FAMILY CAR POLICY

This policy is a legal contract between you (the policyholder) and the company. The following Quick Reference is only a brief outline of some important features in your policy and is not the insurance contract. The policy details the rights and duties of you and your insurance company. Read your policy carefully.

YOUR FAMILY CAR POLICY QUICK REFERENCE

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NO MEXICO COVERAGE

READ THIS WARNING CAREFULLY

Car accidents in Mexico are subject only to Mexican law. The Republic of Mexico considers a car accident to be both a criminal offense and a civil matter. Car insurance should be secured from a Mexican insurance company to avoid the risk of being jailed and possibly having your insured car impounded.

NO COVERAGE IS PROVIDED UNDER THIS POLICY FOR MEXICO
IF YOU HAVE AN AUTO ACCIDENT OR LOSS

If we are prejudiced by a failure to comply with the following duties, then we have no duty to provide coverage under this policy.

A. Notify Us
   Tell us promptly. Give time, place, and details. Include names and addresses of injured persons and witnesses.

B. Other Duties
   1. Each person claiming any coverage of this policy must also:
      a. cooperate with us and assist us in any matter concerning a claim or suit.
      b. promptly send us any legal papers received relating to any claim or suit.
      c. have a medical exam at our expense as often as we may reasonably ask. We will select the doctor.
      d. authorize us to obtain medical, employment, vehicle and other records and documents we request, as often as we reasonably ask, and permit us to make copies.
      e. give us a signed, sworn proof of loss within 60 days after we request it. That proof of loss must be accurate and contain each of the following items:
         (1) the date, time, location and cause of loss;
         (2) the interest in the property, including liens and other interests;
         (3) the actual cash value and amount of loss of the property damaged, destroyed or stolen;
         (4) other insurance that may cover the loss;
         (5) changes in title, use or possession of the property during the policy period; and
         (6) detailed estimates for repair of the damage.
      f. give us written and recorded statements, including those recorded over the telephone, and answer questions under oath when asked by any person we name, as often as we reasonably ask, and sign copies of the answers.
      g. cooperate with us and, when asked, assist in:
         (1) making settlements;
         (2) securing and giving evidence; and
         (3) getting witnesses to attend hearings and trials.
      h. attend hearings and trials.
      i. not, except at their own expense, voluntarily:
         (1) make any payment or assume any obligation to others; or
         (2) incur any expense, other than first aid to others.
      j. not voluntarily make any agreement that would be binding on us.
   2. Each person claiming Car Damage coverages must also:
      a. take reasonable steps after loss to protect the vehicle and its equipment from further loss. We will pay fair expenses for such steps.
      b. promptly report the theft of the vehicle to the police.
      c. let us inspect and appraise the damaged vehicle before its repair or disposal.

AGREEMENT

We agree with you, in return for your premium payment, to insure you subject to all the terms of this policy. We will insure you for the coverages and the limits of liability as shown in the Declarations of this policy.

DEFINITIONS USED THROUGHOUT THIS POLICY

Words in bold type have these defined meanings.

A. Auto business means the business of selling, leasing, repairing, servicing, transporting, delivering, testing, road testing, customizing, storing, or parking vehicles.

B. Bodily injury means bodily harm, sickness, disease or death of any person. It does not include:
   1. any communicable disease, bacteria, fungi, parasite, virus or other organism which are transmitted by any insured to any other person;
   2. the exposure to communicable disease, bacteria, fungi, parasite, virus or other organism; or
   3. emotional or mental distress, mental anguish, mental injury, or any similar injury unless it arises out of actual bodily harm to a person.

C. Car means your insured car and a private passenger car.

D. Nonowned car means any car or trailer you do not own while you or a relative are in charge of it. It does not include any car or trailer:
   1. furnished or available for the regular use by you or any resident of your household; or
   2. if used without the permission of the owner.

E. Occupying means in, on, getting into or out of, and in physical contact with.

F. Private passenger car means a four wheel car of the private passenger, pickup or van type and designed to carry persons and their luggage.
G. **Property damage** means damage to or destruction of tangible property. This includes loss of its use.

H. **Relative** means a person living in your household, related to you by blood, marriage or adoption. This includes a ward or foster child. It excludes any person who, or whose spouse, owns a motor vehicle other than an off-road motor vehicle.

I. **State** means the District of Columbia, and any state, territory or possession of the United States, and any province of Canada.

J. **Trailer** means a vehicle designed to be towed by a **car**. It does not mean:
   1. a farm wagon used to carry persons.
   2. a **trailer** or mechanical device towed by a **car** and used in a business or occupation other than farming or ranching.
   3. a **trailer** or car top carrier designed to be attached to the roof of a **car**.
   4. another **car** towed by your insured **car**.

K. **We, us and our** means the company shown in the Declarations which provides this insurance.

L. **You and your** mean the policyholder shown in the Declarations and spouse, if living in the same household.

M. **Your insured car** means:
   1. any vehicle shown in the Declarations.
   2. any **trailer**:
      a. that you own; or
      b. while attached to your insured **car**.
   3. any **nonowned car**.
   4. any **car** or **trailer** that 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.

5. any of the following types of vehicles on the date you become the owner:
   a. a **private passenger car**;
   b. a motor home not used for business purposes; or
   c. a pickup, van, sedan delivery or panel truck type that:
      (1) has a Gross Vehicle Weight Rating of 10,000 pounds or less; and
      (2) is not used for the delivery or transportation of goods and materials unless such use is for farming or ranching.

This provision (M.5.) applies only if:
   a. you acquire the vehicle during the policy period;
   b. you ask us to insure it within 30 days after you become the owner; and
   c. you pay us any additional premium.

If the vehicle you acquire replaces one shown in the Declarations, it will have the same coverages as the vehicle it replaced. **You** must ask us to insure a replacement vehicle within 30 days if you wish to add or continue Car Damages Coverages.

If the vehicle you acquire is in addition to any shown in the Declarations and we insure all of your other **cars**, it will have the broadest coverage we now provide for any vehicle we insure. If we and you both agree to continue coverage, it will be under a new policy specifically insuring this vehicle.

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**PART I – LIABILITY COVERAGE**

A. **INSURING AGREEMENT**

You have this coverage if Bodily Injury Liability and Property Damage Liability coverage is shown in the Declarations.

We will pay compensatory damages an **insured person** is legally liable for because of **bodily injury** or **property damage** as a result of an auto accident due to the ownership, maintenance or use of a **car** or **trailer**.

We will defend any suit or settle any claim for damages payable under this policy as we think proper.

However, we will not defend any suit after our limit of liability has been offered or paid.

B. **ADDITIONAL DEFINITIONS**

1. **Insured person** or **insured persons** means:
   a. you or a relative.
   b. any person using your insured **car**.
   c. any other person or organization, but only for legal liability for acts or omissions of:
      (1) any person covered under this Part while using your insured **car**.
      (2) you or any relative covered under this Part while using any **car** or **trailer** other than your insured **car**.

This other **car** or **trailer** must not be owned or hired by that person or organization.

**Insured person** does not mean:

d. any person, other than a relative, using your insured **car** without your permission.

e. any person, other than a relative, using your insured **car** with your permission, but who exceeds the scope of that permission.
C. ADDITIONAL PAYMENTS
We will pay, in addition to our limit of liability:
1. all costs we incur in the settlement of any claim or defense of any suit.
2. prejudgment interest on damages awarded in any suit we are obligated to pay. We will not pay any such interest that accrues after such time that we make an offer to pay our limit.
3. interest accruing on our share of the amount of any judgment between the time the judgment is entered and the time we pay, tender or deposit in court that part of the judgment that does not exceed our limit of liability.
4. premiums on bonds requested by us in any suit we defend. But we will not pay the premium for bonds over our limit of liability. We need not apply for or furnish any bond.
5. charges up to $250 for a bail bond required due to an auto accident, including related traffic law violations, causing bodily injury or property damage covered by this Part. We have no obligation to apply for or furnish such a bond.
6. loss of wages or salary up to $250 a day, but not other income, when we ask you to attend trials or hearings.
7. expenses incurred by an insured person for first aid to others at the time of an auto accident involving your insured car.
8. any other reasonable expenses incurred at our request.

D. EXCLUSIONS
We will not pay for:
1. bodily injury or property damage arising out of the use of a vehicle to carry persons for a charge. This exclusion does not apply to shared-expense car pools or the charitable carrying of persons.
2. bodily injury or property damage which was caused intentionally by any person, even if the actual injury or damage is different than that which was expected or intended.
3. bodily injury or property damage when a person is covered under nuclear energy liability insurance. This exclusion applies even if that insurance is exhausted.
4. bodily injury to an employee of an insured person arising in the course of employment. But a domestic employee is covered unless benefits are payable or are required to be provided for the domestic employee under a workers’ compensation or disability benefits law or any similar law.
5. bodily injury or property damage arising out of auto business operations. But this exclusion does not apply to the ownership, maintenance or use of your insured car in auto business operations by you, a relative, any partner or employee of you or a relative.
6. damage to property owned by, or in the charge of, an insured person.
7. damage to property rented to an insured person except a residence or private garage.
8. bodily injury or property damage arising out of the ownership, maintenance or use of any:
   a. motorized vehicle with less than four wheels;
   b. recreational all terrain vehicle regardless of the number of wheels; or
   c. vehicle designed for use off public roads.
9. bodily injury or property damage arising out of the ownership, maintenance or use of any vehicle, other than your insured car, which is owned by or furnished or available for regular use by you or a relative.
10. bodily injury to:
    a. any person injured while operating your insured car;
    b. you or a relative; or
    c. any person related to and residing in the household of the operator.
11. bodily injury or property damage occurring while your insured car is rented or leased to others.
12. bodily injury or property damage occurring in or resulting from any organized or agreed-upon racing or speed contest or demonstration in which your insured car has active participation, or in practice or preparation for any such contest.
13. punitive or exemplary damages, fines or penalties, or court order restitution as a result of civil actions.

E. LIMITS OF LIABILITY
1. The limits of liability shown in the Declarations apply, subject to the following:
   a. the bodily injury liability limit for “each person” is the maximum for bodily injury sustained by one person in any one occurrence.
   b. subject to the bodily injury liability limit for “each person”, the bodily injury liability limit for “each occurrence” is the maximum for bodily injury sustained by two or more persons in any one occurrence.
F. ADDITIONAL CONDITIONS

1. Out Of State Coverage.
   This policy conforms to any motor vehicle insurance law to which an insured person is subject by using a car in any state. But, any broader coverage so afforded shall be reduced to the extent that other auto liability insurance applies. In no event shall a coverage limit be reduced below any amount required by law.

2. Other Insurance.
   a. Other Policies Issued By Us
      If two or more auto liability insurance policies are issued to you by us or any other member company of the American Family Insurance Group of companies, apply to the same auto accident, the total limits of liability under all such policies shall not exceed the highest limit of liability under any one policy.
   b. Other Liability Coverage From Other Sources
      If there is other auto liability insurance for a loss covered by this Part, we will pay our share according to this policy’s proportion of the total of all liability limits. But any insurance provided under this Part for a vehicle you do not own is excess over any other collectible auto liability insurance.

   When we certify this policy as proof under any financial responsibility law, it will comply with the law to the extent of the required coverage. You agree to repay us for any payment we would not have had to make except for this agreement.

PART II – CAR DAMAGE COVERAGE

A. INSURING AGREEMENT
   We will pay for loss of or damage to your insured car and its equipment, less the deductible, if the coverage is shown in the Declarations for:
      Under this coverage, we will pay for loss not caused by collision. We also pay for loss caused by breakage of glass, fire, explosion, and colliding with a bird, animal, missile or falling object.
      If you have a Comprehensive deductible and your windshield is replaced instead of being repaired, we will pay for the difference, less the deductible, if any, will be waived. If the repair fails, your windshield will be replaced, however, the Comprehensive deductible, if any, will be applied.
   2. Collision Coverage.
      Under this coverage, we will pay for loss due to the collision of your insured car with another object or upset of your insured car. If breakage of glass results from a collision, you may have us treat it as a loss caused by collision. The first $100 of your deductible shall not apply to loss caused by a collision of your insured car with another vehicle owned by us. But the entire deductible applies if the other vehicle is owned by, or in the charge of, you or a member of your household.

B. ADDITIONAL DEFINITIONS
   As used in this Part only:
   1. Loss means direct and accidental loss of or damage to your insured car and its equipment. Loss does not mean any difference in the market value of your insured car immediately prior to the loss and the market value of your insured car after repairs from the loss are completed.

C. ADDITIONAL COVERAGES
   1. Transportation Expenses.
      a. We will pay up to $20 per day, but no more than $600, for the cost of transportation you incur if your insured car is stolen and we provide Comprehensive coverage.
      b. This coverage:
         (1) begins 48 hours after the theft is reported to us and the police; and
         (2) ends when you get your insured car back after being repaired, if necessary, or when we pay or offer to pay for the loss.
   2. The following additional coverages apply only if you have Comprehensive or Collision Coverage in effect under this policy and the loss is covered by Comprehensive or Collision.
      a. Electronic Media.
         We will pay up to $200 in any one loss to tapes, discs and other electronic media
used with equipment permanently installed in your insured car.
b. Portable Electronic Equipment.
   We will pay up to $300 in any one loss to portable electronic equipment including cellular phones, global positioning systems (GPS), satellite radio, portable compact disc (CD) players, or digital video disc (DVD) players.
c. Clothing and Luggage.
   We will pay up to $200 in any one loss of clothing and personal luggage, including its contents, belonging to you or a relative while it is in or on your insured car. This additional coverage does not apply if the insured car is a travel-trailer.

D. EXCLUSIONS
We will not pay for:
1. loss to your insured car while used to carry persons for a charge. This exclusion does not apply to shared-expense car pools or the charitable carrying of persons.
2. loss caused by war (declared or undeclared), civil war, insurrection, rebellion or revolution, or by nuclear reaction, radiation, or radioactive contamination, or their consequences.
3. loss to sound recording or reproducing tapes, discs or other similar electronic media except as provided in C.2.a., ADDITIONAL COVERAGES above.
4. loss to any electronic equipment, including its accessories, that reproduces, receives or transmits audio, visual or data signals. This includes, but is not limited to:
   a. radios and stereos;
   b. tape decks;
   c. compact disc systems;
   d. navigation systems;
   e. internet access systems;
   f. personal computers;
   g. video entertainment systems;
   h. telephones;
   i. televisions;
   j. two-way mobile radios;
   k. “ham” radios;
   l. scanning monitor receivers; or
   m. citizens band radios.
   This exclusion does not apply to electronic equipment which is permanently installed in an opening of your insured car normally used by the motor vehicle manufacturer.
5. loss to the following equipment unless it is provided by the motor vehicle manufacturer:
   a. special or custom paint finishes.
   b. any ornamental or protective accessories which may include shields, bras, engine accessories, racing slicks, oversized or special tires, special wheels, or special wheel covers.
   c. any equipment which changes the use or appearance of the interior of your insured car, which may include swivel chairs, appliances, furniture, special carpeting, bars, or paneling.
   d. any equipment which mechanically or structurally changes your insured car, or results in an increase in performance or change in appearance.
6. loss to a van for:
   a. any furnishings, carpeting, and other household equipment built into the van;
   b. any height-extending roof mounted on the van; or
   c. any customized painting and decorating applied to the van.
7. loss to a camper body or trailer owned by you or a relative and not described in the Declarations. But coverage does apply to a camper body or trailer ownership of which you acquire during the policy period if you ask us to insure it within 30 days after you acquire it.
8. loss to any equipment or accessories of a motor home, pick-up camper body, or camper trailer unless permanently attached to the vehicle.
9. loss resulting from wear and tear, freezing, mechanical or electrical breakdown or failure, or road damage to tires. But coverage does apply if the loss results from the total theft of your insured car.
10. a vehicle not owned by you when used in auto business operations.
11. loss during any organized or agreed-upon racing or speed contest or demonstration in which your insured car has active participation, or in practice or preparation for any such contest.
12. loss to your insured car while it is rented or leased to others.
13. loss due to the seizure of any vehicle by any governmental authority.
14. loss to any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
15. loss due to conversion or embezzlement by any person who has the vehicle due to any rental, lease, lien or sales agreement.

E. LIMITS OF LIABILITY
1. Our limit of liability for loss shall not exceed the least of:
   a. the actual cash value of the stolen or damaged property; or
   b. the amount necessary to repair or replace the property. The amount necessary to repair or replace the property does not include any difference in the market value of your insured car immediately prior to the loss and the market value of your insured car after repairs from the loss are completed.
2. The amount necessary to repair or replace the property is determined by one of the following:
   a. the amount necessary to repair or replace agreed upon by you and us;
   b. a competitive bid approved by us; or
   c. an estimate based upon prevailing competitive prices. Prevailing competitive prices are the prices charged by a statistically significant number of repair facilities in the area where your insured car is to be repaired, as determined by us. Upon your request, we will identify facilities that will perform the repairs for the prevailing competitive price.

3. If the amount necessary to repair or replace the property is in excess of its actual cash value, we may, if you agree, pay the decrease in the value of the damaged property caused by the loss.

4. There is a $1,000 limit for a trailer not owned by you or a relative.

5. An adjustment for depreciation and physical condition will be made in determining actual cash value, except as provided in paragraph C.2., ADDITIONAL COVERAGES above.

6. If a repair or replacement results in betterment of the part, we will not pay for the amount of the betterment.

7. Any amount paid or payable for damage to your insured car under the Liability coverage of any policy issued by us shall be deducted from any amounts payable under this Part.

F. PAYMENT OF LOSS
1. We may pay the loss in money or repair or replace damaged or stolen property. We may, at any time before the loss is paid or the property is replaced, return any stolen property either to you or to the address shown in the Declarations, with payment for the resulting damage. We may keep all or part of the property at the agreed or appraised value.

2. You or we may demand appraisal of the loss. Each will appoint and pay a competent and impartial appraiser and will equally share other appraisal expenses. The appraisers, or a judge of a court having jurisdiction, will select an umpire to decide any differences. Each appraiser will state separately the actual cash value and the amount of loss. An award in writing by any two appraisers will determine the amount payable.

G. ADDITIONAL CONDITIONS
1. No Benefit To Bailee.
   A carrier or other bailee for hire liable for loss to your insured car is excluded from coverage.

2. Other Insurance.
   If there is other similar insurance for a loss covered by this Part, we will pay your share according to this policy's proportion of the total limits of all similar insurance. But, any insurance afforded under this Part for a vehicle you do not own is excess over any other similar insurance.

3. Loss Payable Clause.
   a. Loss or damage shall be paid to you and the lienholder shown in the Declarations. The insurance covering the interest of the lienholder shall apply unless invalidated by you or your relatives fraudulent acts or omissions. We have the right, however, to cancel this policy as shown in the Cancellation and Nonrenewal Endorsement. Cancellation shall terminate this agreement with respect to the lienholder's interest. When we cancel, we will give the lienholder at least 10 days notice.

   b. When we pay the lienholder, we are entitled to the extent of the payment, to the lienholder's rights of recovery.

GENERAL CONDITIONS

Unless otherwise noted, the following conditions apply to all coverages of this policy.

1. Assignment
   Interest in this policy may be assigned only with our written consent. But, if the named insured shown in the Declarations or the spouse living in the same household dies, the policy will cover:
   a. the survivor;
   b. the legal representative of the deceased person while acting within the scope of duties of a legal representative; and
   c. any person with proper custody of your insured car until a legal representative is appointed.

2. Bankruptcy
   Bankruptcy or insolvency of an insured has no effect on our policy obligations.

3. Cancellation or Nonrenewal.
   (see separate endorsement)

4. Changes
   This policy includes all the agreements between you and us relating to this insurance. No change or waiver may be made in this policy except by endorsement, new Declarations or new policy issued by us.

   Any facts known by our agent are facts known by us.

   The premium for each term of this policy is determined by information we received from you or other sources at the inception of that policy term. If there is any change to the information used to develop the policy premium, we may adjust your premium on a pro rata basis. If a
premium adjustment is necessary, we will make the adjustment as of the effective date of the change.

The factors that affect your premium include, but are not limited to:

a. the rates in effect;

b. the coverages, deductibles, or limits selected;

c. the type of vehicle you insure with us;

d. the territory where your insured car is used;

e. how your insured car is used;

f. drivers of your insured car and non-drivers who are members of your household;

g. discounts or other premium credits; or

h. accidents and/or violation history and charges.

When we broaden coverage during the policy period without charge, the policy will automatically provide the broadened coverage when effective in your state. This does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of a subsequent edition of your policy or an amendatory endorsement.

5. Concealment Or Fraud
With respect to all insureds, this entire policy is void if, before or after a loss, any insured has:

a. intentionally concealed or misrepresented any material fact or circumstance;

b. engaged in fraudulent conduct; or

c. made false statements;

relating to this insurance.

6. Cooperation
Any person claiming any coverage under this policy must cooperate with us in the investigation, settlement and defense of any claim or lawsuit.

7. Our Recovery Rights
If we pay under this policy, we are entitled to all the rights of recovery of the person to or for whom payment was made. That person must sign and deliver to us any legal papers relating to that recovery, do whatever else is necessary to help us exercise those rights and do nothing after loss to harm our rights.

When we make a payment under this policy to or for a person who also collects from another, the amount collected from the other shall be repaid to us to the extent of our payment.

8. Policy Period
Each policy period will begin and end at 12:01 A.M., standard time at your address as shown in the Declarations. The premiums shown in the Declarations is for the first policy period. We will compute the premium for each policy period based on our manuals.

This policy may be continued for successive policy periods by the payment of the required premium on or before the effective date of each policy period. If the premium is not paid when due, this policy will terminate at the end of the last policy period for which the premium was paid.

9. Suit Against Us
We may not be sued unless all the terms of this policy are complied with. We may not be sued under the liability coverage until the obligation of a person we insure to pay is finally determined either by judgment against that person at the actual trial or by written agreement of that person, the claimant and us. We may not be sued under the Uninsured Motorist coverage on any claim that is barred by the tort statute of limitations. No person or organization has any right under this policy to bring us into any action to determine the liability of a person we insure.

10. Terms Of Policy Conform To Statute
Terms of this policy which are in conflict with the statutes of the state in which this policy is issued are changed to conform to those statutes.

11. Territory
This policy covers only auto accidents, occurrences, and losses which occur:

a. within the United States of America, its territories or possessions, or Canada, or between their ports; and

b. during the policy period.

12. Two Or More Cars Insured By Us
If two or more auto insurance policies issued to you by us or any other member company of the American Family Insurance Group of companies, apply to the same auto accident, the total limits of liability under all such policies shall not exceed the highest limit of liability under any one policy.

This policy is signed at Madison, Wisconsin, on our behalf by our President and Secretary. If it is required by law, it is countersigned on the Declarations by our authorized representative.

This is not a complete and valid contract without an accompanying DECLARATIONS PAGE.