



OREGON MUTUAL INSURANCE GROUP

BULLETIN NO: 1972

DATE: December 20, 2005

DEPT: Northwest Regional Office

SUBJECT: Personal Lines Auto Contract Changes
OMI, WesPro Preferred and Special Auto

TO: All Oregon Agents

Effective January 1, 2006 for new business and February 1, 2006 for renewals, we have made changes to our Automobile Personal Injury Protection (APIP) and Uninsured/Underinsured Motorist (UM/UIM) endorsements. We are also introducing an Amendatory Endorsement allowing us to examine any insured under oath about any matter relating to auto insurance or a claim.

Changes to our APIP endorsements are required in order to comply with Senate Bill 151. The following endorsements have been revised:

Section II – Personal Injury Protection G0574AO (1-06)
Section II – Personal Injury Protection S0574A (1-06)

Changes to our UM/UIM endorsements are required in order to comply with the Oregon Supreme Court's decision on Bergman v. Hutton and Senate Bills 923, 924, 925, and 926. The following endorsements have been revised:

Section III – Uninsured/Underinsured Motorists G0307AO (1-06)
Section III – Uninsured/Underinsured Motorists S0561A (1-06)

Our new endorsements for examination under oath are:

Amendatory Endorsement G0093A (1-06)
Amendatory Endorsement S0093A (1-06)

For a complete explanation of the endorsement changes, please refer to the attached policyholder stuffers. Copies of each endorsement are also included for review. These documents are also available in the Bulletins section on BizLink®.

Should you have any questions, please contact your Personal Lines Underwriter or Agency Marketing Manager.

Thank you for your continued support of the Oregon Mutual Insurance Group.

Eric Cutler, CPCU, CIC
Northwest Personal Lines
Business Unit Manager



**OREGON MUTUAL INSURANCE GROUP
AMENDATORY ENDORSEMENT**

G0093A (1-06)

YOUR DUTIES AFTER ACCIDENT OR LOSS listed in the policy, is amended by the following:

Other Duties

You must also allow **us** to accomplish the following in the event of loss or damage to covered property:

1. **We** may examine any insured under oath, while not in the presence of any other insured and as many times as may be reasonably required, about any matter relating to this insurance or the claim. In the event of an examination, an insured's answers must be signed.

SAMPLE



**WESTERN PROTECTORS INSURANCE COMPANY
AMENDATORY ENDORSEMENT**

S0093A (1-06)

YOUR DUTIES AFTER ACCIDENT OR LOSS listed in the policy, is amended by the following:

Other Duties

You must also allow **us** to accomplish the following in the event of loss or damage to covered property:

1. **We** may examine any insured under oath, while not in the presence of any other insured and as many times as may be reasonably required, about any matter relating to this insurance or the claim. In the event of an examination, an insured's answers must be signed.

SAMPLE



OREGON MUTUAL INSURANCE GROUP
SECTION III
UNINSURED/UNDERINSURED MOTORISTS

G0307AO (1-06)

We agree with **you**, subject to all the terms of this endorsement and to all the terms of the policy except as modified herein, as follows:

Coverage D - Uninsured/Underinsured Motorist Coverage

We will pay **damages** for **bodily injury** which a **covered person** shall be legally entitled to recover from the owner or operator of an **uninsured/underinsured motor vehicle**. The **bodily injury** must be caused by an **auto accident** and arise out of the ownership, maintenance or use of the **uninsured/underinsured motor vehicle**.

Uninsured/underinsured motorist coverage also provides coverage for bodily injury or death when:

1. The limits for uninsured motorist coverage of the insured equal the limits of the liability policy of the person whose fault caused the **bodily injury** or death; and
2. The amount of liability insurance recovered is less than the limits for uninsured motorist coverage of the **insured**.

We will pay under this coverage only after the limits of liability under any applicable **bodily injury** liability policies have been used up in payment of settlements or judgments.

Determination of whether a **covered person** is legally entitled to recover **damages** or the amount of **damages** shall be made by agreement between the **covered person** and **us**. If no agreement is reached, the decision will be made by arbitration.

If suit is brought to determine legal liability or **damages** without **our** written consent, **we** are not bound by any resulting judgment.

ADDITIONAL DEFINITIONS USED IN THIS SECTION ONLY

As used in this SECTION:

1. "**Covered person**" means:
 - a. **you** or a **family member**;
 - b. any other person **occupying your covered auto**; and
 - c. any other person for **damages** that person is entitled to recover because of **bodily injury** to **you**, a **family member**, or another occupant of **your covered auto**.

But, no person shall be considered a **covered person** if that person uses a vehicle without a reasonable belief that:

- (1) the person is entitled to do so; and
- (2) the person is using the vehicle within the scope of the permission granted.

2. "**Motor vehicle**" means a land **motor vehicle** or a **trailer**, if described in this policy, but does not mean such 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; and
 - d. any vehicle not requiring state licensing.
3. "**Uninsured/underinsured motor vehicle**" means a land motor vehicle or **trailer** which is:
 - a. not insured by a **bodily injury** liability policy at the time of the **auto accident**;
 - b. insured by a liability policy at the time of the **auto accident** but its limit for **bodily injury** liability is less than the minimum limit for **bodily injury** liability specified by the financial responsibility law of the state in which **your covered auto** is principally garaged.
 - c. insured by a **bodily injury** liability policy at the time of the **auto accident**, but the insurance company denies coverage or, within two years of the date of the accident, the company writing the insurance becomes voluntarily or involuntarily declared bankrupt or for which a receiver is appointed or becomes insolvent.
 - d. insured by **bodily injury** policies at the time of the **auto accident**, but the sum of the limits of liability under all such **bodily injury** liability policies applicable at the time of the accident is less than the applicable limits of liability under this insurance;
 - e. a hit-and-run vehicle whose operator or owner is unknown and which strikes, or causes an accident resulting in **bodily injury** without striking:
 - (1) **you** or any **family member**;
 - (2) a **motor vehicle** which **you** or a **family member** are occupying;
 - (3) **your covered auto**.When there is no physical contact with the hit-and-run vehicle, the facts of the **auto accident** must be provided and verified by someone other than the testimony of the person making a claim under this or any similar coverage.
 - f. a "**stolen vehicle**". A **stolen vehicle** means an insured vehicle that causes **bodily injury** to the insured arising out of a motor vehicle accident if:
 - (1) the vehicle is operated without the consent of the insured;
 - (2) the operator of the vehicle does not have

collectible motor vehicle **bodily injury** liability insurance;

- (3) the insured or someone on behalf of the insured reported the accident within 72 hours to a police, peace or judicial officer or to the equivalent department in the state where the accident occurred; and
- (4) the insured or someone on behalf of the insured cooperates with the appropriate law enforcement agency in the prosecution of the theft of the vehicle.

"**Uninsured/underinsured motor vehicle**" does not include any vehicle:

- a. owned by or furnished or available for the regular use of **you** or a **family member**;
- b. owned or operated by a self-insurer as contemplated by any financial responsibility law, motor carrier law, or similar law;
- c. owned by a governmental unit or agency;
- d. operated on rails or crawler treads;
- e. which is a farm type tractor or equipment designed mainly for use off public roads while not on public roads;
- f. while located for use as a residence or premises; and
- g. described in the Declarations for which a specific premium charge indicates coverage is afforded, unless the vehicle is a stolen vehicle.

EXCLUSIONS

This coverage does not apply to **bodily injury** by a person:

1. While operating or **occupying a motor vehicle**, including a **trailer** used with it, owned by, furnished or available for regular use by **you** or any **family member** for which insurance is not afforded under SECTION I - LIABILITY of this policy.
2. If that person or the legal representative of that person makes a settlement without **our** written consent;
3. While **occupying your covered auto** when used to carry persons or property for a charge. This exclusion does not apply to shared-expense car pools;
4. Using a vehicle without a reasonable belief that:
 - a. the person is entitled to do so; and
 - b. the person is using the vehicle within the scope of the permission granted.
5. During participation in any organized or agreed upon racing or speed contest or demonstration or in practice or preparation for any such contest; and
6. While operating or **occupying a motorized vehicle** with less than four wheels.

Uninsured/Underinsured Motorists Coverage shall not apply to the benefit of any insurer or self-insurer under any workers' compensation or disability benefits law or any similar law.

Uninsured/Underinsured Motorists Coverage does not apply to punitive or exemplary damages.

LIMITS OF LIABILITY

Split Limit

The limit of liability shown in the Declarations for "each person" for Uninsured/Underinsured Motorists Coverage is **our** maximum limit of liability for all **damages** for **bodily injury** sustained by any one person in any one **auto accident**. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Uninsured/Underinsured Motorist Coverage is **our** maximum limit of liability for all **damages** for **bodily injury** resulting from any one **auto accident**.

This is the most **we** will pay regardless of the number of **covered persons**, claims made, vehicles or premiums shown in the Declarations, vehicles involved in the **auto accident** or policies issued to **you** by **us**.

Single Limit

The limit of liability shown in the Declarations for this coverage is **our** maximum limit of liability for all **damages** resulting from any one accident. This is the most **we** will pay regardless of the number of **covered persons**, claims made, vehicles or premiums shown in the Declarations or vehicles involved in the **auto accident**.

Any amounts otherwise payable for **damages** under either SPLIT or SINGLE LIMIT which the **covered person** is legally entitled to recover from the owner or operator of an **uninsured/underinsured motor vehicle** because of **bodily injury** caused by an **auto accident** shall be reduced by:

1. All sums paid because of the **bodily injury** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under the Liability coverage of this policy;
2. Any amount payable for **damages** under this insurance will be reduced by any amount an **insured** may be paid under Personal Injury Protection Insurance.

Any payment under this section to or for a **covered person** will reduce any amount that person is entitled to recover under Section I - Liability, of this policy.

OTHER INSURANCE

If there is other similar insurance on a loss covered by this Section with respect to **bodily injury** to an insured:

1. While occupying a vehicle not owned by a named insured under this coverage, the insurance under this coverage shall apply only as excess insurance over any primary insurance available to the

occupant that is similar to this coverage, and this excess insurance shall then apply only in the amount by which the applicable limit of liability of this excess coverage exceeds the sum of the applicable limits of liability of all primary insurance available to the occupant.

2. If an **insured** is an **insured** under other primary or excess insurance available to the **insured** that is similar to this coverage, then the insured's damages are deemed not to exceed the higher of the applicable limit of liability of the additional primary or excess insurance available to the insured, and **we** are not liable under this coverage for a greater proportion of the insured's damages than the applicable limit of liability of this coverage bears to the sum of the applicable limits of liability of this insurance and other primary or excess insurance available to the insured.
3. While occupying any motor vehicle used as a public or livery conveyance, the insurance under this coverage shall apply only as excess insurance over any other insurance available to the **insured** that is similar to this coverage, and this insurance shall then apply in the amount by which the applicable limit of liability of this coverage exceeds the sum of the applicable limits of liability of all other insurance.

ARBITRATION

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

1. that the person is legally entitled to recover **damages** from the owner or operator of an **uninsured/underinsured motor vehicle**; or
2. as to the amount of damages which are recoverable by the **covered person**; from the owner or operator of an **uninsured/underinsured motor vehicle**, then the matter may be arbitrated. However, disputes concerning coverage under this Section may not be arbitrated.

Both parties must agree to arbitration and to be bound by the results of that arbitration.

Arbitration shall take place under the arbitration laws of the state of Oregon. If so agreed, the **covered person** will select an arbitrator and **we** will select another. The two arbitrators will select a third arbitrator. Any judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction provided, however, the costs to the **covered person** of the arbitration proceeding shall not exceed \$100 and that all other costs of arbitration shall be borne by **us**. Costs shall not include attorney fees or expenses incurred in the production of evidence or witnesses or the making of transcripts of the arbitration proceedings.

Unless both parties agree otherwise, arbitration will be held in the county and state of residence of the **covered person**.

Local rules of law as to procedure and evidence will apply. The decision agreed to by two of the arbitrators will be binding.

ADDITIONAL DUTIES AFTER AN ACCIDENT OR LOSS

A person seeking **Uninsured/Underinsured Motorists** Coverage, or someone on that person's behalf, must also:

1. Report the accident within 72 hours to the appropriate law enforcement agency, in the event the accident involves a hit-and-run vehicle as described in the definition of **uninsured/underinsured motor vehicle** item e., and files with **us** within 30 days thereafter a statement under oath that the insured or the legal representative of the insured has a cause or causes of action arising out of the accident for damages against a person or persons whose identities are unascertainable, and setting forth the facts in support thereof; and
2. At **our** request, the insured or the legal representative of the insured makes available for inspection the vehicle the insured was occupying at the time of the accident.

CAUSE OF ACTION

The parties to this coverage agree that no cause of action shall accrue to the **insured** under this coverage unless within two years from the date of the accident:

1. suit for **bodily injury** has been filed against the **uninsured/underinsured** motorist, in a court of competent jurisdiction;
2. agreement as to the amount due under the policy has been concluded; or
3. the **insured** or the Company has formally instituted arbitration proceedings.



We agree with **you**, subject to all the terms of this endorsement and to all the terms of the policy except as modified herein, as follows:

Coverage D - Uninsured/Underinsured Motorist Coverage

We will pay **damages** for **bodily injury** which a **covered person** shall be legally entitled to recover from the owner or operator of an **uninsured/underinsured motor vehicle**. The **bodily injury** must be caused by an **auto accident** and arise out of the ownership, maintenance or use of the **uninsured/underinsured motor vehicle**.

Uninsured/underinsured motorist coverage also provides coverage for bodily injury or death when:

1. The limits for uninsured motorist coverage of the insured equal the limits of the liability policy of the person whose fault caused the **bodily injury** or death; and
2. The amount of liability insurance recovered is less than the limits for uninsured motorist coverage of the **insured**.

We will pay under this coverage only after the limits of liability under any applicable **bodily injury** liability policies have been used up in payment of settlements or judgments.

Determination of whether a **covered person** is legally entitled to recover **damages** or the amount of **damages** shall be made by agreement between the **covered person** and **us**. If no agreement is reached, the decision will be made by arbitration.

If suit is brought to determine legal liability or **damages** without **our** written consent, **we** are not bound by any resulting judgment.

ADDITIONAL DEFINITIONS USED IN THIS SECTION ONLY

As used in this SECTION:

1. "**Covered person**" means:
 - a. **you** or a **family member**;
 - b. any other person **occupying your covered auto**; and
 - c. any other person for **damages** that person is entitled to recover because of **bodily injury** to **you**, a **family member**, or another occupant of **your covered auto**.But, no person shall be considered a **covered person** if that person uses a vehicle without a reasonable belief that:
 - 1) the person is entitled to do so; and
 - 2) the person is using the vehicle within the scope of the permission granted.

2. "**Motor vehicle**" means a land motor vehicle or a **trailer**, if described in this policy, but does not mean such 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; and
 - d. any vehicle not requiring state licensing.
3. "**Uninsured/Underinsured motor vehicle**" means a land motor vehicle or **trailer** which is:
 - a. not insured by a **bodily injury** liability policy at the time of the **auto accident**;
 - b. insured by a liability policy at the time of the **auto accident** but its limit for **bodily injury** liability is less than the minimum limit for **bodily injury** liability specified by the financial responsibility law of the state in which **your covered auto** is principally garaged;
 - c. insured by a **bodily injury** liability policy at the time of the **auto accident**, but the insurance company denies coverage or, within two years of the date of the accident, the company writing the insurance becomes voluntarily or involuntarily declared bankrupt or for which a receiver is appointed or becomes insolvent.
 - d. insured by **bodily injury** policies at the time of the **auto accident**, but the sum of the limits of liability under all such **bodily injury** liability policies applicable at the time of the accident is less than the applicable limits of liability under this insurance;
 - e. a hit-and-run vehicle whose operator or owner is unknown and which strikes, or causes an accident resulting in **bodily injury** without striking:
 - 1) **you** or any **family member**;
 - 2) a **motor vehicle** which **you** or a **family member** are occupying;
 - 3) **your covered auto**.When there is no physical contact with the hit-and-run vehicle, the facts of the **auto accident** must be provided and verified by someone other than the testimony of the person making a claim under this or any similar coverage.
 - f. a "**stolen vehicle**". A **stolen vehicle** means an insured vehicle that causes **bodily injury** to the insured arising out of a motor vehicle accident if:
 - (1) the vehicle is operated without the consent of the insured;

- (2) the operator of the vehicle does not have collectible motor vehicle **bodily injury** liability insurance;
- (3) the insured or someone on behalf of the insured reported the accident within 72 hours to a police, peace or judicial officer or to the equivalent department in the state where the accident occurred; and
- (4) the insured or someone on behalf of the insured cooperates with the appropriate law enforcement agency in the prosecution of the theft of the vehicle.

"Uninsured/Underinsured motor vehicle" does not include any vehicle:

- a. owned by or furnished or available for the regular use of **you** or a **family member**;
- b. owned or operated by a self-insurer as contemplated by any financial responsibility law, motor carrier law, or similar law;
- c. owned by a governmental unit or agency;
- d. operated on rails or crawler treads;
- e. which is a farm type tractor or equipment designed mainly for use off public roads while not on public roads;
- f. while located for use as a residence or premises; and
- g. described in the Declarations for which a specific premium charge indicates coverage is afforded, unless the vehicle is a stolen vehicle.

EXCLUSIONS

This coverage does not apply to **bodily injury** by a person:

1. While operating or **occupying a motor vehicle**, including a **trailer** used with it, owned by, furnished or available for regular use by **you** or any **family member** for which insurance is not afforded under SECTION I - LIABILITY of this policy.
2. If that person or the legal representative of that person makes a settlement without **our** written consent;
3. While **occupying your covered auto** when used to carry persons or property for a charge. This exclusion does not apply to shared-expense car pools;
4. Using a vehicle without a reasonable belief that:
 - a. the person is entitled to do so; and
 - b. the person is using the vehicle within the scope of the permission granted.
5. During participation in any organized or agreed upon racing or speed contest or demonstration or in practice or preparation for any such contest; and

6. While operating or **occupying a motorized vehicle** with less than four wheels.

Uninsured/Underinsured Motorists Coverage shall not apply to the benefit of any insurer or self-insurer under any workers' compensation or disability benefits law or any similar law.

Uninsured/Underinsured Motorists Coverage does not apply to punitive or exemplary damages.

LIMITS OF LIABILITY

SPLIT LIMIT

The limit of liability shown in the Declarations for "each person" for Uninsured/Underinsured Motorists Coverage is **our** maximum limit of liability for all **damages** for **bodily injury** sustained by any one person in any one **auto accident**. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Uninsured/Underinsured Motorist Coverage is **our** maximum limit of liability for all damages for **bodily injury** resulting from any one **auto accident**.

This is the most **we** will pay regardless of the number of **covered persons**, claims made, vehicles or premiums shown in the Declarations, vehicles involved in the **auto accident** or policies issued to **you** by **us**.

SINGLE LIMIT

The limit of liability shown in the Declarations for this coverage is **our** maximum limit of liability for all damages resulting from any one accident. This is the most **we** will pay regardless of the number of **covered persons**, claims made, vehicles or premiums shown in the Declarations or vehicles involved in the **auto accident**.

Any amounts otherwise payable for damages under either SPLIT or SINGLE LIMIT which the **covered person** is legally entitled to recover from the owner or operator of an **uninsured/underinsured motor vehicle** because of **bodily injury** caused by an **auto accident** shall be reduced by:

1. All sums paid because of the **bodily injury** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under the Liability coverage of this policy;
2. Any amount payable for damages under this insurance will be reduced by any amount an **insured** may be paid under Personal Injury Protection Insurance.

Any payment under this section to or for a **covered person** will reduce any amount that person is entitled to recover under Section I - Liability, of this policy.

OTHER INSURANCE

If there is other similar insurance on a loss covered by this Section with respect to **bodily injury** to an insured:

1. While occupying a vehicle not owned by a named insured under this coverage, the insurance under this coverage shall apply only as excess insurance

over any primary insurance available to the occupant that is similar to this coverage, and this excess insurance shall then apply only in the amount by which the applicable limit of liability of this excess coverage exceeds the sum of the applicable limits of liability of all primary insurance available to the occupant.

2. If an **insured** is an **insured** under other primary or excess insurance available to the **insured** that is similar to this coverage, then the insured's damages are deemed not to exceed the higher of the applicable limit of liability of the additional primary or excess insurance available to the insured, and **we** are not liable under this coverage for a greater proportion of the insured's damages than the applicable limit of liability of this coverage bears to the sum of the applicable limits of liability of this insurance and other primary or excess insurance available to the **insured**.
3. While occupying any motor vehicle used as a public or livery conveyance, the insurance under this coverage shall apply only as excess insurance over any other insurance available to the **insured** that is similar to this coverage, and this insurance shall then apply in the amount by which the applicable limit of liability of this coverage exceeds the sum of the applicable limits of liability of all other insurance.

ARBITRATION

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

1. that the person is legally entitled to recover damages from the owner or operator of an **uninsured/underinsured motor vehicle**; or
2. as to the amount of payment under this SECTION; either that person or **we** may demand that the issue be determined by arbitration.

Arbitration shall take place under the arbitration laws of the state of Oregon. The **covered person** will select an arbitrator and **we** will select another. The two arbitrators will select a third arbitrator. Any judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction provided, however, the costs to the **covered person** of the arbitration proceeding shall not exceed \$100 and that all other costs of arbitration shall be borne by **us**. Costs shall not include attorney fees or expenses incurred in the production of evidence or witnesses or the making of transcripts of the arbitration proceedings.

Unless both parties agree otherwise, arbitration will be held in the county and state of residence of the **covered person**.

Local rules of law as to procedure and evidence will apply. The decision agreed to by two of the arbitrators will be binding.

ADDITIONAL DUTIES AFTER AN ACCIDENT OR LOSS

A person seeking **Uninsured/Underinsured Motorists Coverage**, or someone on that person's behalf, must also:

1. Report the accident within 72 hours to the appropriate law enforcement agency, in the event the accident involves a hit-and-run vehicle as described in the definition of **uninsured/underinsured motor vehicle** item e., and files with **us** within 30 days thereafter a statement under oath that the insured or the legal representative of the insured has a cause or causes of action arising out of the accident for damages against a person or persons whose identities are unascertainable, and setting forth the facts in support thereof; and
2. At **our** request, the insured or the legal representative of the insured makes available for inspection the vehicle the insured was occupying at the time of the accident.

CAUSE OF ACTION

The parties to this coverage agree that no cause of action shall accrue to the **insured** under this coverage unless within two years from the date of the accident:

1. suit for **bodily injury** has been filed against the **uninsured/underinsured** motorist, in a court of competent jurisdiction;
2. agreement as to the amount due under the policy has been concluded; or
3. the **insured** or the Company has formally instituted arbitration proceedings.



OREGON MUTUAL INSURANCE GROUP
SECTION II - PERSONAL INJURY PROTECTION

G0574AO (1-06)

We agree with **you**, subject to all the terms of this endorsement and to all of the terms of the policy unless modified by this endorsement.

COVERAGE C - PERSONAL INJURY PROTECTION

We will pay Oregon Personal Injury Protection Benefits for:

1. **Medical and hospital expenses,**
2. **Income continuation expenses,**
3. **Loss of services expenses,**
4. **Funeral expenses,** and
5. **Child care services**

incurred with respect to **bodily injury** sustained by an **injured person** and caused by an **auto accident** arising out of ownership, maintenance or use of a **motor vehicle** as a **motor vehicle**.

DEFINITIONS USED IN THIS ENDORSEMENT ONLY

When used in reference to this coverage:

"**Auto accident**" means a sudden event, including continuous or repeated exposure to the same conditions, resulting in **bodily injury** neither expected nor intended by the **injured person**.

"**Bodily Injury**" means **bodily injury**, sickness, or disease including death at any time resulting therefrom.

"**Damages**" are the cost of compensating those who suffer **bodily injury** from an **auto accident**.

"**Family member**" means a person related to **you** by blood, marriage or adoption who is a resident of **your** household, including a ward or foster child under the age of 21.

"**Funeral Expenses**" means reasonable and necessary expenses for professional funeral services incurred within one year after the date of the **auto accident**.

"**Income**" means salary, wages, tips, commissions, professional fees, and profits from an individually owned business or farm.

"**Income continuation expenses**" means 70% of the **injured person's** loss of income during the period of the **injured person's** disability until the date the person is reasonably able to return to the person's usual occupation; provided that

1. such person was usually engaged in a remunerative occupation at the time of the **auto accident**,
2. the period of such disability continues for at least 14 days, and
3. **income continuous expenses** shall include only loss of **income** incurred from the date such disability commenced to the date on which such person is able to return to his usual occupation, or the expiration of not more than 52 weeks in the aggregate, or upon the death of such **injured person**, whichever occurs first.

"**Injured person**" means,

1. **you** or any **family member** who sustains **bodily injury** while **occupying a private passenger motor vehicle** or, while a **pedestrian**, through being struck by a **motor vehicle**;
2. any other person who sustains **bodily injury** while **occupying** or using the **insured motor vehicle**, with the permission of **you**, or while a **pedestrian**, through being struck by the **insured motor vehicle**.

"**Insured motor vehicle**" means a vehicle owned by **you**, to which the Bodily Injury Liability Insurance coverage of Section I of this policy applies and for which a specific premium is charged.

"**Loss of services expenses**" means expenses reasonably incurred by the **injured person** for essential services that were performed by a person who is not related to the injured person or residing in the injured person's household in lieu of the services the **injured person** would have performed without **income** during the period of the **injured person's** disability until the date the **injured person** is reasonably able to perform such essential services again; provided that,

1. such person was not usually engaged in remunerative occupation at the time of the accident,
2. the period of such disability continues for at least 14 days, and
3. **loss of services expenses** shall include only expense for such services actually rendered from the date such disability commenced to the date on which such person is reasonably able to perform such services, or the expiration of not more than 52 weeks in the aggregate, or the date of such **injured person's** death.

"**Medical and hospital expenses**" means all reasonable and necessary expenses incurred within one year from the date of the accident for medical, hospital, dental, surgical, ambulance and prosthetic services, provided that the cost of such expenses cannot exceed the lesser of:

1. An amount that does not exceed the amount the provider charges the general public; or
2. An amount that does not exceed the fee schedules for medical services published pursuant to ORS 656.248 for expenses of medical, hospital, dental, surgical, ambulance and prosthetic services.

This coverage includes expenses of hospital services that are subject to the adjusted cost-to-charge ratio specified for a hospital in the hospital fee schedule published pursuant to ORS 656.248, a provider of hospital services shall charge a person who receives

personal injury protection benefits or that person's insurer the greater of:

1. The amount of the hospital charges multiplied by the adjusted cost-to-charge ratio specified for the hospital; or
2. Ninety percent of the hospital charges.

"Motor vehicle" means a self-propelled land **motor vehicle** or **trailer**, but does not include:

1. A vehicle operated on rails or crawler treads;
2. A farm type tractor or any other self-propelled equipment designed or modified for use principally off public roads, while not upon public roads;
3. A vehicle located for use as a residence or premises;
4. A vehicle, including a motorcycle or moped, which is owned by **you** or a **family member** and which is not covered by a motor vehicle liability insurance policy that provides personal injury protection benefits with respect to the use and maintenance of that vehicle;
5. A motorcycle or moped which is not owned by **you** or a **family member**, but the exclusion applies only when the injury or death results from such persons operating or riding upon the motorcycle or moped; or
6. A vehicle not described in sub-paragraphs 1 through 5 above of this paragraph and not a **private passenger motor vehicle**. However this exclusion applies only when the injury or death results from such persons operating or **occupying** this vehicle.

"Occupying" means in, on, getting into or out of.

"Pedestrian" means a person while not occupying a self-propelled vehicle other than a wheelchair or a similar low-powered motorized or mechanically propelled vehicle that is designed specifically for use by a physically disabled person and that is determined to be medically necessary for the occupant of the wheelchair or other low-powered vehicle.

"Private passenger motor vehicle" means a four wheel passenger or station wagon type **motor vehicle** not used as a public or livery conveyance and includes any other four wheel **motor vehicle** of the utility, pickup body, sedan delivery, or panel truck type not used for wholesale or retail delivery other than farming, a self-propelled mobile home and farm truck.

"Total amount of benefits" means the amount of money recovered by a person from: (1) Applicable underinsured motorist benefits described in ORS 742.502 paragraph 2; (2) Liability insurance coverage available to the person receiving the personal injury protection benefits from other parties to the accident; (3) Personal injury protection payments; and (4) Any other payments by or on behalf of the party whose fault caused the **damages**. (5) Nothing in this section requires a person to repay more than the amount of personal injury protection benefits actually received.

"Utility Auto" means a land motor vehicle having at least four wheels actually licensed for use upon public

highways, with a rated load capacity of not more than 2,000 pounds, of the pickup, panel or van type. This does not mean a vehicle used in any business or occupation other than farming or ranching.

"We", **"us"**, and **"our"** refer to the company providing this insurance.

"You" and **"your"** refer to the **"named insured"** shown in the Declarations and the spouse if a resident of the same household.

EXCLUSIONS

We will not pay:

1. For **bodily injury** intentionally caused by any insured person to him or herself. This exclusion applies regardless of the person or persons to whom the intentional act was directed.
2. For **bodily injury** sustained by any person while participating in any organized, prearranged, or agreed upon racing or speed contest, a one-car speed or performance exhibition, demolition, stunting activity contest, demonstration, or in practice or preparation for any such contest.
3. **Income continuation expenses, loss of services expenses, and child care expenses** with respect to **bodily injury** sustained by any **pedestrian** in an **auto accident** which occurs outside the State of Oregon.
However, these coverages do apply to **you** or any **family member**.
4. For **bodily injury** due to war (declared or undeclared), civil war, insurrection, rebellion, revolution, riot, civil commotion, discharge of any nuclear weapon, or any consequences of any of these.
5. For **bodily injury** sustained by **you** or a **family member** while **occupying** any **motor vehicle**, including a motorcycle or moped, owned by or furnished or available for the regular use of **you** or a **family member** and not insured for Oregon Personal Injury Protection Benefits coverage under this policy.
6. For **bodily injury** sustained by **you** or a **family member** when the **bodily injury** results from such person's operation or riding upon a motorcycle or moped not owned by or furnished or available for regular use of **you** or a **family member**, and not insured for Oregon Personal Injury Protection Coverage under this policy.
7. For injury to any person arising out of the ownership, maintenance, or use of any motorized vehicle with less than four wheels.
8. For **bodily injury** sustained while **occupying** any vehicle located for use as a residence or premises.
9. For **bodily injury** resulting from the radioactive, toxic, explosive or other hazardous properties of nuclear material.

10. For **bodily injury** to an **injured person** who is entitled to receive, under the laws of this state or any other state of the United States, workers' compensation benefits or any other similar medical or disability benefits.
11. For any coverage under this endorsement if **you** or any other person insured under this policy willfully conceals or misrepresents any material fact in connection with a claim for personal injury protection benefits.

LIMITS OF LIABILITY

Regardless of the number of persons or organizations insured, policies or bonds applicable, claims made, number of claimants, or **insured motor vehicles** to which this insurance applies, **we** will pay no more than the limits of liability described in this coverage section. Our liability for Oregon Personal Injury Protection Benefits with respect to **bodily injury** sustained by any one **injured person** in any one **motor vehicle** accident is limited as follows:

1. The total amount payable shall not exceed the sum of:
 - a. \$15,000 for **medical and hospital expenses**; or such higher limit of liability as is stated in the Declarations page of this policy to which this endorsement is attached, subject to stipulations as defined in the Definition section.
 - b. \$1,250 per month for **income continuation expenses** subject to stipulations as defined in the Definition section.
 - c. \$30 per day for **loss of services expenses** subject to stipulations as defined in the Definition section.
 - d. \$5,000 for **funeral expenses**.
 - e. \$750 for child care for an injured parent of a minor child. If the **injured person** is a parent of a minor child and is required to be hospitalized for a minimum of 24 hours, \$25 per day for child care, with payments to begin after the initial 24 hours of hospitalization and to be made for as long as the person is unable to return to work if the person is engaged in a remunerative occupation, or for as long as the person is unable to perform essential services that the person would have performed without income if the person is not usually engaged in a remunerative occupation.
2. Any amount payable under the terms of this insurance shall be reduced or eliminated by the amount paid or payable to or on behalf of an **injured person** under any worker's compensation benefits recoverable under the laws of this state or any other state of the United States or any medical or disability benefits law.
3. Any Oregon Personal Injury Protection Benefits payable to an insured under this policy shall be

applied in reduction of the amount of damages that the insured may be entitled to recover from the insurer under Uninsured Motorist coverage for the same accident.

4. Any payments made by the Company under this insurance either as benefits to or on behalf of the **injured person** or as reimbursement, pursuant to Oregon Automobile Personal Injury Protection statutes, to any other insurer or organization for such benefits paid by it shall be applied in reduction of the amount of **damages** which, because of **bodily injury** sustained in the same accident, such **injured person** may be entitled to recover from the Company or any other insurer under insurance afforded for either **bodily injury** liability or protection against uninsured/underinsured motorists.
5. Any amount payable to or for the benefit of a pedestrian injured by the **insured motor vehicle** shall be excess over any other collateral benefits to which the **injured person** is entitled including but not limited to insurance benefits, governmental benefits (except Medicare benefits) or gratuitous benefits.

POLICY PERIOD; TERRITORY

This insurance applies only to **auto accidents** which occur during the policy period within the United States of America, its territories or possessions, or Canada.

NO MEXICO COVERAGE. READ THIS WARNING CAREFULLY. No coverage under this policy is provided while in Mexico. The Republic of Mexico considers an automobile accident a criminal offense as well as a civil matter. Coverage can be obtained through a Mexican Insurance Company when needed.

NOTICE

In the event of an **auto accident**, written notice containing particulars sufficient to identify the **injured persons**, and also reasonably obtainable information respecting the time, date, place and circumstances of the **auto accident** shall be given by or on behalf of each **injured person to us** or any of **our** authorized agents as soon as practicable. If any **injured person** or his legal representative shall institute legal action to recover **damages** for **bodily injury** against a person or organization who is or may be liable in tort therefor, a copy of the summons and complaint or other process served in connection with such legal action shall be forwarded as soon as practicable to **us** by such **injured person** or his legal representative.

Any **injured person** who has received benefits and who makes a claim or institutes legal action against any person or organization legally responsible for the **bodily injury** shall give notice of such claim or action to **us** by personal service or by registered or certified mail.

If **we** have not been a party to an interinsurer reimbursement proceeding with respect to benefits under ORS 742.534, **we** may seek reimbursement for

benefits **we** have furnished, out of any recovery under a claim or legal action filed by an **injured person**. **We** shall give written notice of such election within 30 days from the receipt of notice of such claim or legal action from the **injured person**.

If **we** serve the written notice of election:

- a. **We** have a lien against such action for benefits **we** have furnished, less the proportion, not to exceed 100 percent, of the expenses, costs, and attorney's fees incurred by the **injured person** in connection with the recovery that the amount of the lien before such reduction bears to the amount of the recovery.
- b. The benefits furnished by **us** shall be included as **damages** in the claim by the **injured person**.
- c. Any legal action shall be taken in the name of the **injured person**.

MEDICAL REPORTS: PROOF OF CLAIM

As soon as practicable the **injured person** or someone on his behalf shall give to **us** written proof of claim, under oath if required, including full particulars of the nature and extent of the injuries and treatment received and contemplated, and such other information as may assist **us** in determining the amount due and payable. The **injured person** shall submit to physical examinations by physicians selected by **us** when and as often as **we** may reasonably require.

The **injured person** or in the event of his incapacity or death, his legal representative, shall upon each request from **us** execute authorization to enable **us** to obtain medical reports, copies of records and information with respect to loss of **income**. **We** may require that the **injured person**, as a condition for receiving **income continuation expenses**, cooperate in furnishing **us** reasonable medical proof of his inability to work.

PAYMENT OF CLAIMS

We will pay any amount due:

1. To the **injured person**;
2. If the **injured person** is a minor or an incompetent person, to the parent or legal guardian;
3. If the **injured person** is deceased, to the surviving spouse if a resident of the same household at the time of the **auto accident**; or
4. At **our** option, to a person authorized by law to receive such payment.

REIMBURSEMENT AND TRUST AGREEMENT

In the event of payment to any person of any benefits under this endorsement:

1. **We** shall be entitled to reimbursement or subrogation in accordance with the provisions of the Oregon Insurance Code.
2. **We** are entitled to the proceeds of any settlement or judgment that may result from the exercise of any rights of recovery of the **injured person** against any

person or organization legally responsible for the **auto accident**, to the extent Oregon Personal Injury Protection Benefits were paid, less **our** share of expenses, costs and attorney's fees incurred by the **injured person** in connection with such recovery.

3. **We** are entitled to reimbursement for personal injury protection payments made on behalf of any person only to the extent that the **total amount of benefits** paid exceeds the economic damages as defined in ORS 18.560 suffered by that person.
4. The **injured person** shall hold in trust for **our** benefit, all his rights of recovery to the extent of benefits furnished.
5. The **injured person** shall do whatever is proper to secure and shall do nothing after loss to prejudice such rights.
6. If requested in writing by **us**, the **injured person** shall take, through any representative not in conflict of interest with the **injured person** designated by **us**, such action as may be necessary or appropriate to recover such benefits furnished as **damages** from such responsible person, such action to be taken in the name of the **injured person**, but only to the extent of the benefits furnished by the insurer. In the event of a recovery, the insurer shall also be reimbursed out of such recovery for the **injured person's** share of expenses, costs and attorney fees incurred by **us** in connection with the recovery.
7. The **injured person** shall execute and deliver to **us** such instruments and papers as may be appropriate to secure the rights and obligations of the **injured person** and **us** as established by this provision.

ARBITRATION

If **we** and the **insured** do not agree as to whether the **insured** is entitled to recover personal injury protection benefits; or the amount of benefits which are recoverable by the **insured**; then the matter may be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select a competent and disinterested arbitrator. The two arbitrators so named shall select a third arbitrator, or if unable to agree thereon within 30 days then, upon the request of such person or **us**, such third arbitrator shall be selected by a judge of a court of record in the county and state in which such arbitration is pending. The arbitrators shall then hear and determine the question or questions so in dispute, and the decision in writing of any two arbitrators shall be binding upon the person and **us**, each of whom shall pay his or its chosen arbitrator and shall bear equally the expense of the third arbitrator and all other expenses of the arbitration, provided that attorney's fees and fees paid to medical or other expert witnesses are not deemed to be expenses of arbitration, but are to be borne by the party incurring them. Unless the parties otherwise agree the arbitration shall be conducted in the county and state in which the person resides and in accordance with the usual rules governing procedure and admission of evidence in courts of law.

Oregon Special Arbitration Provisions

We will reimburse the insured for any arbitration costs in excess of \$100. Costs do not include attorney's fees or expenses incurred in the production of evidence or witnesses or making transcripts of the arbitration proceedings.

OTHER INSURANCE

The insurance afforded under this endorsement shall be excess for:

1. **Bodily injury** sustained by any **pedestrian**, other than **you** or any **family member**, over any other collateral benefits to which the **injured person** is entitled, including but not limited to insurance benefits, governmental benefits or gratuitous benefits by another insurer, governmental benefits (except Medicare benefits), gratuitous benefits or Oregon Personal Injury Protection Benefits.
2. **Bodily injury** sustained by **you** or any **family member** while occupying any **motor vehicle**, other than the **covered motor vehicle**, with respect to which Oregon Personal Injury Protection Benefits are in effect.

Notwithstanding the above, if this policy insures two or more autos or if any other auto insurance policy issued to **you** by **us** applies to the same **auto accident**, the maximum limit of **our** liability shall not exceed the highest limit applicable to any one auto.

It is further agreed that any Personal Injury Protection Insurance afforded under this policy shall be excess insurance over any medical expense benefits paid or payable under this or any other automobile insurance policy because of **bodily injury** to an **injured person**.



We agree with you, subject to all the terms of this endorsement and to all of the terms of the policy except as modified herein, as follows.

COVERAGE C - PERSONAL INJURY PROTECTION

We will pay Oregon Personal Injury Protection benefits for:

1. **Medical and hospital expenses,**
2. **Income continuation expenses,**
3. **Loss of services expenses,**
4. **Funeral expenses,** and
5. **Child care services**

incurred with respect to **bodily injury** sustained by an **injured person** and caused by an **auto accident** arising out of ownership, maintenance or use of a **motor vehicle** as a **motor vehicle**.

DEFINITIONS USED IN THIS ENDORSEMENT ONLY

When used in reference to this coverage:

"**Auto accident**" means a sudden event, including continuous or repeated exposure to the same conditions, resulting in **bodily injury** neither expected nor intended by the **injured person**.

"**Bodily Injury**" means **bodily injury**, sickness, or disease including death at any time resulting therefrom.

"**Damages**" are the cost of compensating those who suffer **bodily injury** from an **auto accident**.

"**Family member**" means a person related to **you** by blood, marriage or adoption who is a resident of your household, including a ward or foster child under the age of 21.

"**Funeral Expenses**" means reasonable and necessary expenses for professional funeral services incurred within one year after the date of the **auto accident**.

"**Income**" means salary, wages, tips, commissions, professional fees, and profits from an individually owned business or farm.

"**Income continuation expenses**" means 70% of the **injured person's** loss of income during the period of the **injured person's** disability until the date the person is reasonably able to return to the person's usual occupation; provided that

1. such person was usually engaged in a remunerative occupation at the time of the **auto accident**,
2. the period of such disability continues for at least 14 days, and
3. **income continuous expenses** shall include only loss of **income** incurred from the date such disability commenced to the date on which such person is able to return to his usual occupation, or the expiration of not more than 52 weeks in the

aggregate, or upon the death of such **injured person**, whichever occurs first.

"**Injured person**" means,

1. **you** or any **family member** who sustains **bodily injury** while **occupying a private passenger motor vehicle** or while a **pedestrian**, through being struck by a **motor vehicle**;
2. any other person who sustains **bodily injury** while **occupying** or using the **insured motor vehicle**, with the permission of **you**, or while a **pedestrian**, through being struck by the **insured motor vehicle**.

"**Insured motor vehicle**" means a vehicle owned by **you**, to which the Bodily Injury Liability Insurance coverage of Section I of this policy applies and for which a specific premium is charged.

"**Loss of services expenses**" means expenses reasonably incurred by the **injured person** for essential services that were performed by a person who is not related to the injured person or residing in the injured person's household in lieu of the services the **injured person** would have performed without **income** during the period of the **injured person's** disability until the date the **injured person** is reasonably able to perform such essential services again; provided that,

1. such person was not usually engaged in remunerative occupation at the time of the accident,
2. the period of such disability continues for at least 14 days, and
3. **loss of services expenses** shall include only expense for such services actually rendered from the date such disability commenced to the date on which such person is reasonably able to perform such services, or the expiration of not more than 52 weeks in the aggregate, or the date of such injured person's death.

"**Medical and hospital expenses**" means all reasonable and necessary expenses incurred within one year from the date of the accident for medical, hospital, dental, surgical, ambulance and prosthetic services, provided that the cost of such expenses cannot exceed the lesser of:

1. An amount that does not exceed the amount the provider charges the general public; or
2. An amount that does not exceed the fee schedules for medical services published pursuant to ORS 656.248 for expenses of medical, hospital, dental, surgical, ambulance and prosthetic services.

This coverage includes expenses of hospital services that are subject to the adjusted cost-to-charge ratio

specified for a hospital in the hospital fee schedule published pursuant to ORS 656.248, a provider of hospital services shall charge a person who receives personal injury protection benefits or that person's insurer the greater of:

1. The amount of the hospital charges multiplied by the adjusted cost-to-charge ratio specified for the hospital; or
2. Ninety percent of the hospital charges.

"Motor vehicle" means a self-propelled land **motor vehicle** or **trailer**, but does not include:

1. A vehicle operated on rails or crawler treads;
2. A farm type tractor or any other self-propelled equipment designed or modified for use principally off public roads, while not upon public roads;
3. A vehicle located for use as a residence or premises;
4. A vehicle, including a motorcycle or moped, which is owned by **you** or a **family member** and which is not covered by a motor vehicle liability insurance policy that provides personal injury protection benefits with respect to the use and maintenance of that vehicle;
5. A motorcycle or moped which is not owned by **you** or a **family member**, but the exclusion applies only when the injury or death results from such persons operating or riding upon the motorcycle or moped; or
6. A vehicle not described in sub-paragraphs 1 through 5 above of this paragraph and not a **private passenger motor vehicle**. However this exclusion applies only when the injury or death results from such persons operating or **occupying** this vehicle.

"Occupying" means in, on, getting into or out of.

"Pedestrian" means a person while not occupying a self-propelled vehicle other than a wheelchair or a similar low-powered motorized or mechanically propelled vehicle that is designed specifically for use by a physically disabled person and that is determined to be medically necessary for the occupant of the wheelchair or other low-powered vehicle.

"Private passenger motor vehicle" means a four wheel passenger or station wagon type **motor vehicle** not used as a public or livery conveyance and includes any other four wheel **motor vehicle** of the utility, pickup body, sedan delivery, or panel truck type not used for wholesale or retail delivery other than farming, a self-propelled mobile home and farm truck.

"Total amount of benefits" means the amount of money recovered by a person from: (1) Applicable underinsured motorist benefits described in ORS 742.502 paragraph 2; (2) Liability insurance coverage available to the person receiving the personal injury protection benefits from other parties to the accident; (3) Personal injury protection payments; and (4) Any other payments by or

on behalf of the party whose fault caused the damages. (5) Nothing in this section requires a person to repay more than the amount of personal injury protection benefits actually received.

"Utility Auto" means a land motor vehicle having at least four wheels actually licensed for use upon public highways, with a rated load capacity of not more than 2,000 pounds, of the pickup, panel or van type. This does not mean a vehicle used in any business or occupation other than farming or ranching.

"We", "us", and "our" refer to the Company providing this insurance.

"You" and "your" refer to the **"named insured"** shown in the Declarations and the spouse if a resident of the same household.

EXCLUSIONS

We will not pay:

1. For **bodily injury** intentionally caused by any insured person to him or herself. This exclusion applies regardless of the person or persons to whom the intentional act was directed.
2. For **bodily injury** sustained by any person while participating in any organized, prearranged, or agreed upon racing or speed contest, a one-car speed or performance exhibition, demolition, stunting activity contest, demonstration, or in practice or preparation for any such contest.
3. **Income continuation expenses, loss of services expenses, and child care expenses** with respect to **bodily injury** sustained by any **pedestrian** in an **auto accident** which occurs outside the State of Oregon. However, these coverages do apply to **you** or any **family member**.
4. For **bodily injury** due to war (declared or undeclared), civil war, insurrection, rebellion, revolution, riot, civil commotion, discharge of any nuclear weapon, or any consequences of these.
5. For **bodily injury** sustained by **you** or a **family member** while **occupying** any **motor vehicle**, including a motorcycle or moped, owned by **you** or a **family member** and not insured by a **motor vehicle** liability policy which provides Oregon Personal Injury Protection benefits with respect to the use and maintenance of that vehicle.
6. For **bodily injury** sustained by **you** or a **family member** when the **bodily injury** results from such person's operation or riding upon a motorcycle or moped not owned by **you** or a **family member**.
7. For injury to any person arising out of the ownership, maintenance, or use of any motorized vehicle with less than four wheels.
8. For **bodily injury** sustained while **occupying** any vehicle located for use as a residence or premises.

9. For **bodily injury** resulting from the radioactive, toxic, explosive or other hazardous properties of nuclear material.
10. For **bodily injury** to an **injured person** who is entitled to receive, under the laws of this state or any other state of the United States, workers' compensation benefits or any other similar medical or disability benefits.
11. For any coverage under this endorsement if **you** or any other person insured under this policy willfully conceals or misrepresents any material fact in connection with a claim for personal injury protection benefits.

LIMITS OF LIABILITY

Regardless of the number of persons or organizations insured, policies or bonds applicable, claims made, number of claimants, or **insured motor vehicles** to which this insurance applies, **we** will pay no more than the limits of liability described in this coverage section. Our liability for Oregon Personal Injury Protection Benefits with respect to **bodily injury** sustained by any one **injured person** in any one **motor vehicle** accident is limited as follows:

1. The total amount payable shall not exceed the sum of:
 - a. \$15,000 for **medical and hospital expenses**; or such higher limit of liability as is stated in the Declarations page of this policy to which this endorsement is attached, subject to stipulations as defined in the Definition section.
 - b. \$1,250 per month for **income continuation expenses** subject to stipulations as defined in the Definition section.
 - c. \$30 per day for **loss of services expenses** subject to stipulations as defined in the Definition section.
 - d. \$5,000 for **funeral expenses**.
 - e. \$750 for child care for an injured parent of a minor child. If the **injured person** is parent of a minor child and is required to be hospitalized for a minimum of 24 hours, \$25 per day for child care, with payments to begin after the initial 24 hours of hospitalization and to be made for as long as the person is unable to return to work if the person is engaged in a remunerative occupation or for as long as the person is unable to perform essential services that the person would have performed without income if the person is not usually engaged in a remunerative occupation.
2. Any amount payable under the terms of this insurance shall be reduced or eliminated by the amount paid or payable to or on behalf of an **injured person** under any worker's compensation benefits recoverable under the laws of this state or any other

state of the United States or any medical or disability benefits law.

3. Any Oregon Personal Injury Protection Benefits payable to an insured under this policy shall be applied in reduction of the amount of damages that the insured may be entitled to recover from the insurer under Uninsured Motorist Coverage for the same accident.
4. Any payments made by the Company under this insurance either as benefits to or on behalf of the **injured person** or as reimbursement, pursuant to Oregon Automobile Personal Injury Protection statutes, to any other insurer or organization for such benefits paid by it shall be applied in reduction of the amount of **damages** which, because of **bodily injury** sustained in the same accident, such **injured person** may be entitled to recover from the Company or any other insurer under insurance afforded for either **bodily injury** liability or protection against uninsured/underinsured motorists.
5. Any amount payable to or for the benefit of a pedestrian injured by the **insured motor vehicle** shall be excess over any other collateral benefits to which the **injured person** is entitled including but not limited to insurance benefits, governmental benefits (except Medicare benefits) or gratuitous benefits.

POLICY PERIOD; TERRITORY

This insurance applies only to **auto accidents** which occur during the policy period within the United States of America, its territories or possessions, or Canada.

NO MEXICO COVERAGE. READ THIS WARNING CAREFULLY. No coverage under this policy is provided while in Mexico. The Republic of Mexico considers an automobile accident a criminal offense as well as a civil matter. Coverage can be obtained through a Mexican Insurance Company when needed.

NOTICE

In the event of an **auto accident**, written notice containing particulars sufficient to identify the **injured persons**, and also reasonably obtainable information respecting the time, date, place and circumstances of the **auto accident** shall be given by or on behalf of each **injured person to us** or any of **our** authorized agents as soon as practicable. If any **injured person** or his legal representative shall institute legal action to recover **damages** for **bodily injury** against a person or organization who is or may be liable in tort therefor, a copy of the summons and complaint or other process served in connection with such legal action shall be forwarded as soon as practicable to **us** by such **injured person** or his legal representative.

Any **injured person** who has received benefits and who makes a claim or institutes legal action against any person or organization legally responsible for the **bodily**

injury shall give notice of such claim or action to **us** by personal service or by registered or certified mail.

If **we** have not been a party to an interinsurer reimbursement proceeding with respect to benefits under ORS 742.534, **we** may seek reimbursement for benefits **we** have furnished, out of any recovery under a claim or legal action filed by an **injured person**. **We** shall give written notice of such election within 30 days from the receipt of notice of such claim or legal action from the **injured person**.

If **we** serve the written notice of election:

- a. **We** have a lien against such action for benefits **we** have furnished, less the proportion, not to exceed 100 percent, of the expenses, costs, and attorney's fees incurred by the **injured person** in connection with the recovery that the amount of the lien before such reduction bears to the amount of the recovery.
- b. The benefits furnished by **us** shall be included as **damages** in the claim by the **injured person**.
- c. Any legal action shall be taken in the name of the **injured person**.

MEDICAL REPORTS; PROOF OF CLAIM

As soon as practicable the **injured person** or someone on his behalf shall give to **us** written proof of claim, under oath if required, including full particulars of the nature and extent of the injuries and treatment received and contemplated, and such other information as may assist **us** in determining the amount due and payable. The **injured person** shall submit to physical examinations by physicians selected by **us** when and as often as **we** may reasonably require.

The **injured person** or in the event of his incapacity or death his legal representative, shall upon each request from **us** execute authorization to enable **us** to obtain medical reports, copies of records and information with respect to loss of **income**. **We** may require that the **injured person**, as a condition for receiving **income continuation expenses**, cooperate in furnishing **us** reasonable medical proof of his inability to work.

PAYMENT OF CLAIMS

We will pay any amount due:

1. To the **injured person**;
2. If the **injured person** is a minor or an incompetent person, to the parent or legal guardian;
3. If the **injured person** is deceased, to the surviving spouse if a resident of the same household at the time of the **auto accident**; or
4. At **our** option, to a person authorized by law to receive such payment.

REIMBURSEMENT AND TRUST AGREEMENT

In the event of payment to any person of any benefits under this endorsement:

1. **We** shall be entitled to reimbursement or subrogation in accordance with the provisions of the Oregon Automobile Personal Injury Protection statutes.
2. **We** are entitled to the proceeds of any settlement or judgment that may result from the exercise of any rights of recovery of the **injured person** against any person or organization legally responsible for the **auto accident**, to the extent Oregon Personal Injury Protection Benefits were paid, less **our** share of expenses, costs, and attorney's fees incurred by the **injured person** in connection with such recovery.
3. **We** are entitled to reimbursement for personal injury protection payments made on behalf of any person only to the extent that the total amount of benefits paid exceeds the economic damages as defined in ORS 18.560 suffered by that person.
4. The **injured person** shall hold in trust for **our** benefit, all his rights of recovery to the extent of benefits furnished.
5. The **injured person** shall do whatever is proper to secure and shall do nothing after loss to prejudice such rights.
6. If requested in writing by **us**, the **injured person** shall take, through any representative not in conflict of interest with the **injured person** designated by **us**, such action as may be necessary or appropriate to recover such benefits furnished as **damages** from such responsible person, such action to be taken in the name of the **injured person**, but only to the extent of the benefits furnished by the insurer. In the event of a recovery, the insurer shall also be reimbursed out of such recovery for the **injured person's** share of expenses, costs and attorney fees incurred by **us** in connection with the recovery.
7. The **injured person** shall execute and deliver to **us** such instruments and papers as may be appropriate to secure the rights and obligations of the **injured person** and **us** as established by this provision.

ARBITRATION

In order to be entitled to arbitration, the **insured** must be in compliance with all terms of this endorsement.

If any person making claim and **we** do not agree as to the amount payable hereunder, then each party shall, upon the written demand of either, select a competent and disinterested arbitrator. The two arbitrators so named shall select a third arbitrator, or if unable to agree thereon within 30 days then, upon the request of such person or **us**, such third arbitrator shall be selected by a judge of a court of record in the County and State in which such arbitration is pending. The arbitrators shall then hear and determine the question or questions so in dispute, and the decision in writing of any two arbitrators shall be binding upon the person and **us**, each of whom shall pay his or its chosen arbitrator and shall bear equally the expense of the third arbitrator and all other

expenses of the arbitration, provided that attorney's fees and fees paid to medical or other expert witnesses are not deemed to be expenses of arbitration, but are to be borne by the party incurring them. Unless the parties otherwise agree, the arbitration shall be conducted in the County and State in which the person resides and in accordance with the usual rules governing procedure and admission of evidence in courts of law.

Oregon Special Arbitration Provisions

We will reimburse the insured for any arbitration costs in excess of \$100. Costs do not include attorney's fees or expenses incurred in the production of evidence or witnesses or making transcripts of the arbitration proceedings.

OTHER INSURANCE

The insurance afforded under this endorsement shall be excess for:

1. **Bodily injury** sustained by any **pedestrian**, other than **you** or any **family member**, over any other collateral benefits to which the **injured person** is entitled, including but not limited to insurance benefits, governmental benefits or gratuitous benefits by another insurer, governmental benefits (except Medicare benefits), gratuitous benefits or Oregon Personal Injury Protection Benefits.
2. **Bodily injury** sustained by **you** or any **family member** while occupying any **motor vehicle**, other than the **covered motor vehicle**, with respect to which Oregon Personal Injury Protection Benefits are in effect.

Notwithstanding the above, if this policy insures two or more autos or if any other auto insurance policy issued to **you** by **us** applies to the same **auto accident**, the maximum limit of **our** liability shall not exceed the highest limit applicable to any one auto.

It is further agreed that any Personal Injury Protection Insurance afforded under this policy shall be excess insurance over any medical expense benefits paid or payable under this or any other automobile insurance policy because of **bodily injury** to an **injured person**.

SAMPLE



OREGON MUTUAL INSURANCE COMPANY
IMPORTANT NOTICE TO POLICYHOLDERS

M8587AO (1-06)

Dear Policyholder,

Effective with this renewal we have revised the following endorsements to comply with statutes passed by the Oregon Legislature during 2005 and an Oregon Supreme Court decision, and we have also added a new amendatory endorsement.

SECTION II – PERSONAL INJURY PROTECTION G0574AO (1-06) Senate Bill 151 – Changes

Loss of Services Expenses - Payment for **loss of services expenses** has been clarified to show that these essential services must be performed by a person who is not related to the injured person or residing in the injured person's household.

Medical and Hospital Expenses - The cost of **medical and hospital expenses** has been modified to show that the cost of such expenses cannot exceed the lesser of:

1. An amount that does not exceed the amount the provider charges the general public; or
2. An amount that does not exceed the fee schedules for medical services published by ORS 656.248 for expenses of medical, hospital, dental, surgical, ambulance and prosthetic services.

This coverage includes expenses of hospital services that are subject to the adjusted cost-to-charge ratio specified for a hospital in the hospital fee schedule published pursuant to ORS 656.248, a provider of hospital services shall charge a person who receives personal injury protection benefits or that person's insurer the greater of:

1. The amount of the hospital charges multiplied by the adjusted cost-to-charge ratio specified for the hospital; or
2. Ninety percent of the hospital charges.

EXCLUSIONS

We have added exclusion number 11 which states that we will not pay for any coverage under this endorsement if you or any other person insured under this policy willfully conceals or misrepresents any material fact in connection with a claim for personal injury protection benefits.

LIMITS OF LIABILITY

We have increased the **funeral expenses** limit from \$2,500 to \$5,000. The **child care expenses** maximum limit has been increased from \$450 to \$750 and the daily limit from \$15 to \$25.

SECTION III – UNINSURED/UNDERINSURED MOTORISTS G0307AO (1-06)

LIMITS OF LIABILITY

In response to the Oregon Supreme Court decision in Bergmann v. Hutton, we have deleted a sentence which contained limit reductions for all sums paid or payable because of bodily injury under any workers' or workmen's compensation, disability benefits law, or any similar law.

Senate Bill 923 - We have added that **Uninsured/Underinsured Motorist** coverage also provides coverage for bodily injury or death when:

1. The limits for uninsured motorist coverage of the insured equal the limits of the liability policy of the person whose fault caused the bodily injury or death; and
2. The amount of liability insurance recovered is less than the limits for uninsured motorist coverage of the insured.

Senate Bill 924 - Revises the definition of **uninsured vehicle** to include a stolen vehicle.

Senate Bill 925 - Changes our **Other Insurance Provision** as follows:

1. When you occupy a vehicle not owned or a vehicle used as a public or livery conveyance, the uninsured motorist bodily injury protection insurance is excess; and
2. We have reworded the proportionate share explanation when other uninsured motorist bodily injury is available.

Senate Bill 926 - Modifies the definition of **uninsured vehicle** when an insurer becomes bankrupt.

AMENDATORY ENDORSEMENT G0093A (1-06)

We have added to **YOUR DUTIES AFTER ACCIDENT OR LOSS** that you must allow the company to do the following in the event of loss or damage to covered property:

1. We may examine any insured under oath, while not in the presence of any other insured and as many times as may be reasonably required, about any matter relating to this insurance or claim. In the event of an examination, an insured's answers must be signed.

Please read the enclosed endorsements and attach them to your automobile policy.

If you have any questions regarding the change in your endorsements or any other insurance matter, please contact your agent.

We appreciate your business. Thank you for insuring with the Oregon Mutual Insurance Group.



Eric Cutler, CPCU, CIC
Northwest Personal Lines
Business Unit Manager



WESTERN PROTECTORS INSURANCE COMPANY
IMPORTANT NOTICE TO POLICYHOLDERS

W8588AO (1-06)

Dear Policyholder,

Effective with this renewal we have revised the following endorsements to comply with statutes passed by the Oregon Legislature during 2005 and an Oregon Supreme Court decision, and we have also added a new amendatory endorsement.

SECTION II – PERSONAL INJURY PROTECTION S0574A (1-06)

Senate Bill 151 – Changes Loss of Services Expenses - Payment for **loss of services expenses** has been clarified to show that these essential services must be performed by a person who is not related to the injured person or residing in the injured person's household.

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We have added exclusion number 11 which states that we will not pay for any coverage under this endorsement if you or any other person insured under this policy willfully conceals or misrepresents any material fact in connection with a claim for personal injury protection benefits.

LIMITS OF LIABILITY

We have increased the **funeral expenses** limit from \$2,500 to \$5,000. The **child care expenses** maximum limit has been increased from \$450 to \$750 and the daily limit from \$15 to \$25.

SECTION III – UNINSURED/UNDERINSURED MOTORISTS S0561A (1-06)

LIMITS OF LIABILITY

In response to the Oregon Supreme Court decision in Bergmann v. Hutton, we have deleted a sentence which contained limit reductions for all sums paid or payable because of bodily injury under any workers' or workmen's compensation, disability benefits law, or any similar law.

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Eric Cutler, CPCU, CIC
Northwest Personal Lines
Business Unit Manager