AMENDATORY ENDORSEMENT

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

1. DEFINITIONS

A. The definition of **"newly acquired auto"** is amended as follows:

"Newly acquired auto" means any of the following types of vehicles you become the owner of during the policy period:

1. a private passenger auto or station wagon type; or
2. a pickup truck or van that:
   a. has a Gross Vehicle Weight as specified by the manufacturer of less than 14,000 pounds; and
   b. is not used for the delivery or transportation of goods and materials unless such use is:
      (1) incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or
      (2) for farming or ranching.

Any coverage for a **newly acquired auto** is subject to the following:

1. If a **newly acquired auto** replaces a vehicle shown in the Declarations, it will have the same coverage as the vehicle it replaced except that coverage, if any, under Part D – Coverage For Damage To Your Auto applies only if you ask us to insure it within 30 days after you become the owner.
2. If a **newly acquired auto** 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 if you ask us to insure it within 30 days after you become the owner.
3. Coverage under this policy terminates for any **newly acquired auto** on the effective date and time of a policy (other than this policy) issued by us or any other company that describes such vehicle on its declarations page.
4. If you ask us to insure a **newly acquired auto** within the applicable specified time period described in 1. or 2. above, any coverage we provide for the **newly acquired auto** begins on the date you become the owner. If you ask us to insure a **newly acquired auto** after the applicable specified time period described above has elapsed, any coverage we provide for the **newly acquired auto** will begin at the time you request the coverage. You must pay us any added amount due for any coverage we provide for a **newly acquired auto**.

B. The definition of "t**ransportation network platform"** is added:

"**Transportation network platform"** means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

C. The definition of **"delivery network platform"** is added:

"Delivery network platform" means an online-enabled application or digital network, used to connect customers:

1. With drivers; or
2. With local vendors using drivers;

for the purpose of providing prearranged delivery services, including courier services, for compensation. A **delivery network platform** does not include a **transportation network platform**.

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2. Part A – LIABILITY COVERAGE

Part A is amended as follows:

A. Exclusion A.2. is deleted and replaced by the following:

We do not provide Liability Coverage for any **insured**:

2. For **property damage** to property:

a. owned in whole or in part by that **insured**; or

b. being transported by that **insured**;

B. Exclusion A.5. is deleted and replaced by the following:

We do not provide Liability Coverage for any **insured:**

5. For that **insured's** liability arising out of the ownership or operation of a vehicle while it is being used:

a. As a public or livery conveyance. This includes but is not limited to any period of time a vehicle is being used by any **insured** who is logged into a:

(1) **Transportation network platform** as a driver, whether or not a passenger is occupying the vehicle.

(2) **Transportation network platform** or **delivery network platform** as a driver to provide delivery services, including courier services, whether or not the food, goods, items or products to be delivered are in the vehicle.

b. For the delivery of food, goods, items or products, including but not limited to newspapers and magazines, except as provided in Paragraph a.(2).

This exclusion (A.5.) does not apply to:

a. A share-the-expense car pool; or

b. The ownership or operation of a vehicle while it is being used for volunteer or charitable purposes.

C. The following Exclusion A.10. is added:

We do not provide Liability Coverage for any **insured**:

10. For the ownership, maintenance or use of **your covered auto** while being used by anyone other than you or any **family member** in exchange for compensation.

D. The following Exclusion B.3. is added:

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

3. Any vehicle while participating in any prearranged, organized, or spontaneous:

a. racing contest, speed contest, demolition, stunt activity, or competitive driving event, or in practice or preparation for any such contest or use of this type; or

b. use of a vehicle at a facility designed for racing or high performance driving unless such use is for an activity other than high performance driving, high speed driving, and other than those activities listed in 3.a. above.

This exclusion applies only to the extent that the limit of liability of this policy exceeds the minimum limit required by the financial responsibility law of North Carolina.

E. The following provision is added following the **Other Insurance** provision:

Appraisal – Diminution in Value

If there is no dispute between the claimant and us regarding the **insured's** liability for the property damage to the claimant's vehicle, but:

a. the claimant and we fail to agree as to the difference in fair market value of the vehicle immediately before the accident and immediately after the accident; and

b. the difference in the claimant's and our estimate of the diminution in fair market value is greater than two thousand dollars ($2,000) or twenty-five percent (25%) of the fair market retail value of the vehicle prior to the accident as determined by the latest edition of the National Automobile Dealers Association Pricing Guide Book or other publications approved by the Commissioner of Insurance, whichever is less; then

on the written demand of either the claimant or us, the dispute regarding the amount of the diminution in value shall be determined by appraisal in accordance with G.S. 20-279.21(d1).

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3. Part B – MEDICAL PAYMENTS COVERAGE

A. Exclusion 1. is deleted and replaced by the following:

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

1. Sustained while occupying **your covered auto** when it is being used:

   a. As a public or livery conveyance. This includes but is not limited to any period of time your **covered auto** is being used by any **insured** who is logged into a:

      (1) **Transportation network platform** as a driver, whether or not a passenger is occupying the vehicle.

      (2) **Transportation network platform** or **delivery network platform** as a driver to provide delivery services, including courier services, whether or not the food, goods, items or products to be delivered are in the vehicle.

   b. For the delivery of food, goods, items or products, including but not limited to newspapers and magazines, except as provided in Paragraph a.(2).

   This exclusion (1.) does not apply:

   a. To a share-the-expense car pool; or

   b. While **your covered auto** is being used for volunteer or charitable purposes.

B. The following Exclusions 12. and 13. are added:

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

12. Sustained while **occupying** any vehicle participating in any prearranged, organized, or spontaneous:

   a. racing contest, speed contest, demolition, stunt activity, or competitive driving event, or in practice or preparation for any such contest or use of this type; or

   b. use of a vehicle at a facility designed for racing or high performance driving unless such use is for an activity other than high performance driving, high speed driving, and other than those activities listed in 12.a. above.

13. Sustained while **occupying**, or when struck by, **your covered auto** while being used by anyone other than you or any **family member** in exchange for compensation.

4. Part C1 – UNINSURED MOTORISTS COVERAGE

Part C1 is deleted.

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5. Part C2 – COMBINED UNINSURED/UNDER-INSURED MOTORISTS COVERAGE

Part C2 is amended as follows:

For purposes of this Policy, Combined Uninsured/Underinsured Motorists Coverage refers to Combined Uninsured/Underinsured Motorists Bodily Injury Coverage and Uninsured Motorists Property Damage Coverage.

A. The definition of **underinsured motor vehicle** is replaced by the following:

Underinsured motor vehicle means a land motor vehicle or trailer of any type:

1. The ownership, maintenance or use of which is insured or bonded for liability at the time of accident; and
2. The sum of the limits of liability under all **bodily injury** liability bonds and insurance policies applicable at the time of the accident is equal to or greater than the minimum limit specified by the financial responsibility law of North Carolina and:
   a. is less than the total damages sustained by an individual seeking payment of benefits under this coverage; or
   b. the total limit of liability available has been exhausted by payment to more than one individual and the total amount actually paid to an individual seeking payment of benefits under this coverage from the exhaustion of the total limit of liability available is less than the total damages sustained by that individual.

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

1. Operated on rails or crawler treads.
2. Which is a farm-type tractor or other vehicle designed for use principally off public roads and while not upon public roads.
3. While located for use as a residence or premises.
4. Which is an **uninsured motor vehicle**.
5. Which is insured under Liability Coverage of this policy if such policy's limit of liability for Combined Uninsured/Underinsured Motorists Bodily Injury Coverage is equal to or less than its limit of liability for Liability Coverage.

B. Exclusion A.2. Is deleted and replaced by the following:

We do not provide coverage for **property damage** or **bodily injury** caused by an uninsured motor vehicle and sustained by any **insured**:

2. When **your covered auto** is being used:
   a. As a public or livery conveyance. This includes but is not limited to any period of time **your covered auto** is being used by any **insured** who is logged into a:
      (1) **Transportation network platform** as a driver, whether or not a passenger is occupying the vehicle.
      (2) **Transportation network platform** or **delivery network platform** as a driver to provide delivery services, including courier services, whether or not the food, goods, items or products to be delivered are in the vehicle.
   b. For the delivery of food, goods, items or products, including but not limited to newspapers and magazines, except as provided in Paragraph a.(2).

This exclusion (A.2.) does not apply:

a. To a share-the-expense car pool; or

b. When **your covered auto** is being used for volunteer or charitable purposes.

C. The following Exclusion A.8. is added:

We do not provide coverage for **property damage** or **bodily injury** caused by an uninsured motor vehicle and sustained by any **insured**:

8. When **your covered auto** is being used by anyone other than you or any **family member** in exchange for compensation.

D. Exclusion C.2. is deleted and replaced by the following:

We do not provide coverage for **bodily injury** caused by an **underinsured motor vehicle** and sustained by any **insured**:

2. When **your covered auto** is being used:
   a. As a public or livery conveyance. This includes but is not limited to any period of time **your covered auto** is being used by any **insured** who is logged into a:
      (1) **Transportation network platform** as a driver, whether or not a passenger is occupying the vehicle.
      (2) **Transportation network platform** or **delivery network platform** as a driver to provide delivery services, including courier services, whether or not the food, goods, items or products to be delivered are in the vehicle.

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This exclusion (2.a.) does not apply to a share-the-expense car pool.

b. For the delivery of food, goods, items or products, including but not limited to newspapers and magazines, except as provided in Paragraph a.(2).

This exclusion (C.2.) does not apply:

a. To a share-the-expense car pool; or

b. When **your covered auto** is being used for volunteer or charitable purposes.

E. The following Exclusion C.6. is added:

We do not provide coverage for **bodily injury** caused by an **underinsured motor vehicle** and sustained by any **insured**:

6. While **occupying**, or when struck by, **your covered auto** while being used by anyone other than you or any **family member** in exchange for compensation.

F. The **Limit of Liability** is deleted and replaced by the following:

LIMIT OF LIABILITY

1. The limit of bodily injury liability shown in the [Schedule or] Declarations for each person for Combined Uninsured/Underinsured Motorists Bodily Injury Coverage is our maximum limit of liability for all damages for **bodily injury**, including damages for care, loss of services or death, sustained by any one person in any one auto accident.

   Subject to this limit for each person, the limit of bodily injury liability shown in the [Schedule or] Declarations for each accident for Combined Uninsured/Underinsured Motorists Bodily Injury Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one accident. The limit of property damage liability shown in the [Schedule or] Declarations for each accident for Uninsured Motorists Property Damage Coverage is our maximum limit of liability for all damages for **property damage** caused by an **uninsured motor vehicle** and resulting from any one accident.

   This is the most we will pay for **bodily injury** and **property damage** regardless of the number of:

   a. **Insureds**;

   b. Claims made;

   c. Vehicles or premiums shown in the Declarations; or

   d. Vehicles involved in the accident.

2. The most we will pay for **bodily injury** damages to an **insured** under this coverage is the lesser of:

   a. the limit of bodily injury liability shown in the [Schedule or] Declarations for each person for this coverage; or

   b. the damages sustained by the **insured** for **bodily injury** reduced by

all sums paid or payable because of the **bodily injury** under any workers' compensation law. However, this reduction does not apply to the extent that an employer's lien is required to be paid under North Carolina's workers' compensation law.

However, if the **underinsured motor vehicle** is insured under Liability Coverage of this policy, the most we will pay for **bodily injury** damages to an **insured** under this coverage is that amount of underinsured motorists bodily injury coverage under this policy which exceeds this policy's bodily injury liability limits.

3. No payment will be made under this coverage for loss paid or payable to the **insured** under Part D or any policy of property insurance.

4. Any payment to any person under this coverage will reduce any amount that person is entitled to recover for the same elements of loss under Part A.

5. This coverage is excess over and shall not duplicate any amount paid or payable under Part B.

6. No individual will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A. of this Policy.

7. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

8. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any disability benefits or similar law.

G. The **Arbitration** provision is deleted and replaced by the following:

ARBITRATION

1. If we and an **insured** do not agree:

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a. Whether that **insured** is legally entitled to recover compensatory damages from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle**; or

b. As to the amount of such compensatory damages;

then the matter may be arbitrated. Both parties must agree to arbitration.

For purposes of an:

(1) Uninsured Motorists Coverage claim, if an **insured** files a lawsuit against us or an owner or operator of an **uninsured motor vehicle** seeking damages that are the subject of the claim for Uninsured Motorists Coverage under this policy, the **insured** shall have the right to request arbitration only if such lawsuit is filed within the time limit required by the laws of the state where the accident occurred for filing a lawsuit against the owner or operator of the **uninsured motor vehicle** for the damages arising out of the accident and only if the **insured** gives us a written request for arbitration within thirty (30) days after the filing of such lawsuit.

(2) Underinsured Motorists Coverage claim, if an **insured** files a lawsuit against an owner or operator of an **underinsured motor vehicle** seeking damages that are the subject of the claim for Underinsured Motorists Coverage under this policy, the **insured** shall have the right to request arbitration only if the insured gives us a written request for arbitration within thirty (30) days after the later of:

(a) The date we advance payment to the **insured** in an amount equal to a tentative settlement between the **insured** and the owner or operator of the **underinsured motor vehicle**;

(b) The date any applicable liability bonds or policies have been exhausted by payments of judgments or settlements; or

(c) The date the **insured** files a lawsuit against an owner or operator of an **underinsured motor vehicle** seeking damages that are the subject of the claim for Underinsured Motorists Coverage under this policy, provided that such lawsuit is filed within the time limit required by the laws of the state where the accident occurred for filing a lawsuit against the owner or operator of the **underinsured motor vehicle** for the damages arising out of the accident.

2. The following procedures will be used:

a. Each party will select a competent arbitrator. The two so selected will select a third competent and disinterested arbitrator.

b. If the third arbitrator is not selected within 30 days, the **insured** or we may request a judge of a court of record to name one. The court must be in the county and state in which arbitration is pending.

c. Each party will pay its chosen arbitrator. Each will pay half of all other expenses of arbitration. Fees to lawyers and expert witnesses are not considered arbitration expenses and are to be paid by the party hiring these persons.

d. Unless the **insured** and we agree otherwise, arbitration will take place in the county and state in which the **insured** lives. Arbitration will be subject to the usual rules of procedure and evidence in such county and state. The arbitrators will resolve the issues. A written decision on which two arbitrators agree will be binding on the **insured** and us.

e. Judgment upon award may be entered in any proper court.

f. As an alternative, the **insured** and we may agree to arbitrate by rules other than stated above.

6. PART D – COVERAGE FOR DAMAGE TO YOUR AUTO

Part D is amended as follows:

A. Exclusion 1. Is replaced by the following:

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is being used:

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a. As a public or livery conveyance. This includes but is not limited to any period of time **your covered auto** or any **non-owned auto** is being used by any person who is logged into a:

(1) **Transportation network platform** as a driver, whether or not a passenger is occupying the vehicle.

(2) **Transportation network platform** or **delivery network platform** as a driver to provide delivery services, including courier services, whether or not the food, goods, items or products to be delivered are in the vehicle.

b. For the delivery of food, goods, items or products, including but not limited to newspapers and magazines, except as provided in Paragraph a.(2).

This exclusion (1.) does not apply:

a. To a share-the-expense car pool; or

b. While **your covered auto** or any **non-owned auto** is being used for volunteer or charitable purposes.

B. Exclusion 9. is changed by deleting the following:

This exclusion does not apply to the interests of Loss Payees in **your covered auto**.

C. The following Exclusions 14 ,15, and 16 are added:

We will not pay for:

14. Loss to your **covered auto** or any **non-owned auto** while participating in any prearranged, organized, or spontaneous:

a. racing contest, speed contest, demolition, stunt activity, or competitive driving event, or in practice or preparation for any such contest or use of this type; or

b. use of a vehicle at a facility designed for racing or high performance driving unless such use is for an activity other than high performance driving, high speed driving, and other than those activities listed in 14.a. above.

15. Loss to **your covered auto** which occurs while being used by anyone other than you or any **family member** in exchange for compensation.

16. 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.

7. Part E – DUTIES AFTER AN ACCIDENT OR LOSS – FILING A CLAIM

Part E is amended as follows:

A. The lead-in paragraph of the **Additional Duties For Uninsured And Combined Uninsured/Underinsured Motorists Coverage** provision is replaced by the following:

A person seeking Combined Uninsured/Underinsured Motorists Bodily Injury Coverage or Uninsured Motorists Property Damage Coverage must also:

B. Paragraph 3. of the **Additional Duties For Coverage For Damage To Your Auto** provision is replaced by the following:

3. Permit us to inspect and appraise the damaged property, including but not limited to any damaged glass or windshield, before its repair, replacement or disposal.

8. Part F – GENERAL PROVISIONS

Part F is amended as follows:

A. Paragraph A of the **Our Right To Recover Payment** provision is replaced by the following:

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.

However, our rights under this paragraph do not apply to:

a. Part B;

b. Part C2, as those parts contain separate provisions which state our right to recover payment under those Parts;

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c. Part D, against any person using **your covered auto** with a reasonable belief that that person is entitled to do so.

B. The **Cancellation** provision is amended as follows:

1. Paragraphs 2 and 3 are replaced by the following:

2. We may cancel the Liability, Medical Payments, Combined Uninsured/Underinsured Motorists Bodily Injury and Uninsured Motorists Property Damage Coverages by mailing by first class mail to the named insured shown in the Declarations at the last known address:

a. at least 15 days notice if cancellation is for nonpayment of premium; or

b. at least 60 days notice in all other cases.

3. We may cancel any coverage other than Liability, Medical Payments, Combined Uninsured/Underinsured Motorists Bodily Injury and Uninsured Motorists Property Damage Coverages by mailing to the named insured shown in the Declarations at the last known address 10 days notice.

2. The lead-in to paragraph 4 is replaced by the following:

4. We will cancel the Liability, Medical Payments, Combined Uninsured/Underinsured Motorists Bodily Injury and Uninsured Motorists Property Damage Coverages only for the following reasons:

3. The following is added to paragraph 4 of the **Cancellation** provision:

g. The named **insured** is no longer an eligible risk under G.S. 58-37-1.

h. Any other reason permitted by the North Carolina General Statutes.

C. **Nonrenewal** provision is deleted and replaced by the following:

Nonrenewal. If we decide not to renew or continue the Liability, Medical Payments, Combined Uninsured/Underinsured Motorists Bodily Injury and Uninsured Motorists Property Damage Coverages of this policy we will mail notice to the named insured shown in the Declarations at the last known address. Notice will be mailed at least 60 days before the end of the policy period. If we decide not to renew or continue any other coverage, we will mail the notice at least 10 days before the end of the policy period. We will refuse to renew or continue this policy only as permitted by the laws of North Carolina.

D. **Other Termination Provisions** is deleted and replaced by the following:

1. If the law in effect in North Carolina at the time this policy is issued, renewed or continued:

a. requires a longer notice period;

b. requires a special form of or procedure for giving notice;

c. modifies any of the stated termination reasons; or;

d. adds any additional termination reasons;

we will comply with those requirements and this policy shall be deemed amended to include any such change in the law.

2. Proof of mailing of any notice shall be sufficient proof of notice.

3. If the named **insured** or a premium finance company cancels this policy, the premium owed or premium refund due will be calculated according to the short rate provisions contained in our manuals. If we cancel this policy, any premium owed or premium refund will be calculated on a pro-rata basis. However, making or offering to make the refund is not a condition of cancellation.

4. The effective date of cancellation stated in the notice shall become the end of the policy period.

E. The following is added to the **Transfer Of Your Interest In This Policy** provision:

The benefits of this Policy that may be available to you following a covered loss may not be assigned unless:

1. All duties listed under the **Additional Duties For Damage To Your Auto** provision in Part E – **Duties After An Accident Or Loss – Filing A Claim** are performed by a person seeking coverage;

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2. An inspection of the damage has been conducted by an adjuster authorized by us, or we give our consent; and
3. Any Assignee receiving a benefit under this Policy assigned under this provision for damage to **your covered auto** is subject to all duties and conditions under the policy. This includes the Appraisal Clause under Part D - **Coverage For Damage To Your Auto** to resolve disagreements on the amount of loss.

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