

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

FLORIDA UNINSURED MOTORISTS' COVERAGE (STACKED)

This endorsement changes certain parts of *your* Auto Policy. Every coverage, *exclusion*, definition and rule that isn't changed by this endorsement remains the same.

Your Auto policy is amended as follows:

PART II: YOUR LIABILITY COVERAGE

UNINSURED/UNDERINSURED MOTORISTS' COVERAGE

The following section replaces the Uninsured/Underinsured motorists' coverage section:

This section tells *you* how *we* cover damages that *you* or *a family member* are entitled to collect from the owner or operator of a vehicle that doesn't have enough insurance.

What We Cover

If the Declarations Page indicates that Uninsured Motorists Coverage applies, *we'll* pay compensatory damages for *bodily injury* sustained by any *insured person* and caused by an *occurrence*, which an *insured person* is legally entitled to recover from the owner or operator of an *uninsured vehicle*. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the *uninsured vehicle*. No judgment for damages is binding on *us*, unless *we* gave written consent to the lawsuit.

Who We Insure

Under this coverage *insured person* means:

- *you* or any *family member*,
- any other person occupying an auto covered by this policy; or
- any person for damages that person is entitled to recover because of *bodily injury* to which this coverage applies sustained by a person described immediately above.

Definition of an uninsured vehicle. An *uninsured vehicle* is any motor vehicle or *trailer* that, at the time of the *vehicle accident* is:

- not covered by a bond or policy for *bodily injury*;
- covered by a bond or policy for *bodily injury* but the amount paid for *bodily injury* under that bond or policy to an *insured person* is not enough to pay the full amount the *insured person* is legally entitled to recover as damages.
- covered, but the company denies coverage or is or becomes insolvent.
- a hit-and-run vehicle whose owner or operator can't be identified and which hits or which causes a *vehicle accident* resulting in *bodily injury* without hitting:
 - *you* or any *family member*,
 - a vehicle which *you* or any *family member* are occupying; or
 - *your* vehicle.

If there is no physical contact with the hit-and-run vehicle, the facts of the *occurrence* must be proved. *We'll* only accept competent evidence other than the testimony of a person making claims under this or any similar coverage.

However, a motor vehicle or *trailer* is **not** considered uninsured if it is:

- owned by an *family member*, or furnished or available for his or her regular use unless it is a vehicle that is covered under Part II: Your Liability Coverage of this policy and liability coverage is excluded for any person other than an *family member* for damages sustained in the *vehicle accident* by an *family member*;
- operated on rails or crawler treads;
- designed mainly for use off public roads, while not on public roads; or
- located for use as a residence.

DAMAGES WE'LL PAY

Your uninsured motorists' coverage applies to **all risks** of loss, except under certain circumstances listed in the next section. Only the *exclusions* listed here apply to this coverage.

DAMAGES WE WON'T PAY

Under this coverage we won't pay damages for *bodily injury* to any *insured person* who:

- settles the claim without *our* written consent. However, this *exclusion* does not apply:
 - (1) if the settlement does not prejudice *our* right to recover payment; or
 - (2) to a settlement made with the insurer of a vehicle described under the definition of an *uninsured vehicle*.
- was in a vehicle named on the Declarations Page or eligible for coverage as a newly acquired auto and carrying passengers or property for money (except in a share-the-expenses car pool);
- was driving or riding in or on a vehicle while the vehicle:
 - was being operated in, or practicing or preparing for, any organized or unorganized race, speed contest or other similar competition, including but not limited to timed events, rallies, sports events or stunting activities; or
 - was on a racetrack, test track or any other track or course of any kind; or
- was using the vehicle without a reasonable belief that that *insured person* is entitled to do so. This *exclusion* does not apply to a *family member* using a vehicle covered by this policy which is owned by *you*.

Coverage is not provided for *bodily injury* sustained by any *insured person* with respect to damages for pain, suffering, mental anguish or inconvenience unless the *bodily injury* consists in whole or in part of:

- a. Significant and permanent loss of an important bodily function;
- b. Permanent injury within a reasonable degree of medical probability, other than scarring or disfigurement;
- c. Significant and permanent scarring or disfigurement; or
- d. Death.

This coverage will not apply directly or indirectly to benefit any insurer or self-insurer under any workers' compensation law; disability benefits law or any similar laws.

Punitive or Exemplary Damages. We won't provide Uninsured Motorists' Coverage for punitive or exemplary damages.

ARBITRATION

If an *insured person* disagrees with *us* about:

- whether that person is entitled to damages under this coverage; or
- the amount of damages under this coverage

then the matter may be:

Mediated, under the Mediation rules contained in the Mediation section of the Florida Auto Endorsement attached to *your* policy, if the damages resulting from *bodily injury* are for \$10,000 or less; or

Arbitrated. The demand must be in writing. Arbitration must be by mutual agreement between *you* and *us*. If either side demands mediation, the mediation must be completed before arbitration can occur. This is the arbitration procedure:

- (1) **Selecting arbitrators.** Each side will select an arbitrator. The two arbitrators will select a third. If they can't agree within 30 days, either side can ask a judge in a court having jurisdiction to select one.
- (2) **Arbitration procedure.** The three arbitrators will decide by simple majority whether, and how much, we have to pay. The arbitration will take place in the county where the person who demanded it lives, unless both sides agree on another location, and will follow local rules of procedure and evidence. The decision is binding, unless the Florida Arbitration Act supplies.
- (3) **Paying for arbitration.** Each side will pay the arbitrator it chooses. Both sides will contribute equally to the third arbitrator's pay, and other expenses.

FLORIDA ARBITRATION ACT

If we and an *insured person* agree to arbitration, the Florida Arbitration Act will not apply.

PART III: TERMS AND CONDITIONS

HOW MUCH WE'LL PAY

YOUR LIABILITY COVERAGE

Uninsured/Underinsured Motorists'

The sum of the Uninsured Motorists' *coverage limits* shown in the Declarations Page that applies to each person for this coverage is the most *we'll* pay for all damages arising out of *bodily injury* to any one person in any one *vehicle accident*. Subject to this *coverage limit* for each person, the most *we'll* pay for all damages arising out of *bodily injury* resulting from any one *vehicle accident* is the sum of the *coverage limits* shown on the Declarations Page for each accident. This is the most *we'll* pay no matter how many people or vehicles were involved or claims are made.

No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:

- Part II: Your Liability Coverage of this policy;
- No-Fault coverage; or
- Automobile medical payments coverage.

We won't make a duplicate payment under this coverage for any element of loss for which payment had been made by or on behalf of persons or organizations who may be legally responsible.

We won't pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar laws:

- Workers' compensation law; or
- Disability benefits law.

WHAT TO DO AFTER AN OCCURRENCE OR LOSS

The following is added to "**Step Three: Submit All Claims**"

Uninsured/Underinsured Motorists' Coverage:

A person seeking Uninsured Motorists' Coverage under the second paragraph of the definition of *uninsured vehicle* must also promptly:

- Send *us* copies of the legal papers if a suit is brought; and

- Notify us in writing by certified or registered mail of a tentative settlement between the *insured person* and the insurer of the uninsured vehicle and allow *us* 30 days to advance payment to that *insured person* in an amount equal to the tentative settlement to preserve *our* rights against the insurer, owner or operator of such *uninsured vehicle*.

GENERAL CONDITIONS

The following is added to **6. OUR RIGHTS TO RECOVER PAYMENT:**

Our rights do not apply under the second paragraph of the definition of *uninsured vehicle* if *we*:

- have been given prompt written notice of a tentative settlement between an *insured person* and the insurer of an uninsured vehicle; and
- don't advance payment to the *insured person* in an amount equal to the tentative settlement within 30 days after *we* receive notification.

If *we* advance payment to the *insured person* in an amount equal to the tentative settlement within 30 days after receipt of notification:

- that payment will be separate from any amount the *insured person* is entitled to recover under Uninsured Motorists' Coverage; and
- *we* also have a right to recover advance payment.