicable deductible shown in the Declarations. Equipment for purposes of coverage under this Part E includes a child restraint system that was in use at the time of the accident. However, we will pay for loss caused by **collision** only if the Declarations indicate that Collision Coverage is provided.

**B.** "Collision" means the upset, or **collision** with another object of **your covered auto**. However, loss caused by the following are not considered "collision":

1. Missiles or falling objects;
2. Fire;
3. Theft or larceny;
4. Explosion or earthquake;
5. Windstorm;
6. Hail, water or flood;
7. Malicious mischief or vandalism;
8. Riot or civil commotion;
9. Contact with bird or animal; or
10. Breakage of glass.

If breakage of glass is caused by a **collision** or if loss is caused by contact with a bird or animal, you may elect to have it considered a loss caused by **collision**.

## TRANSPORTATION EXPENSES

In addition, we will pay up to \$20 per day, to a maximum of \$600 for transportation expenses incurred by you. This applies only in the event of the total theft of **your covered auto**. We will pay only transportation expenses incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when **your covered auto** is returned to use or we pay for its loss.

## EXCLUSIONS

We do not pay for:

1. Loss to **your covered auto** while it is:
  - a. being used to carry persons for a fee; this does not apply to a share-the-expense car pool; or
  - b. being used to carry property for a fee; this does not apply to you or any **family member** unless the primary usage of the vehicle is to carry property for a fee; or
  - c. rented or leased to another; this does not apply if you or any **family member** lends **your covered auto** to another for reimbursement or operating expenses only.
2. Damage due and confined to:
  - a. wear and tear;
  - b. freezing;
  - c. mechanical or electrical breakdown or failure; or
  - d. road damage to tires.This exclusion (2.) does not apply if the damage results from the total theft of **your covered auto**.
3. Loss due to or as a consequence of:
  - a. radioactive contamination;
  - b. discharge of any nuclear weapon (even if accidental);
  - c. war (declared or undeclared);
  - d. civil war;
  - e. insurrection; or
  - f. rebellion or revolution.
4. Loss of stereos, radios and other sound reproducing equipment. This exclusion (4.) does not apply if the equipment is permanently installed in **your covered auto**.
5. Loss of tapes, records or other devices for use with equipment designed for the reproduction of sound.
6. Loss of camper body or **trailer** not shown in the Declarations. This exclusion (6.) does not apply to a camper body or **trailer** you:
  - a. acquire during the policy period; and
  - b. notify us within thirty days after you become the owner.

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7. When in or upon any **trailer**, loss to:
  - a. TV antennas;
  - b. awnings or cabanas; or
  - c. equipment designed to create additional living facilities.
8. Loss to any of the following or their accessories:
  - a. citizens band radio;
  - b. two-day mobile radio;
  - c. telephone;
  - d. scanning monitor receiver; or
  - e. any device or instrument used for detection of radar or other speed measuring equipment.

This exclusion (8.) does not apply if the equipment is permanently installed in the opening of the dash or console of the auto. This opening must be normally used by the auto manufacturer for the installation of a radio.

9. Loss of any custom furnishing or equipment in or upon any pickup or van. Custom furnishings or equipment include but are not limited to:
  - a. special carpeting and insulation, furniture, bars or television receivers;
  - b. facilities for cooking and sleeping;
  - c. height-extending roofs; or
  - d. custom murals, paintings or other decals or graphics.

This exclusion (9.) does not apply if the value of the custom furnishings or equipment has been reported to us prior to a loss and included in the premium for this coverage.

### TOWING AND LABOR

We will pay towing and labor costs incurred each time **your covered auto** is disabled, up to the amount shown in the Schedule or in the Declarations as applicable to the vehicle. We will only pay for labor performed at the place of disablement. This coverage applies only to **your covered auto** for which a premium charge is shown in the Declarations for Towing and Labor Costs Coverage.

### RENTAL REIMBURSEMENT COVERAGE

We will pay for the rental of an auto while **your covered auto** is inoperable as a result of a loss caused by:

1. **Collision;**
2. Missiles or falling objects;
3. Hail, water or flood;
4. Fire;
5. Malicious mischief or vandalism;
6. Theft or larceny;
7. Riot or civil commotion;
8. Explosion or earthquake;
9. Contact with bird or animal;
10. Windstorm; or
11. Breakage of glass.

We will not pay Rental Reimbursement for damage due to wear and tear, freezing, mechanical or electrical breakdown or failure or road damage to tires. The maximum of our liability for rental reimbursement is \$30.00 a day with a \$900.00 maximum of coverage in any 30-day period. A specific premium charge in the Declarations for Rental Reimbursement Coverage indicates that the Rental Reimbursement Coverage applies to your policy.

### LIMIT OF LIABILITY

Our limits of liability for loss will be the lesser of the:

1. Actual cash value of the stolen or damaged property;
2. Amount necessary to repair or replace the property with other of like kind and quality; or
3. Amount stated in the Declarations of this policy.

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The most we will pay for loss to equipment listed in Exclusion 4. is \$1,500 unless the equipment was available from the manufacturer for that make and model. Our payment for loss will be reduced by any applicable deductible shown in the Declarations.

At the mutual agreement of you and us, we will not apply the applicable deductible for a glass loss if the glass is repaired rather than replaced.

### **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:

1. You; or
2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

### **NO BENEFIT TO BAILEE**

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

### **OTHER INSURANCE**

If other insurance also covers the loss we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

### **APPRAISAL**

If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the 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:

1. Pay its chosen appraiser; and
2. Bear the expenses of the appraisal and umpire equally.

We do not waive any of our rights under this policy by agreeing to an appraisal.

## **PART F – DUTIES AFTER AN ACCIDENT OR LOSS**

### **GENERAL DUTIES**

**A.** We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses. If we show that your failure to provide notice prejudices our defense, there is no liability coverage under the policy.

**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 the accident or loss.
3. Submit, as often as we reasonably require, to physical exams by physicians we select. We will pay for these exams.
4. Authorize us to obtain:
  - a. medical reports; and
  - b. other pertinent records.
5. When required by us:
  - a. submit a sworn proof of loss;
  - b. submit to examination under oath.

**C.** Upon receipt of your written notice of claim, we shall promptly investigate your claim. As part of our investigation, we may request additional information you must provide in accordance with paragraph B above.

**D.** Loss Payment

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We will notify you whether we deny or accept your claim or part of your claim within a reasonable time after our receipt of required information under paragraphs B. and C. above. We shall send payment within 30 days of our acceptance of a claim or of any portion of a claim not in dispute.

### **E. Loss Information**

Within 30 days of our receipt of your written request for loss information, we will provide the following loss information for up to 5 previous policy years:

1. a summary of all closed claims, including date and description of occurrence and the total amount of payments;
2. a summary of all open claims, including date and description of occurrence and total amount of any payments;
3. for any occurrence not included under 1. and 2., the date and description of occurrence.

### **ADDITIONAL DUTIES FOR UNINSURED BODILY INJURY/UNINSURED PROPERTY DAMAGE MOTORISTS COVERAGE**

A person seeking Uninsured Motorists 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;
3. Take reasonable steps after loss, at our expense, to protect damaged property from further loss; and
4. Permit us to inspect and appraise the damaged property before its repair or disposal.

### **ADDITIONAL DUTIES - COVERAGE FOR DAMAGE TO YOUR AUTO**

A person seeking Coverage for Damage to Your Auto must also:

1. Take reasonable steps after loss, to protect **your covered auto** and its equipment for further loss. We will pay reasonable expenses incurred to do this.
2. Promptly notify the police if **your covered auto** is stolen; and
3. Permit us to inspect and appraise the damaged property before its repair or disposal.

## **PART G – GENERAL PROVISIONS**

### **BANKRUPTCY**

Bankruptcy or insolvency of the covered person shall not relieve us of any obligations under this policy.

### **CHANGES**

**A.** This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.

**B.** If a change requires a premium adjustment, we will adjust the premium as of the effective date of change in accordance with rules prescribed by the Illinois Department of Insurance or its successor. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:

1. The number, type or use classification of the insured autos;
2. Operators using insured autos;
3. The place of principal garaging of insured autos;
4. Coverage, deductible or limits.

**C.** If this policy form is revised to provide more coverage without additional premium adjustment, the change is effective on the date of the policy revision.

**D.** We will compute the premium at the rates in effect on each anniversary date of the policy's inception date for a policy written for more than a full year.

### **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 Liability Coverage, no legal action may be brought against us until:



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1. We agree in writing that the **covered person** has an obligation to pay; or
2. 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**.

### 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 shall be subrogated to that right. That person shall do:

1. Whatever is necessary to enable us to exercise our rights; and
2. Nothing after loss to prejudice them.

(A release of the insurer of **an uninsured motor vehicle** does not prejudice our rights.)

However, our rights in this paragraph do not apply under Part E, against any person using **your covered auto** with a reasonable belief that person is entitled to do so.

**B.** If we make a payment under this policy and the person to or from whom payment is made recovers damages from another, that person shall:

1. Hold in trust for us the proceeds of the recovery; and
2. Reimburse us to the extent of our payment.

### POLICY PERIOD AND TERRITORY

**A.** This policy applies only to accidents and losses which occur:

1. During the policy period as shown in the Declarations; and
2. Within the policy territory.

**B.** The policy territory is:

1. The United States of America, its territories or possessions;
2. Puerto Rico; or
3. Canada.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

### TERMINATION

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

1. The named insured shown in the Declarations may cancel by:
  - a. returning this policy to us; or
  - b. giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by mailing at least 30 days notice to the named insured, and any mortgagee or lien holder, if known, at the last mailing address known to us. However, where cancellation is for nonpayment of premium, we will mail notice of cancellation at least 10 days prior to the effective date of cancellation. Notice of cancellation will include a specific explanation of the reasons for cancellation. A copy of all such notices shall be sent to the named insured's broker or the agent of record, if known, at the last mailing address known to us.
3. After this policy is in effect for 60 days or if this is a renewal policy, we will cancel only for:
  - a. nonpayment of premium;
  - b. this policy was obtained through a material misrepresentation;
  - c. any **covered person** has violated any term or condition of this policy;
  - d. you fail to disclose fully your motor vehicle accident(s) and moving traffic violation(s) for the preceding 36 months, if required by the application for this policy;
  - e. any **covered person** made a false or fraudulent claim or knowingly aided or abetted another in the presentation of such a claim;
  - f. any **covered person**:
    - (1) has, within the 12 months prior to the notice of cancellation, had his or her driver's license under suspension or revocation;
    - (2) is or becomes subject to epilepsy or heart attacks, and such individual does not produce a certificate from a physician testifying to his or her unqualified ability to operate a motor vehicle safely;

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- (3) has an accident record, conviction record (criminal or traffic), physical, or mental condition which is such that his or her operation of an automobile might endanger the public safety;
- (4) has, within the 36 months prior to the notice of cancellation, been addicted to the use of narcotics or other drugs; or
- (5) has been convicted, or forfeited bail, during the 36 months immediately preceding the notice of cancellation, for any felony, criminal negligence resulting in death, homicide or assault arising out of the operation of a motor vehicle, operating a motor vehicle while in an intoxicated condition or while under the influence of drugs, being intoxicated while in, or about, an automobile or while having custody of an automobile, leaving the scene of an accident without stopping to report, theft or unlawful taking of a motor vehicle, making false statements in an application for an operator's or chauffeur's license or has been convicted or forfeited bail for 3 or more violations within the 12 months immediately preceding the notice of cancellation, of any law, ordinance, or regulation limiting the speed of motor vehicles or any of the provisions of the motor vehicle laws of any state, violation of which constitutes a misdemeanor, whether or not the violations were repetitions of the same offense of different offenses;

**g. the covered auto is:**

- (1) so mechanically defective that its operation might endanger public safety;
- (2) used in carrying passengers for hire or compensation (the use of an automobile for a car pool shall not be considered use of an automobile for hire or compensation);
- (3) used in the business of transportation of flammables or explosives;
- (4) an authorized emergency vehicle;
- (5) changed in shape or condition during the policy period so as to increase the risk substantially; or
- (6) subject to an inspection law and has not been inspected or, if inspected, has failed to qualify.

**B. Non-renewal.** If we decide not to renew or continue this policy, we will mail notice to the named insured, and any mortgagee or lien holder, if known, at the last mailing address known to us. Notice will be mailed at least 30 days before the end of the policy period and will include a specific explanation of the reasons for nonrenewal. If however, the policy has been in effect or renewed for 5 or more years, notice will be mailed at least 60 days before the end of the policy period.

A copy of all such notices shall be sent to the named insured's broker or the agent of record, if known, at the last mailing address known to us. Such notice will not be required if we have manifested our intent not to renew.

**C. Automatic Termination.** If, at any time, you obtain other insurance on **your covered auto**, any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance. If we offer to renew or continue and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

**D. Other Termination Provisions.**

1. Proof of mailing of any notice shall be sufficient proof of notice. We will maintain proof of mailing on a recognized U.S. Post Office form or form acceptable to the U.S. Post Office or other commercial mail delivery service.
2. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund within 30 days from the following:
  - a. the date of the notice of cancellation by us; or
  - b. the date we receive your request for cancellation.

The premium refund, if any, will be computed pro rata,. 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.

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4. Any cancellation or restriction of coverage made without your consent will be of no effect, except as provided for in this Termination provision under:
  - a. Cancellation;
  - b. Non-renewal; or
  - c. Automatic Termination;

### TRANSFER OF YOUR INTEREST IN THIS POLICY

A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:

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

B. Coverage will be provided until the end of the policy period.

**NOTE:** Refer to Medical Payments Coverage for Assignment of Benefits.

### TWO OR MORE AUTO POLICIES

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

**In Witness' Whereof**, the company has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of the company.



PRESIDENT



SECRETARY