

COVERAGE PART 1 - INSURED'S DUTIES; INSURING AGREEMENT; DEFINITIONS

WHAT YOU MUST DO IN CASE OF AN ACCIDENT OR LOSS

Any person making a claim under any Coverage Part in this policy or seeking liability coverage under Coverage Part II - Liability must:

- (1) Notify **us** promptly. The notice must give the time, place and circumstances of the accident or loss including the names and addresses of injured persons and witnesses.
- (2) Cooperate with **us** and help **us** in any matter concerning a claim or suit. This includes, when asked, assisting **us** in making settlements, securing and giving evidence and attending and getting witnesses to attend hearings and trials. No obligations shall be assumed, expenses incurred or voluntary payments made by an **insured person** except at that person's own costs.
- (3) Send **us** promptly any legal papers received relating to a claim or suit.
- (4) Except with respect to first party benefits coverage, submit to physical examinations at **our** expense by doctors **we** choose as often as **we** may reasonably require. With respect to first party benefits coverage, submit to physical examinations at **our** expense when ordered to do so by a court having jurisdiction.
- (5) Authorize **us** to obtain copies of wage, tax, business or financial records, medical records or any other records reasonably necessary to determine the amount of damages.
- (6) Provide any written proof of loss **we** require.
- (7) Give a statement under oath and any other statements **we** deem necessary to **our** representatives at **our** request and as often as **we** may reasonably require.
- (8) A person making claim under **uninsured motorist** coverage or **underinsured motorist** coverage must:
 - (a) Give **us** all details about the death, injury, treatment or other information needed to determine the amount payable;
 - (b) Permit **us** to inspect the **motorcycle** or other vehicle involved in the accident;
 - (c) Immediately send to **us** a copy of all suit papers if the person making the claim sues another party liable for the accident;
- (d) Report an accident caused by an unidentified motor vehicle to the police within twenty-four hours after **you** discover it and are physically able to report it. (**You** do not need to do this if a police officer has already investigated the accident.) **You** must also report it to **us** within sixty days, or as soon as practicable, after the accident. Someone may do this on **your** behalf.
- (9) A person or organization claiming motorcycle damage coverage must:
 - (a) Take reasonable steps after loss to protect the **motorcycle** and its equipment from further loss. **We** will pay reasonable expenses incurred in providing that protection. If that is not done, any further damages will not be covered under this policy;
 - (b) Report the theft of the **motorcycle** or its equipment to the police as soon as reasonably practicable;

- (c) Allow **us** to inspect and appraise the damaged **motorcycle** before its repair or disposal;
 - (d) Allow **us** to copy all records, receipts and invoices relating to the purchase of the **motorcycle** or repairs to it.
- (10) A person claiming first party benefits coverage must:
- (a) Give **us** all the details about the death, injury, treatment and other information necessary to determine the amount payable;
 - (b) Give **us** authorization to obtain copies of wage, tax, business or financial records, medical records or any other records necessary to determine the amount of the damages.

INSURING AGREEMENT

We agree with **you**, in return for **your** premium payment, to insure **you** subject to the terms of this policy.

We will insure **you** for the coverages and limits of liability for which a premium is shown in the Declarations of this policy.

DEFINITIONS USED THROUGHOUT THIS POLICY

When a term appears in boldface it will have the following meaning:

- (1) **We, us, and our** mean Rider Insurance Company or any other company providing this insurance as shown on the Declarations page.
- (2) **You and your** mean the policyholder named in the Declarations and spouse while living with **you**.
- (3) **Bodily injury** means bodily harm. It also includes sickness, disease or death but only which results from bodily harm.
- (4) **Property damage** means physical damage to, destruction of, or loss of use of, tangible property. **Property damage** does not include diminution in value.
- (5) **Your insured motorcycle** means:
 - (a) The **motorcycle** and/or **all-terrain** and/or **utility all-terrain vehicle** described in the Declarations.
 - (b) A trailer or sidecar **you** own when attached to **your motorcycle**.
 - (c) A **motorcycle you** become the owner of during the policy period if:
 - (1) it replaces the **motorcycle** described in the Declarations and
 - (2) **we** insure all **motorcycles** owned by **you** on the date **you** acquire the **motorcycle** and
 - (3) no insurance policy issued by a company other than **us** provides coverage for that **motorcycle** and
 - (4) if **you** want the “Damage To Your Motorcycle” coverage part of this policy to apply, **you** must notify **us** within 5 days after you acquire the

motorcycle.

- (d) A **motorcycle** or **trailer** not owned by **you** being used as a temporary substitute for a vehicle described in (a) through (c) above because it has broken down, is being repaired, or it is lost or destroyed. **Your** use of the **motorcycle** or trailer must be with the consent of its owner.
- (e) A **motorcycle** **you** become the owner of during the policy period that is in addition to the **motorcycle** described in the Declarations. Coverage begins on the date **you** become the owner, as long as **you** ask **us** to insure it within 14 days after **you** acquire the **motorcycle**. Otherwise coverage will begin when **you** notify **us**. It will be covered at the broadest coverage we provide for any **motorcycle** shown in the Declarations, except for coverage under "Damage To Your Motorcycle". **You** must ask for that coverage if **you** want it. It is not automatic.
- (f) UNDER COVERAGE PART II - LIABILITY any other **motorcycle** which is not owned by **you** or a **relative** or furnished or available for regular use by **you** or a **relative**, while being operated by **you** with the owner's permission.
- (6) **Motorcycle** means a motor vehicle with motive power having a seat or saddle for the use of the rider, designed to travel on not more than three wheels in contact with the ground.
- (7) **Motor vehicle business** means the business or occupation of selling, repairing, servicing, storing or parking vehicles.
- (8) **Relative** means a person living with **you** and related to **you** by blood, marriage or adoption including a ward or foster child. It includes **your** unmarried, dependent child away at school.
- (9) **Occupying** means in, on, getting onto or off of.
- (10) **Passenger** means any person other than the operator of **your insured motorcycle**, **occupying** it or a sidecar attached to it.
- (11) **Trailer** means a vehicle designed to be towed by a **motorcycle**.
- (12) **State** means the District of Columbia, any state, territory or possession of the United States and any province of Canada.
- (13) **All-terrain vehicle** means a small, open motor vehicle having three or more wheels fitted with large low pressure tires, a seat that is straddled by the operator, and handlebars for steering control. It is designed chiefly for recreational use over roadless, rugged terrain.
- (14) **Utility all-terrain vehicle** means a vehicle with four or more wheels, used exclusively off-road and containing no more than the operator and one passenger. It differs from an **all-terrain vehicle** in that its seat is not straddled by the operator, the passenger sits next to the operator, and it is not steered by handlebars. Under no circumstances does **utility all-terrain vehicle** include private passenger automobiles or any vehicle that is for on-road use.

COVERAGE PART II – LIABILITY

We will pay damages for which an **insured person** is legally liable because of **bodily injury** or **property damage** resulting from the ownership, maintenance or use of **your insured motorcycle**. The **bodily injury** or **property damage** must not be expected nor intended from the standpoint of the **insured person**. The **bodily injury** or **property damage** must occur during the policy period.

We will defend any suit or settle any claim asking for damages for **bodily injury** or **property damage** as **we** think appropriate. However, **we** will not defend any suit after **we** have paid the applicable limit or **our** liability for the accident which is the basis of the lawsuit. **We** have no duty to defend any lawsuit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

ADDITIONAL DEFINITIONS USED IN THIS COVERAGE PART ONLY

As used in this Coverage Part, **insured person** means:

- (1) **You** or a **relative**.
- (2) A person using **your insured motorcycle** with your permission.
- (3) Any other person or organization with respect only to legal liability for acts or omissions of:
 - (a) a person covered under this part while using **your insured motorcycle**, or
 - (b) **you** or a **relative** covered under this part while using a **motorcycle** or **trailer** other than **your insured motorcycle** if the **motorcycle** or **trailer** is not owned or hired by that person or organization and if it is not covered by any other liability insurance policy.

No person shall be considered an insured person if that person 1) operates a **motorcycle** and does not have a **motorcycle** license where one is required by state law, or 2) uses a vehicle without a reasonable belief of having permission to use the vehicle..

ADDITIONAL PAYMENTS

We will pay on behalf of an **insured person** in addition to **our** limit of liability:

- (1) All costs **we** incur in the settlement of a claim or defense of a suit.
- (2) All court costs assessed against **you** in **our** defense of a suit.
- (3) Interest on damages awarded in a suit **we** defend. This coverage applies only to the interest that accrues after a court enters judgment. It does not apply to interest that accrues after **we** have paid **our** limit of liability, offered to pay it or deposited it in court.
- (4) Premiums on appeal and attachment bonds required in a suit **we** defend. **We** will not pay the premium for any bond that is more than **our** limit of liability. **We** have no duty to apply for or furnish bonds.
- (5) Up to \$250.00 for the costs of bail bonds required due to an accident-related traffic law violation resulting in bodily injury or property damage covered by this part. **We** have no duty to apply for or furnish a bond.
- (6) All reasonable expenses other than the loss of earnings or income incurred by an **insured person** at **our** request.

EXCLUSIONS

YOU SHOULD READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS COVERAGE PART II – LIABILITY

A. Coverage under this Coverage Part II - Liability, including **our** duty to defend, does not apply to:

- (1) **Bodily injury or property damage** resulting from the ownership, maintenance or use of **your insured motorcycle** when used to carry persons or property and the person operating the **motorcycle** is receiving money or other compensation from anyone and the compensation is at least in part for those delivery or transportation services.
- (2) **Bodily injury or property damage** caused intentionally by or at the direction of an **insured person**.
- (3) **Bodily injury or property damage** for which a person is an insured under a nuclear energy liability insurance policy. This exclusion applies even if the limits of that policy are exhausted.
- (4) **Bodily injury** to an employee of an **insured person** arising in the course of employment by an **insured person**. Coverage does apply to a domestic employee unless benefits are payable or are required to be provided for that employee under a worker's compensation law.
- (5) **Bodily injury or property damage** resulting from **motor vehicle business** operations. Coverage does apply for **you**, a **relative**, or anyone associated with or employed by **you** or a **relative** with respect to the operation of **your insured motorcycle** in the **motor vehicle business**.
- (6) **Bodily injury or property damage** while **your insured motorcycle** is consigned to, or in the care of, anyone for sale.
- (7) **Property damage** to property owned or being transported by an **insured person**.
- (8) **Property damage** to property rented to, used by or in the care of an **insured person**.
- (9) **Bodily injury or property damage** resulting from the abandonment of **your insured motorcycle** by an **insured person**.
- (10) **Bodily injury or property damage** resulting from the use of **your insured motorcycle** in, or in practice or preparation for, any race, speed contest, hill climbing exhibition or any other contest or demonstration.
- (11) **Bodily injury or property damage** sustained while **your insured motorcycle** is used on any race course or other facility designed for racing or practicing racing.
- (12) **Bodily injury or property damage** resulting from the use of **your insured motorcycle** in any unlawful trade or transportation.
- (13) **Bodily injury or property damage** resulting from liability assumed by an **insured person** under any contract or agreement.
- (14) Liability for punitive or exemplary damages.
- (15) **Bodily injury or property damage** for which the United States is liable under the Federal Tort Claims Act.

- (16) **Bodily injury** or **property damage** arising out of the use of **your insured motorcycle** while leased or rented to others. However, this exclusion does not apply to the operation of **your insured motorcycle by you** or a **relative**.

B. **We** do not provide liability coverage for the ownership, maintenance or use of

(1) Any **motorcycle**, other than **your insured motorcycle**, which is:

- (a) Owned by **you** or
- (b) Furnished or available for **your** regular use.

(2) Any **motorcycle**, other than **your insured motorcycle**, which is:

- (a) Owned by any **relative** or
- (b) Furnished or available for the regular use of any **relative**.

However, this exclusion ("B.2") does not apply to **your** maintenance or use of any vehicle that is:

- (a) Owned by a **relative** or
- (b) Furnished or available for the regular use of a **relative**.

CONFORMITY WITH STATE FINANCIAL RESPONSIBILITY LAWS

When **we** certify this policy as proof under a **state** financial responsibility law, it will comply with that law to the extent of the coverage and limits of liability required by that law during the policy period.

If **your insured motorcycle** is being operated temporarily in another **state** and as a result an **insured person** becomes subject to that **state's** motor vehicle compulsory insurance, financial responsibility or similar law, this policy will provide the greater of:

- (a) The required minimum amounts and types of coverage required by that state; or
- (b) The limits of liability under this policy.

LIMITS OF LIABILITY

The limits of liability shown on the Declarations Page for this COVERAGE PART II - LIABILITY is the most **we** will pay in damages resulting from any one accident subject to the following:

- (1) The bodily injury liability for "each person" is the maximum **we** will pay as damages for **bodily injury** sustained by one person in one occurrence. The "each person" limit of liability includes the total of all claims made for **bodily injury** to a person and all claims of others derived from such **bodily injury** including, but not limited to, emotional injury and mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium and wrongful death.
- (2) Subject to the bodily injury liability limit for "each person" the bodily injury liability limit for "each occurrence" is the maximum **we** will pay as damages for **bodily injury** including all claims of other derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the

bodily injury to another, loss of society, loss of companionship, loss of services, loss of consortium and wrongful death to two or more persons in one occurrence.

- (3) The property damage liability limits for “each occurrence” is the maximum **we** will pay for all damages to property in one occurrence.

All **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one occurrence.

A **motorcycle** and an attached **trailer** are one vehicle. Therefore the limits of liability are not increased.

We will pay no more than these maximums regardless of the number of vehicles or premiums described in the Declarations, **insured persons**, claims, claimants, policies, or vehicles involved in the occurrence. Any amount payable under this coverage to or for an **insured person** will be reduced by any payment made to that person under the underinsured motorist coverage of this policy.

SEPARATE APPLICATION OF THIS INSURANCE

This insurance applies separately to each **insured person** against whom a claim is made or suit is brought, except with respect to the limits of **our** liability.

OTHER INSURANCE

Liability insurance on a loss covered by this Coverage Part on **your insured motorcycle** is primary, except as follows. The exception is that insurance **we** provide under this Coverage Part for a **motorcycle you** do not own, or a **motorcycle** owned by **you** or a **relative** that this policy’s coverage does not insure, is excess over any other collectible insurance. The term “collectible liability insurance” includes coverage provided by an organization or person through a program of self insurance permitted by the law of the **state** in which the **motorcycle** is registered.

With respect to an accident or occurrence to which this and any other motorcycle policy **we** issue to **you** applies, the total limit of **our** liability under all of the applicable policies shall not exceed the highest applicable limit of liability under any one policy.

COVERAGE PART III - MEDICAL PAYMENT BENEFITS INCLUDING PEDESTRIAN MEDICAL EXPENSE COVERAGE

A. Pedestrian Medical Expense Coverage - **We** will pay to any person not occupying or riding on a motor vehicle and who sustains **bodily injury** caused by an accident arising out of the maintenance or use of **your insured motorcycle** medical expenses incurred as a result of the accident. **We** will pay those expenses only to the extent required by the provisions of the Pennsylvania Motor Vehicle Financial Responsibility Law. In the event that a court of competent jurisdiction rules that an insurer of **motorcycles** is not required to pay such a benefit, **we** will not do so. The eligibility for such

medical expense benefits, the amounts that a person is entitled to recover, the priorities to be applied in determining whether such benefits are owed and the procedures to be used in making those determinations shall be as set forth in that law. The limit of **our** liability for such payments will be that shown in the declarations and is the most **we** will pay regardless of the number of:

1. Claims made;
2. Vehicles or premiums shown in the Declarations;
3. Vehicles involved in the accident; or
4. Insurers providing such benefits.

No one will be entitled to recover duplicate payments for the same elements of loss under this insurance or any automobile insurance including self-insurance.

In no event will **we** pay these benefits to the operator of or passenger on any **motorcycle**, moped or similar vehicle.

This coverage Part III A is provided with all policies at no additional premium.

B. Medical Payment Benefits - Coverage under this section B is optional. If **you** paid a premium for this coverage, **we** will pay reasonable expenses incurred for necessary medical and funeral services because of **bodily injury**:

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

We will pay only up to the level of your selected policy limit shown on the declaration page. **We** will pay only those expenses incurred for services provided within three (3) years from the date of the accident.

Insured person means:

1. **you** or a **relative**:
 - a. while **occupying** or
 - b. as a pedestrian when struck by a motor vehicle designed for use mainly on public roads.
2. any other person injured while **occupying your insured motorcycle**.

No person shall be considered an **insured person** if that person operates a **motorcycle** without a **motorcycle** license.

EXCLUSIONS:

A. **We** do not provide Medical Payments Coverage for any **insured person**, spouse or pedestrian for **bodily injury**:

- (1) Sustained:
 - (i) While committing a high misdemeanor or felony, or seeking to avoid lawful apprehension or arrest by a police officer; or

- (ii) While acting with specific intent to cause injury or damage to himself or others.
- (2) Sustained while operating or **occupying** a **motorcycle** without the permission of the
 - (i) owner of the **motorcycle**; or
 - (ii) named insured under the policy insuring that **motorcycle**.
- (3) Sustained while **occupying** a motor vehicle used as a residence or premises.
- (4) Due to:
 - (a) War (declared or undeclared);
 - (b) Civil war;
 - (c) Insurrection;
 - (d) Rebellion or revolution; or
 - (e) Any act or condition incident to any of the above.
- (5) Resulting from the radioactive, toxic, explosive or other hazardous properties of nuclear material.
- (6) Sustained while **occupying your insured motorcycle** when it is being used as a public or livery conveyance. This exclusion does not apply to a share-the-expense motor vehicle pool.
- (7) Resulting from the use of **your insured motorcycle** in, or in preparation for, any race or other contest.
- (8) Sustained while **your insured motorcycle** is used on any race course or other facility designed for racing or practicing racing.
- (9) Occurring during the course of employment if workers' compensation benefits are required or available for the **bodily injury**.
- (10) Sustained while **occupying**, or when struck by, any vehicle (other than **your insured motorcycle**) which is:
 - a. owned by **you**; or
 - b. furnished or available for **your** regular use.
- (11) Sustained while **occupying**, or when struck by, any vehicle (other than **your insured motorcycle**) which is:
 - a. owned by a **relative**; or
 - b. furnished or available for the regular use of a **relative**.
 However, this exclusion (11) does not apply to **you**.

The limit of liability shown on the Declarations Page for Medical Payments Coverage is the most we will pay regardless of the number of:

- (1) Claims made,
- (2) Vehicles that qualify as **your insured motorcycle**,
- (3) **Insured persons**,
- (4) Lawsuits brought,
- (5) Vehicles involved in an accident, or
- (6) Premiums paid.

No one will be entitled to duplicate payments for the same elements of damages from this coverage and Liability, Uninsured or Underinsured Motorist Coverage. No one will be entitled to recover duplicate payments for the same elements of **loss** under this insurance or any motor vehicle insurance including self-insurance.

OTHER INSURANCE

Medical Payment Coverage covers only what any applicable health insurance does not, up to this policy's Medical Payment Coverage limit. As between two motor vehicle insurance policies that provide Medical Payments Coverage, this policy is primary, with one exception. The exception is that any insurance we provide with respect to a motor vehicle you do not own shall be excess over any other collectible insurance providing payment for medical or funeral expenses.

TIME WITHIN WHICH CLAIM MUST BE MADE

An **insured person** must make a claim for Medical Payment coverage within one (1) year of incurring the medical expense for which reimbursement is sought.

COVERAGE PART IV - MOTORCYCLE DAMAGE COVERAGE

INSURING AGREEMENT

- (1) We will pay for direct and accidental **loss to your insured motorcycle**, minus any applicable deductible shown in the Declarations.
- (2) We will pay for **loss to your insured motorcycle** caused by:
 - (a) **Other than collision** only if the Declarations indicate that **Other Than Collision** Coverage is provided for that **motorcycle**.
 - (b) **Collision** only if the Declarations indicate that **Collision** Coverage is provided for that **motorcycle**.

LOSS SETTLEMENT

We may pay the **loss** in money or we may repair or replace damaged or stolen property or stolen parts. We may, at any time before the **loss** is paid or the property is replaced, return, at **our** expense, any stolen property either to **you** or to the address shown in the Declarations, with payment for any damage resulting from the **theft**. We may keep all or part of the property at the agreed or appraised value.

ADDITIONAL DEFINITIONS USED IN THIS PART ONLY

As used in this Part:

- (1) **Actual Cash Value** is the lesser of (1) the replacement cost of the **motorcycle** or property less the **depreciation** and/or **betterment** and 2) the purchase price.
- (2) **Betterment** is improvement of the **motorcycle** or property to a greater value than its pre-loss condition.
- (3) **Collision** means the upset of **your insured motorcycle** or its impact with another vehicle or object. Damage caused by the following is "**other than collision**":
 - (a) Missiles or falling objects;
 - (b) Fire;
 - (c) **Theft** or larceny;
 - (d) Explosion or earthquake;

- (e) Hail, water, flood or wind;
- (f) Malicious mischief or vandalism;
- (g) Riot or civil commotion;
- (h) Contact with a bird or animal;
- (i) Lightning;
- (j) Smoke; or
- (k) Breakage of glass.

If breakage of glass is caused by a **collision** you may elect to have it considered a loss caused by collision.

- (4) **Depreciation** means a decrease or loss in value to the **motorcycle** or property because of use, disuse, physical wear and tear, age, outdatedness or other causes.
- (5) **Diminution in value** means the actual or perceived loss in market or resale value which results from a direct and accidental **loss**.
- (6) **Loss** means tangible direct and accidental damage to **your insured motorcycle**, including its equipment when permanently attached, **resulting** immediately and proximately from the occurrence. Loss does not include loss that occurs as a consequence of physical damage to **your insured motorcycle**, including **diminution in value**.
- (7) **Theft** means the unlawful taking of **your insured motorcycle**.

EXCLUSIONS

YOU SHOULD READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS COVERAGE PART IV - MOTORCYCLE DAMAGE COVERAGE

We do not cover loss:

- (1) To **your insured motorcycle** while used to carry persons or property for a charge.
- (2) Caused by war (declared or undeclared), civil war, insurrection, rebellion, revolution, nuclear reaction, radiation or radioactive contamination, or any consequence of these.
- (3) Arising out of the use of **your insured motorcycle** in, or in practice or the preparation for, a race, speed contest, hill climbing exhibition or any other contest or demonstration.
- (4) Sustained while **your insured motorcycle** is used on any race course or other facility designed for racing or practicing racing.
- (5) To sound receiving or transmitting equipment designed for use as citizens band radios, two-way mobile radios, radar detectors, stereos stereo or audio speakers, telephones, scanning monitor receivers, or their accessories or antennas.

This exclusion (5) does not apply to equipment designed solely for the reproduction of sound and accessories used with such equipment, provided:

- (a) The equipment is permanently installed in **your insured motorcycle** or
- (b) The equipment is:
 - (i) Removable from a housing unit which is permanently installed in the **motorcycle** and

- (ii) Designed to be solely operated by use of the power from the **motorcycle's** electrical system and it is
- (iii) In or upon **your insured motorcycle** at the time of **loss**.
- (6) To **your insured motorcycle** resulting from its abandonment by an **insured person**.
- (7) To **your insured motorcycle** resulting from its use in illegal trade or transportation.
- (8) Resulting from wear and tear, freezing, mechanical or electrical breakdown or failure, or road damage to tires, unless the **loss** results from the total **theft of your insured motorcycle**.
- (9) Due to confiscation of **your insured motorcycle** by government or civil authority.
- (10) To tools, clothing or personal effects.
- (11) To **your insured motorcycle** while in the care, custody or control of anyone for the purpose of sale or in the intent to offer for sale after testing, restoration or other preparation.
- (12) To **your insured motorcycle** due to conversion, embezzlement or secretion by any person in the possession of the **motorcycle**.
- (13) For any claimed diminution in value after **your insured motorcycle** has been repaired.
- (14) To a vehicle other than **your insured motorcycle**.
- (15) To **your insured motorcycle** if it is or at any time becomes subject to any bailment, lease, conditional sale, purchase agreement, mortgage, or other encumbrance not specifically described in this Policy.

LIMITS OF LIABILITY

A. **Our** limit of liability for **loss** will be:

- (1) the **actual cash value** at the time of **loss** of the stolen or damaged property or
- (2) the amount necessary to repair or replace the property with other property of like kind and quality, or
- (3) \$45,000,

whichever amount is lower.

B. An adjustment for **depreciation** and physical condition will be made in determining **actual cash value** in the event of a total loss.

C. If a repair or replacement results in better than like kind or quality, **we** will not pay for the amount of the **betterment**.

D. **We** will not include compensation for a **diminution in value** of the **motorcycle** or property that is claimed to result from the **loss**.

APPRAISAL

If **we** cannot agree with **you** on the amount of **loss**, then **we** or **you** may demand appraisal of the **loss**. If appraisal is demanded, **you** and **we** shall each appoint a competent and impartial appraiser. Those appraisers will determine the amount of **loss**. If those appraisers cannot agree, the disagreement will be submitted to a competent and impartial umpire chosen by the appraisers. If the appraisers take

more than 15 days to agree upon an umpire, then **we** or **you** may request that a judge of a Court of Common Pleas in the county where **you** reside select an umpire. The appraisers and the umpire will then determine the amount of **loss**. The amount of **loss** agreed to by both appraisers or by one appraiser and the umpire will be binding. The award must be in writing. **You** will pay **your** appraiser's fees and expenses. **We** will pay **our** appraiser's fees and expenses. **We** and **you** will equally share the fees and expenses of the umpire and all other expenses of the appraisal.

NO BENEFITS TO BAILEE

The insurance shall not in any way benefit any person or organization caring for or handling the property for a fee.

OTHER INSURANCE CLAUSE

If there is other applicable similar insurance on a loss covered by this Part, **we** will pay only that proportion of the loss that **our** limit of liability bears to the total limits of all applicable similar insurance.

OUR RIGHTS TO RECOVERY

If recovery is made by an **insured person** under this policy from another without **our** written consent and in violation of this section of the policy, the **insured person's** right to payment under any affected coverage will no longer exist.

COVERAGE PART V - UNINSURED AND UNDERINSURED MOTORIST COVERAGE

UNINSURED MOTORIST COVERAGE

Subject to the limits of liability, if **you** pay the premium for uninsured motorist coverage, **we** will pay damages for **bodily injury**, other than punitive or exemplary damages, which an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle**. The **bodily injury** must be caused by accident and result from the ownership, maintenance or use of an **uninsured motor vehicle**.

An **insured person** must notify **us** in writing at least thirty (30) days before entering into any settlement with the owner or operator of an **uninsured motor vehicle** or any liability insurer. In order to preserve **our** right of subrogation, **we** may elect to pay any sum offered in settlement by, or on behalf of, the owner or operator of an **uninsured motor vehicle**. If **we** do this, **you** agree to assign to **us** all rights that **you** have against the owner or operator of the **uninsured motorist vehicle**.

ADDITIONAL DEFINITIONS USED IN THIS PART ONLY

As used in this part:

- (1) **“Insured person”** means:
 - (a) **You** or a **relative**.
 - (b) Any person **occupying your insured motorcycle** with **your** permission.
 - (c) Any person for damages that person is entitled to recover because of **bodily injury** to an insured under (a) and (b) above.

No person shall be considered an **insured person** if that person uses a vehicle without a reasonable belief of having permission to use the vehicle, including, but not limited to, a person not licensed to operate a **motorcycle**.

- (2) **“Motor vehicle”** means a land motor vehicle or a **trailer** but does not mean a vehicle:
 - (a) Operated on rails or crawler treads.
 - (b) Which is a farm type tractor or equipment designed for use principally off public roads while not on public roads.
 - (c) Located for use as a residence or premises.
 - (d) Not required to be registered as a **motor vehicle** in the **state** where its owner resides.
- (3) **“Uninsured motor vehicle”** means a **“motor vehicle”** which is:
 - (a) Not insured by a bodily injury liability policy or bond at the time of the accident or by a program which qualifies as self insurance under the law of the **state** where the vehicle is principally garaged.
 - (b) Insured by a bodily injury liability policy, bond or self insurance program but the bonding or insuring company or self insurer:
 - (1) denies coverage; or
 - (2) is or becomes insolvent within six (6) years after the accident occurs.
 - (c) Operated or owned by an operator or owner who cannot be identified and which causes an accident resulting in **bodily injury** to an **insured person** provided that the **insured person** or someone on his or her behalf:
 - (1) reports the accident to the police as soon as practicable after the accident; and
 - (2) notifies **us** within thirty (30) days, or as soon as practicable thereafter, that the **insured person** has a cause of action arising out of such accident for damages against a person or persons whose identity cannot be determined, and sets forth the facts in support of that cause of action.

“Uninsured motor vehicle” does not mean a vehicle:

- (a) Owned by or furnished or available for the regular use of **you** or a **relative**;
- (b) Owned or operated by a self insurer as contemplated by a financial responsibility law, motor carrier law, or similar law;
- (c) Identified on the Declarations page of this policy;
- (d) Which is an **“underinsured motor vehicle”**

EXCLUSIONS

YOU SHOULD READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS COVERAGE PART V - UNINSURED MOTORIST COVERAGE

- A. We do not cover **bodily injury** sustained by any person:
- (1) **Occupying** or struck by a **motor vehicle** owned by **you** or a **relative** if the vehicle is not insured for uninsured motorist coverage under this policy.
 - (2) Who is operating or **occupying your insured motorcycle** without a reasonable belief that the person is entitled to do so; this includes operating it without a **motorcycle** license if one is required by state law.
 - (3) **Occupying your insured motorcycle** when used to carry persons or property for a charge.
 - (4) Arising out of the use of **your insured motorcycle**, in, or in preparation for a race, speed contest, hill climbing exhibition or any other contest or demonstration.
 - (5) While **your insured motorcycle** is used on any race course or other facility designed for racing or practicing racing.
 - (6) If that person or the legal representative of that person, without **our** written consent or without giving **us** thirty (30) days notice of the intention to do so makes a settlement with any person or organization which may be liable for the **bodily injury** and thereby impairs **our** right to recover **our** payments.
 - (7) Who is acting with specific intent to cause injury to himself or others in operating or using **your insured motorcycle**.
 - (8) Who
 - (a) is convicted of, or pleads guilty to operating a motor vehicle while under the influence of an intoxicating liquor or narcotic, hallucinogenic or habit-producing drug, or
 - (b) after arrest refuses to submit to a chemical test for operating a motor vehicle while under the influence of intoxicating liquor or a narcotic, hallucinogenic or habit-producing drug.
- B. This coverage shall not apply to the extent it benefits any insurer or self-insurer under any disability benefits law other than workers' compensation.
- C. This coverage shall not apply for pain, suffering or other non monetary damages sustained by a person if the **bodily injury** is not a serious injury as that term is defined by Section 1702 of Title 75 of the Pennsylvania Consolidated Statutes and the limitations of Section 1731 (d)(2) of Title 75 of the Pennsylvania Consolidated Statutes apply.

LIMITS OF LIABILITY

In determining the amount payable under uninsured motorist coverage, the amount of damages which an **insured person** is entitled to recover for **bodily injury** shall be reduced by all sums:

- (1) Paid because of **bodily injury** by or on behalf of any persons or organizations that may be legally responsible;

- (2) Paid or payable because of **bodily injury** under any disability benefits law other than workers' compensation.

The limits of liability under this Coverage Part shall be reduced by all sums paid under Coverage II - Liability.

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

The limit of liability shown on the Declarations page for uninsured motorist coverage is the most **we** will pay regardless of the number of:

- (1) Claims made;
- (2) Vehicles which qualify as "**your insured motorcycle**", unless you have selected stacked coverage;
- (3) **Insured persons**;
- (4) Lawsuits brought;
- (5) Vehicles involved in an accident; or
- (6) Premiums paid.

Any person qualifying as an **insured person** under this policy and who is not the named **insured**, spouse or resident **relative**, is limited to the minimum statutory coverage required by law and not those limits shown in the Declarations if greater than the minimum statutory coverage. However, in no event will the each person, each occurrence limit be increased.

NON-STACKED LIMITS OF LIABILITY

If **you** have selected non-stacked uninsured motorist coverage, the following shall also apply:

- (1) The uninsured motorist coverage limit for "each person" that appears on the Declarations page is the maximum **we** will pay as damages for **bodily injury** sustained by one person in one occurrence. The "each person" coverage limit includes the total of all claims made for **bodily injury** to a person and all claims of others derived from such **bodily injury** including, but not limited to, emotional injury and mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium and wrongful death.
- (2) Subject to the coverage limit for "each person," the uninsured motorist coverage limit for "each occurrence" that appears on the Declarations page is the maximum **we** will pay as damages for **bodily injury** to two or more persons in one occurrence including all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium and wrongful death.

All **bodily injury** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one occurrence.

STACKED LIMITS OF LIABILITY

If **you** have selected stacked uninsured motorist coverage, the following shall also apply to **bodily injury** sustained by **you** or a **relative**: the limits of liability shall be the limits shown on the Declarations page multiplied by the number of **motorcycles** described on the Declarations page.

Stacked limits of liability shall not increase the limit of liability applicable to any **insured person** other than **you** or a **relative**.

OTHER INSURANCE

If there is other applicable similar insurance available under more than one policy, the following priorities of recovery apply:

- (1) The uninsured motorist coverage applicable to the **motor vehicle** the **insured person** was **occupying** at the time of the occurrence, and after that coverage has been exhausted;
- (2) Any other policy affording uninsured motorist coverage to the **insured person**.

If two or more policies have equal priority, the insurer against whom the claim is first made shall process and pay the claim as if wholly responsible. The insurer making that payment is thereafter entitled to recover contribution on a pro rata basis from any other insurer for the benefits paid and the costs of processing the claim. By using the term pro rata basis **we** mean the proportionate share the limits of liability of any other insurer bear to the total limits of all applicable similar insurance.

If non-stacked coverage is shown on the Declarations page, the following additional provisions apply:

1. If uninsured motor vehicle coverage for **bodily injury** is available to an **insured person** from more than one policy provided by **us** or any other insurer, the total limits of liability available from all coverages provided by all insurers shall not exceed the limit of liability applicable to the coverage with the highest limit of liability.
2. When there is insurance available under the first priority:
 - (a) the limit of liability applicable to the **motor vehicle** the **insured person** was **occupying**, under the policy in the first priority, shall first be exhausted; and
 - (b) the maximum recovery under all policies in the second priority may equal but not exceed the highest applicable limit of liability for Uninsured Motorists Coverage for any one vehicle under any one policy providing coverage to **you** or any **relative**.
3. When there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one motor vehicle under any one policy.

Under no circumstances will **we** pay for any damages which would duplicate any payment made for damages under other insurance.

CONSENT TO BE BOUND

No judgment or settlement for damages arising out of a lawsuit brought against an operator or owner of an **uninsured motor vehicle** shall be binding against **us** unless **we**:

- (1) Receive reasonable notice of the filing of the lawsuit resulting in the judgment; and
- (2) Had a reasonable opportunity to protect **our** interests in the lawsuit.

UNDERINSURED MOTORIST COVERAGE

Subject to the limits of liability, if **you** pay the premium for underinsured motorist coverage, **we** will pay damages for **bodily injury**, other than punitive or exemplary damages, which an **insured person** is legally entitled to recover from the owner or operator of an **underinsured motor vehicle**. The **bodily injury** must be caused by accident and result from the ownership, maintenance or use of an **underinsured motor vehicle**.

An **insured person** must notify **us** in writing at least thirty (30) days before entering into any settlement with the owner or operator of an **underinsured motor vehicle** or any liability insurer. In order to preserve **our** right of subrogation, **we** may elect to pay any sum offered in settlement by, or on behalf of, the owner or operator of an **underinsured motor vehicle**. If **we** do this, **you** agree to assign to **us** all rights that you have against the owner or operator of the **underinsured motorist vehicle**.

ADDITIONAL DEFINITIONS USED IN THIS PART ONLY

As used in this part:

- (1) “**Insured person**” means:
 - (a) **You** or a **relative**.
 - (b) Any person **occupying your insured motorcycle** with **your** permission.
 - (c) Any person for damages that person is entitled to recover because of **bodily injury** to an **insured person** under (a) and (b) above.

No person shall be considered an **insured person** if that person uses a vehicle without a reasonable belief of having permission to use the vehicle, including, but not limited to, a person not licensed to operate a **motorcycle**.

- (2) “**Motor vehicle**” means a land motor vehicle or a trailer but does not mean a vehicle:
 - (a) Operated on rails or crawler treads.

- (b) Which is a farm type tractor or equipment designed for use principally off public roads while not on public roads.
 - (c) Located for use as a residence or premises.
 - (d) Not required to be registered as a **motor vehicle** in the **state** where its owner resides.
- (3) “**Underinsured motor vehicle**” means a “**motor vehicle**” to which a bodily injury liability bond or policy applies at the time of the accident, but the sum of all applicable limits of liability for **bodily injury** is less than the damages an **insured person** is entitled to recover from the owner or operator of the **motor vehicle** because of bodily injury.

“**Underinsured motor vehicle**” does not mean a vehicle:

- (a) Owned by or furnished or available for the regular use of **you** or a **relative**;
- (b) Identified on the Declarations page of this policy;
- (c) Which is an “**uninsured motor vehicle**”.

EXCLUSIONS

YOU SHOULD READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS COVERAGE PART V - UNDERINSURED MOTORIST COVERAGE

- A. We do not cover **bodily injury** sustained by any person:
- (1) **Occupying** or struck by a **motor vehicle** owned by **you** or a **relative** if the vehicle is not insured for underinsured motorist coverage under this policy.
 - (2) Who is operating or **occupying your insured motorcycle** without a reasonable belief that the person is entitled to do so; this includes operating it without a **motorcycle** license if one is required by state law.
 - (3) **Occupying your insured motorcycle** when used to carry persons or property for a charge.
 - (4) Arising out of the use of **your insured motorcycle**, in, or in preparation for a race, speed contest, hill climbing exhibition or any other contest or demonstration.
 - (5) While **your insured motorcycle** is used on any race course or other facility designed for racing or practicing racing.
 - (6) If that person or the legal representative of that person, without **our** written consent or without giving **us** thirty (30) days notice of the intention to do so makes a settlement with any person or organization which may be liable for the **bodily injury** and thereby impairs **our** right to recover **our** payments.
 - (7) Who is acting with specific intent to cause injury to himself or others in operating or using **your insured motorcycle**.
 - (8) Who
 - (a) is convicted of, or pleads guilty to operating a motor vehicle while under the influence of an intoxicating liquor or narcotic, hallucinogenic or habit-producing drug, or

(b) after arrest refuses to submit to a chemical test for operating a motor vehicle while under the influence of intoxicating liquor or a narcotic, hallucinogenic or habit-producing drug.

- B. This coverage shall not apply to the extent it benefits any insurer or self-insurer under any disability benefits law other than workers' compensation.
- C. This coverage shall not apply for pain, suffering or other non monetary damages sustained by a person if the bodily injury is not a serious injury as that term is defined by Section 1702 of Title 75 of the Pennsylvania Consolidated Statutes and the limitations of Section 1731 (d)(2) of Title 75 of the Pennsylvania Consolidated Statutes applies.

LIMITS OF LIABILITY

In determining the amount payable under underinsured motorist coverage, the amount of damages which an **insured person** is entitled to recover for **bodily injury** shall be reduced by all sums:

- (1) Paid because of **bodily injury** by or on behalf of any persons or organizations that may be legally responsible;
- (2) Paid or payable because of **bodily injury** under any disability benefits law other than workers' compensation.

However, if an **insured person** enters into a settlement agreement for an amount less than the sum of the limits of liability under all applicable bodily injury liability bonds and policies, **our** limit of liability for Underinsured Motorist Coverage shall not exceed the difference between the damages sustained by the **insured person** and the sum of the applicable bodily injury liability bonds and policies.

The limits of liability under this Coverage Part shall be reduced by all sums paid under Coverage II - Liability.

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

No judgment or settlement for damages arising out of a lawsuit brought against an operator or owner of an **underinsured motor vehicle** shall be binding against **us** unless **we**:

- (1) Receive reasonable notice of the filing of the lawsuit resulting in the judgment; and
- (2) Had a reasonable opportunity to protect **our** interests in the lawsuit.

The limit of liability shown on the Declarations page for underinsured motorist coverage is the most we will pay regardless of the number of:

- (1) Claims made;
- (2) Vehicles which qualify as "**your insured motorcycle**", unless **you** have selected stacked coverage;
- (3) **Insured persons**;
- (4) Lawsuits brought;

- (5) Vehicles involved in an accident; or
- (6) Premiums paid.

Any person qualifying as an **insured person** under this policy and who is not the named **insured**, spouse or resident **relative**, is limited to the minimum statutory coverage required by law and not those limits shown in the Declarations if greater than the minimum statutory coverage. However, in no event will the each person, each occurrence limit be increased.

NON-STACKED LIMITS OF LIABILITY

If **you** have selected non-stacked coverage under this Coverage Part, the following shall also apply:

- (1) The bodily injury liability for “each person” is the maximum **we** will pay as damages for **bodily injury** sustained by one person in one occurrence. The “each person” limit of liability includes the total of all claims made for **bodily injury** to a person and all claims of others derived from such **bodily injury** including, but not limited to, emotional injury and mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium and wrongful death.
- (2) Subject to the bodily injury liability limit for “each person,” the bodily injury liability limit for “each occurrence” is the maximum **we** will pay as damages for **bodily injury** to two or more persons in one occurrence including all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium and wrongful death.

All **bodily injury** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one occurrence.

STACKED LIMITS OF LIABILITY

If **you** have selected stacked coverage under this Coverage Part, the following shall also apply to **bodily injury** sustained by **you** or a **relative**: the limits of liability shall be the limits shown on the Declarations page multiplied by the number of **motorcycles** described on the Declarations page.

Stacked limits of liability shall not increase the limit of liability applicable to any **insured person** other than **you** or a **relative**.

OTHER INSURANCE

If there is other applicable similar insurance available under more than one policy, the following priorities of recovery apply:

- (1) The underinsured motorist coverage applicable to the **motor vehicle** the **insured person** was **occupying** at the time of the occurrence, and after that coverage has been exhausted;
- (2) Any other policy affording underinsured motorist coverage to the **insured person**.

If two or more policies have equal priority, the insurer against whom the claim is first made shall process and pay the claim as if wholly responsible. The insurer making that payment is thereafter entitled to recover contribution on a pro rata basis from any other insurer for the benefits paid and the costs of processing the claim. By using the term pro rata basis **we** mean the proportionate share the limits of liability of any other insurer bear to the total limits of all applicable similar insurance.

If non-stacked coverage is shown on the Declarations page, the following additional provisions apply:

1. If underinsured motor vehicle coverage for **bodily injury** is available to an **insured person** from more than one policy provided by **us** or any other insurer, the total limits of liability available from all coverages provided by all insurers shall not exceed the limit of liability applicable to the coverage with the highest limit of liability.
2. When there is insurance available under the first priority:
 - (a) the limit of liability applicable to the **motor vehicle** the **insured person** was **occupying**, under the policy in the first priority, shall first be exhausted; and
 - (b) the maximum recovery under all policies in the second priority may equal but not exceed the highest applicable limit of liability for Underinsured Motorists Coverage for any one vehicle under any one policy providing coverage to **you** or any **relative**.
3. When there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one motor vehicle under any one policy.

Under no circumstances will **we** pay for any damages which would duplicate any payment made for damages under other insurance.

CONSENT TO BE BOUND

No judgment or settlement for damages arising out of a lawsuit brought against an operator or owner of an **underinsured motor vehicle** shall be binding against **us** unless **we**:

- (1) Receive reasonable notice of the filing of the lawsuit resulting in the judgment; and
- (2) Had a reasonable opportunity to protect **our** interests in the lawsuit.

COVERAGE PART VI - GENERAL PROVISIONS

POLICY PERIOD; TERRITORY

This policy applies only to accidents, occurrences, and **loss** during the policy period shown in the Declarations while **your insured motorcycle** is within the United States, its territories or possessions, Puerto Rico, or Canada or between their ports.

PREMIUM

The premium for this policy is computed in accordance with **our** rules, rates, rating plans and minimum premiums applicable to the insurance afforded.

We have relied upon the information **you** provided to **us** to determine the amount **you** must pay **us**.

You agree to pay all additional premium due if this information is:

- (a) Incorrect;
- (b) Incomplete; or
- (c) Changes

during the policy period. If the information **you** provided to **us** was material to **our** decision to insure **you** or to **our** calculation of the premium, **we** may at **our** option void **your** policy from its inception, if permitted by law, and refund the premium paid.

CHANGES

This policy and the Declarations include all the agreements between **you** and **us** relating to this insurance. Subject to the following, no change or waiver may be effected in this policy except by endorsement issued by **us**.

When **we** broaden **your** coverage during the policy period without charge, the policy will automatically provide the broadened coverage when effective in **your state**.

SUIT AGAINST US

We may not be sued under any Coverage Part in this policy unless there is full compliance with all the terms of this policy. **We** may not be sued under the liability coverage part until the obligation of an **insured person** to pay is fully determined either by final judgment against that person after actual trial or by written agreement of the claimant and **us**. No one shall have the right to make **us** a party to a suit to determine the liability of an **insured person**.

If **we** retain salvage, **we** have no duty to preserve or otherwise retain the salvage for any purpose, including evidence for any civil or criminal proceeding.

OUR RECOVERY RIGHTS

In the event of payment under this policy, **we** are entitled to all the rights of recovery that the person or organization to whom payment was made has against another. That person or organization 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.

However, **we** may not assert rights of recovery against the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** if the **insured person** under the uninsured or underinsured motorist coverage provides **us** with written notice at least thirty (30) days prior to entering into a settlement that an offer of settlement has been made by, or on behalf of, the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** and provides **us** with the proposed terms of the settlement and **we** do not elect to pay to the **insured person** an amount equal to the amount offered in full settlement by or on behalf of the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**.

We also may not assert recovery rights with respect to amounts paid under Coverage III – Medical Expense Coverage.

Subject to the preceding paragraph, when a person has been paid damages by **us** under this policy and also recovers from another, the amount recovered from the other shall be held by that person in trust for **us** and reimbursed to **us** to the extent of **our** payment.

ASSIGNMENT

Interest in this policy may not be assigned without **our** written consent. If a policyholder named in the Declarations or the spouse of the policyholder residing in the same household dies, the policy will cover:

- (1) The surviving spouse;
- (2) The executor or administrator of the estate of the deceased person while acting within the scope of the duties of that position; and
- (3) Any person having proper custody of **your insured motorcycle** until an executor or administrator is appointed.

BANKRUPTCY

We are not relieved of any obligation under this policy because of the bankruptcy or insolvency of an **insured person**.

CONCEALMENT OR FRAUD

We relied upon the statements and representations **you** made to **us** to determine **your** eligibility for coverage and the amount of **your** premium. This entire policy shall be void as to **you** and any other person if **you** concealed or misrepresented any fact or circumstance when **you** applied for

this insurance. This applies to the extent that **your** conduct was material to **our** acceptance of the risk or **our** decision to provide **your** limits of coverage. If **we** void this policy, it means that it is void from its inception as if **we** never issued it. If **we** void your policy, **we** will refund all premium payments **you** made. If the policy is void, it is also void as to any lienholder or lessor.

If in connection with a claim **you** conceal or misrepresent any material fact or circumstance or engage in fraudulent conduct, **we** shall be entitled to deny the claim. **We** shall also be entitled to seek reimbursement from **you** for all sums **we** paid due to the claim.

CANCELLATION OR NON-RENEWAL OF THIS POLICY

You may cancel this policy by advising **us** in writing and stating the future date **you** wish the cancellation to be effective.

In addition to **our** right to void the policy, **we** may cancel this policy for any reason within the first fifty nine (59) days of the initial policy period.

If **we** do not void **your** policy for the reasons set out on the Concealment or Fraud section of this policy, after this policy is in effect for more than fifty nine (59) days or if this is a renewal policy, **we** may only cancel for one or more of the following reasons:

- (1) **you** do not pay the required premium for this policy when due;
- (2) misrepresentation by **you** of any material fact in the procurement or renewal of this policy;
- (3) loss of driving privileges through suspension or revocation of **your** driver's license;
- (4) any other reason specified by law.

We may cancel this policy by mailing a Notice of Cancellation to the named insured shown on the Declarations page at the last known address appearing in **our** records. If **we** cancel this policy during the first fifty nine (59) days of the initial policy period, or if **we** cancel this policy at any time due to non-payment of premium, or if **we** cancel this policy because your driving privileges have been suspended or revoked, Notice of Cancellation will be mailed at least fifteen (15) days before the effective date of cancellation. After this policy has been in effect for fifty nine (59) days, or if it is a renewal policy, Notice of Cancellation due to any reason other than non payment of premium or suspension or revocation of your driving privileges will be mailed at least sixty (60) days before the effective date of cancellation.

If **we** void **your** policy, **we** will refund all premium payments made by **you** for coverage after the date upon which **we** make the voiding effective. However, **our** making or offering of the refund is not a condition of voiding.

Upon cancellation **you** may be entitled to a premium refund. If so, **we** will send it to **you** but the making or offer of a refund is not a condition of cancellation. If **you** cancel, the refund will be computed in accordance with a **short rate** procedure. If **we** cancel, the refund will be computed

on a pro rata basis. The policy period ends on the effective date of cancellation stated in a notice. **“Short rate”** means the refund calculated on a pro rata basis multiplied by .90.

This policy will automatically terminate at the end of the policy period if **you** or **your** representative does not accept **our** offer to renew or continue it. **Your** failure to pay the required renewal premium means that **you** have declined **our** offer.

If other insurance is obtained on **your insured motorcycle**, similar insurance afforded under this policy for that **motorcycle** will cease on the effective date of the other insurance. In addition, any coverage afforded under this policy will cease when a person other than **you** or a **relative** becomes the owner of that **motorcycle**.

If different requirements for cancellation and non-renewal or termination of policies are required because of the laws of **your state**, **we** will comply with those requirements.

PROOF OF MAILING

Proof of mailing of a notice is proof of notice.