



**OREGON MUTUAL INSURANCE COMPANY**

BULLETIN NO: 2270

DATE: September 12, 2012

DEPT: Personal Lines

SUBJECT: Personal Auto Coverage Changes

TO: All Washington Personal Lines Agents

We have made a number of changes to new and renewal policies effective 10/15/2012 and after. For the most part the changes clarify coverage wording. This includes the addition or broadening of coverage listed below.

- The addition of liability, comprehensive and collision coverage for moving vans with a gross vehicle weight of 18,000 or less, if they are not owned or available for the regular use of you or a family member.
- Under our Emergency Assistance Package
  - Lock Coverage – Coverage for key replacement and locksmith services has been increased from \$50 to \$125.
  - Liability Coverage Supplementary Payments – Loss of earnings if you or a family member attends trials or hearings at our request is increased from \$100 to \$200 per day.

These and other policy coverage changes are explained in more detail in the policyholder stuffer which is provided below.

Please note that although the exposure may be excluded, new business where personal vehicle sharing exists is not eligible for coverage with Oregon Mutual.

Thank you for your ongoing support of Oregon Mutual. If you have questions on these changes, please contact your Personal Lines Underwriter or Agency Marketing Manager.

Eric Cutler, CPCU, CIC, AINS  
Director, Personal Lines Underwriting



OREGON MUTUAL INSURANCE GROUP  
AMENDMENT OF POLICY PROVISIONS  
WASHINGTON

G0049AW (7-12)

1. **YOUR DUTIES AFTER ACCIDENT OR LOSS, OTHER DUTIES** listed in the policy is amended as follows:

6. Allow **us** to 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.

2. **EXCLUSIONS** listed in the Automobile Protector Policy and all other endorsements are amended by the following:

**PERSONAL VEHICLE SHARING EXCLUSION**

We will not pay:

1. for **bodily injury, property damage**, medical payments, uninsured/underinsured motorist, uninsured motorist property damage, comprehensive, and collision coverages arising out of a lease, maintenance or use, loading or unloading of a **covered auto** when the **covered auto** is used in a **personal vehicle sharing program**, club or similar sharing arrangement.
2. for any other coverages purchased under **your** automobile policy while **your covered auto** is used in a **personal vehicle sharing program**, club or similar sharing arrangement.
3. legal liability to defend or indemnify **you**, for any loss or injury that occurs during any time period while **your covered auto** is under the operation and/or control of any person or organization using your vehicle in a **personal vehicle sharing program**, club or similar sharing arrangement.

Exclusions 1., 2., and 3. (shown above) do not apply to share-the-expense car pools.

**Personal vehicle sharing** means the use of private passenger motor vehicles by persons other than the vehicle's owner, in connection with a **personal vehicle sharing program**, club or similar sharing arrangement.

**Personal vehicle sharing program**, club or similar sharing arrangement means a legal entity qualified to do business in this state engaged in the business of facilitating the sharing of private passenger vehicles for noncommercial use by individuals within the state.

3. Under **SECTION I – LIABILITY COVERAGE, ADDITIONAL DEFINITIONS FOR THIS SECTION ONLY** is amended as follows:

"**Your covered auto**" as used in this section shall include any other **private passenger auto, utility auto, trailer**, or moving van with a GVW of 18,000 or less not owned by, furnished or available for the regular use of **you** or a **family member**. But no vehicle shall be considered as **your covered auto** unless there is sufficient reason to believe that the use is with permission of the owner, and unless it is used by **you** or a **family member**.

The following **EXCLUSION** is added:

14. **We** do not provide coverage for fines, penalties, double or treble damages; punitive, exemplary or vindictive damages; or any other type of added damages intended to punish or deter wrongful conduct rather than as compensation for actual damages.

4. If form **G0024AW** is listed on your declaration page, under **SECTION III – UNDERINSURED MOTORISTS BODILY INJURY COVERAGE**, the final paragraph under **EXCLUSION 3** is replaced by the following:

3. **We** do not provide coverage for fines, penalties, double or treble damages; punitive, exemplary or vindictive damages; or any other type of added damages intended to punish or deter wrongful conduct rather than as compensation for actual damages.

5. If form **G0068W** is listed on your declaration page, under **UNDERINSURED MOTORISTS PROPERTY DAMAGE COVERAGE**, the following **EXCLUSION** is added:

3. **We** do not provide coverage for fines, penalties, double or treble damages; punitive, exemplary or vindictive damages; or any other type of added damages intended to punish or deter wrongful conduct rather than as compensation for actual damages.

6. **SECTION IV – DAMAGE TO YOUR AUTO, ADDITIONAL DEFINITIONS USED IN THIS SECTION ONLY** is amended as follows:

"**Your covered auto**" shall also include any other **private passenger auto, utility auto, trailer**, or moving van with a GVW of 18,000 or less not owned by or furnished or available for the regular use of **you** or any **family member**. But no vehicle shall be considered as **your covered auto** unless there is sufficient reason to believe that the use is with the permission of the owner, and **you** are using it within the scope of the permission granted, and unless it is used by **you** or any **family member**.



OREGON MUTUAL INSURANCE GROUP  
UNDERINSURED MOTORISTS BODILY INJURY COVERAGE

G0024AW (10-07)

**You** have this coverage for any vehicle described in the Declarations for which a specific premium charge indicates that Underinsured Motorists Bodily Injury Protection Coverage is afforded.

**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 H - UNDERINSURED MOTORIST BODILY INJURY COVERAGE**

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

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 may be made by arbitration.

**DEFINITIONS USED IN THIS SECTION ONLY**

1. "Auto accident" or "accident" means an unexpected and unintended occurrence, from the standpoint of the **covered person**, resulting from the ownership, maintenance, or use of an auto, resulting in **bodily injury**.
2. "Covered person" means:
  - a. **you** and **your family members**;
  - b. any other person **occupying your covered auto**;
  - c. any other person for **damages** that person is entitled to recover because of **bodily injury to you, a family member, or another person occupying your covered auto**.
3. "Underinsured motor vehicle" means a land motor vehicle or **trailer** which is:
  - a. not insured by a **bodily injury** liability policy or bond at the time of the **auto accident**;
  - b. insured by a **bodily injury** liability policy or bond at the time of the **auto accident** but the amount available or applicable under that bond or policy to a **covered person** is not enough to pay the full amount the **covered person** is legally entitled to recover as **damages**;
  - c. insured by a **bodily injury** liability bond or policy at the time of the **auto accident** but the company denies coverage or is or becomes insolvent;

- d. a hit-and-run vehicle whose operator or owner cannot be identified and which hits or causes an **auto accident** resulting in **bodily injury** without hitting:

- (1) **you** or any **family member**;
- (2) a vehicle which **you** or any **family member** are **occupying**;
- (3) **your covered auto**.

The term **underinsured motor vehicle** does not include a vehicle:

- a. operated on rails or tracks;
- b. while located for use as a residence or premises; or
- c. to which the **SECTION I - LIABILITY COVERAGE** of this policy applies. However, this exception to the definition of **underinsured motor vehicle** does not apply to **you** or any **family member** if **you** or any **family member** sustain **damages** while **occupying**, or when struck by, a vehicle for which coverage under **SECTION I - LIABILITY COVERAGE** of this policy applies.

4. "Phantom vehicle" means a motor vehicle, which causes **bodily injury**, death, or **property damage** to a **covered person** and has no physical contact with the **covered person** or the vehicle, which the **covered person** is occupying at the time of the **accident**.
  - a. If there is no physical contact with the **phantom vehicle** causing the **auto accident**, the facts of the **auto accident** must be proved. **We** will only accept competent evidence other than the testimony of the **covered person** or any other person having an underinsured motorist claim resulting from the **auto accident**.
  - b. **Phantom vehicle** accidents must be reported to the appropriate law enforcement agency within seventy-two hours of the accident.

**EXCLUSIONS**

1. We do not provide Underinsured Motorist Coverage for **bodily injury** sustained by any **covered person**:
  - a. while operating, or **occupying**, any motor vehicle owned by or available for the regular use of **you** or any **family member** which is not insured for **SECTION I - LIABILITY COVERAGE** under this policy. This includes a **trailer** of any type used with that vehicle;
  - b. when **your covered auto** is being used to carry persons or property for a fee. This exclusion does not apply to a share-the-expense car pool;

- c. while operating or **occupying** a motorcycle or motor driven cycle;
  - d. using 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;
  - e. during participation in any organized or agreed upon racing or speed contest or demonstration, or in practice or preparation for any such contest.
  - f. if we can demonstrate that the **covered person** intended to cause the bodily injury for which underinsured motorists coverage is sought.
2. This coverage shall not apply to the benefit of any insurer or self-insurer under any workers compensation or similar law.
  3. **We** do not provide Underinsured Motorist Coverage for punitive or exemplary damages.

## LIMITS OF LIABILITY

### Split Limit

The limit of liability shown in the Declarations for each person for 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 occurrence for Underinsured Motorists 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, or vehicles involved in the **auto accident** or policies issued to **you** by **us**.

### Single Limit

The limit of liability shown in the Declarations for Underinsured Motorists 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 or vehicles involved in the **auto accident** or policies issued to **you** by **us**.

Any amounts otherwise payable for **damages** under either **Split Limit** or **Single Limit** which the **covered person** is legally entitled to recover from the owner or operator of an **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 **SECTION I - LIABILITY COVERAGE** of this policy;

2. Any amount payable for **damages** under this insurance will be reduced by any amount a **covered person** may be paid under PERSONAL INJURY PROTECTION Insurance, provided the **covered person** is fully compensated for all **damages**.

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 COVERAGE**, of this policy.

### OTHER INSURANCE

If there is other applicable similar insurance available under more than one policy or provision of coverage:

1. Any recovery for **damages** for **bodily injury** sustained by a **covered person** may equal but not exceed the higher of the applicable limit for any one vehicle under this insurance or any other insurance.
2. Any insurance **we** provide with respect to a vehicle **you** do not own shall be excess over any other collectible insurance.
3. **We** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits.

### ARBITRATION

If **we** and a **covered person** disagree whether the **covered person** is legally entitled to recover **damages** from the owner or operator of an **underinsured motor vehicle** because of **bodily injury**, or do not agree as to the amount of **damages**, then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree on the third arbitrator within 30 days, either may request that selection be made by a judge of a court having jurisdiction or a Mediation Service Company.

**We** will pay all arbitration expenses. Arbitration expenses do not include attorney fees or expenses incurred in the production of evidence or witnesses or the making of transcripts.

Unless both parties agree otherwise, arbitration will take place in the county in which the **covered person** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to whether the **covered person** is legally entitled to recover **damages** and the amount of **damages**.

### YOUR DUTIES AFTER AN ACCIDENT OR LOSS is amended as follows:

If a **covered person** seeks underinsured motorists coverage under this section, and he or she was an intended victim of the tort-feasor, the incident must be reported to the appropriate law enforcement agency and the **covered person** must cooperate with any related law enforcement investigation.

## SECTION V – GENERAL PROVISIONS

The policy provision **OUR RIGHT TO RECOVER PAYMENT**, is amended as follows:

We shall be entitled to a recovery only after the **covered person** has been fully compensated.

Our rights do not apply under paragraph 1. or 2. with respect to Underinsured Motorist Bodily Injury Coverage if **we**:

1. have been given prompt written notice of a tentative settlement between a **covered person** and the insurer of an **underinsured motor vehicle**; and
2. fail to advance payment to the **covered person** in an amount equal to the tentative settlement within a reasonable time after receipt of notification.

If **we** advance payment to the **covered person** in an amount equal to the tentative settlement within a reasonable time after receipt of notification:

1. That payment will be separate from any amount the **covered person** is entitled to recover under the provisions of Underinsured Motorists Coverage.
2. **We** also have a right to recover the advanced payment.

## PAYMENT OF CLAIMS

Any amount due hereunder is payable:

1. To the **covered person**, or
2. If the **covered person** is a minor, to his parent or guardian, or
3. If the **covered person** is deceased, to his surviving spouse, otherwise
4. At **our** option, to the person authorized by law to receive such payment.



OREGON MUTUAL INSURANCE GROUP  
UNDERINSURED MOTORISTS PROPERTY DAMAGE COVERAGE

G0068AW (7-12)

You have this coverage for any vehicle described in the Declarations for which a specific premium charge indicates that Underinsured Motorists Property Damage Coverage is afforded.

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

**COVERAGE H – UNDERINSURED MOTORIST PROPERTY DAMAGE COVERAGE**

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

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 may be made by arbitration.

**DEFINITIONS USED IN THIS SECTION ONLY**

1. "**Auto accident**" or "**accident**" means an unexpected and unintended occurrence, from the standpoint of the **covered person**, resulting from the ownership, maintenance, or use of an auto, resulting in **property damage**.
2. "**Covered person**" means **you** or any **family member**.
3. "**Property damage**" means physical injury to or destruction of **your covered auto**.
4. "**Underinsured motor vehicle**" means a land motor vehicle or **trailer** which is:
  - a. not insured by a **property damage** liability policy or bond at the time of the **auto accident**;
  - b. insured by a **property damage** liability policy or bond at the time of the **auto accident** but the amount available or applicable under that bond or policy to a **covered person** is not enough to pay the full amount the **covered person** is legally entitled to recover as **damages**;
  - c. insured by a **property damage** liability bond or policy at the time of the **auto accident** but the Company denies coverage or is or becomes insolvent;
  - d. a hit-and-run vehicle whose operator or owner cannot be identified and which hits or causes an **auto accident** resulting in **property damage** without hitting **your covered auto**.

If there is no physical contact with the vehicle causing the **auto accident**, the facts of the **auto accident** must be proved. We will only accept competent evidence other than the testimony of the **covered person** or any other person having an underinsured motorist claim resulting from the **auto accident**.

The term **underinsured motor vehicle** does not include a vehicle:

- a. owned or operated by a self-insurer under any applicable motor vehicle law to the extent that **damages** are payable under a certificate of self-insurance;
- b. operated on rails or tracks;
- c. while located for use as a residence or premises; or
5. "**Covered auto**" means a private passenger motor vehicle or a self-propelled motorhome owned by the **named insured**, and described in the Declarations for which a specific premium charge indicates that underinsured motorists property damage coverage is afforded.

**EXCLUSIONS**

1. We do not provide Underinsured Motorist Coverage for **property damage** sustained by any **covered person**:
  - a. while operating, or **occupying**, any motor vehicle owned by or available for the regular use of **you** or any **family member** which is not insured for **SECTION I – LIABILITY COVERAGE** under this policy. This includes a **trailer** of any type used with that vehicle;
  - b. when **your covered auto** is being used to carry persons or property for a fee. This exclusion does not apply to a share-the-expense car pool;
  - c. while operating or **occupying** a motorcycle or motor driven cycle;
  - d. for the first \$300 of **property damage** as a result of an **auto accident** with a hit-and-run vehicle or the first \$100 in all other situations;
  - e. using 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;
  - f. during participation in any organized or agreed upon racing or speed contest or demonstration, or in practice or preparation for any such contest.
  - g. if **we** can demonstrate that the **covered person** intended to cause the **property damage** for which underinsured motorists coverage is sought.
  - h. for diminution in the value of an **covered auto** after any damage covered under this Section has been repaired.

**Diminution in value** means the actual or perceived loss in market or resale value which results from a direct and accidental loss.
  - i. For loss of use of a **covered auto**.

2. This coverage shall not apply to the benefit of any insurer providing property insurance.

#### LIMITS OF LIABILITY

1. Regardless of the number of **covered persons**, premiums paid, claims made or vehicles involved in the **auto accident**, the most **we** will pay for all **damages** resulting from any one **auto accident** is the Limit of Insurance for Underinsured Motorists Property Damage Coverage shown on the Declaration page.
2. Any amount payable for **damages** under this coverage will be reduced by all sums paid by or for anyone who is legally responsible.
3. **We** will not pay for any **property damage** which is paid under **DAMAGE TO YOUR AUTO** section of this policy.
4. No one will be entitled to duplicate payments for the same elements of **loss**.

#### OTHER INSURANCE

If there is other applicable similar insurance available under more than one policy or provision of coverage:

1. Any recovery for **damages** for **property damage** sustained by a **covered person** may equal but not exceed the higher of the applicable limit for any one vehicle under this insurance or any other insurance.
2. Any insurance **we** provide with respect to a vehicle **you** do not own shall be excess over any other collectible insurance.
3. **We** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits.

#### ARBITRATION

If **we** and a **covered person** disagree whether the **covered person** is legally entitled to recover **damages** from the owner or operator of an **underinsured motor vehicle** because of **property damage**, or do not agree as to the amount of **damages**, either party may make a written demand for arbitration. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree on the third arbitrator within 30 days, either may request that selection be made by a judge of a court having jurisdiction or a Mediation Service Company.

**We** will pay all arbitration expenses. Arbitration expenses do not include attorney fees or expenses incurred in the production of evidence or witnesses or the making of transcripts.

Unless both parties agree otherwise, arbitration will take place in the county in which the **covered person** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to whether the **covered person** is legally entitled to recover **damages** and the amount of **damages**.

#### ADDITIONAL DUTIES

Any **covered person** seeking Underinsured Motorist Property Damage Coverage must also:

1. if there is no physical contact with the vehicle causing the **accident**, a **covered person** must report the **accident** to the appropriate law enforcement agency within 72 hours of the **accident** and cooperate with any related law enforcement investigation;
2. promptly send **us** copies of legal papers if a suit is brought;
3. promptly notify **us** of a tentative settlement between the **covered person** and the insurer of the **underinsured motor vehicle**, and allow **us** a reasonable time to advance payment to the **covered person** in an amount equal to the tentative settlement to preserve **our** rights against the insurer, owner or operator of such **underinsured motor vehicle**.

#### SECTION V – GENERAL PROVISIONS

The policy provision **OUR RIGHT TO RECOVER PAYMENT**, is amended as follows:

**We** shall be entitled to a recovery only after the **covered person** has been fully compensated.

**Our** rights do not apply under paragraph 1. or 2. with respect to Underinsured Motorist Property Damage if **we**:

1. have been given prompt written notice of a tentative settlement between a **covered person** and the insurer of an **underinsured motor vehicle**; and
2. fail to advance payment to the insured in an amount equal to the tentative settlement within a reasonable time after receipt of notification.

If **we** advance payment to the **covered person** in an amount equal to the tentative settlement within a reasonable time after receipt of notification:

1. that payment will be separate from any amount the insured is entitled to recover under the provisions of this endorsement.
2. **We** also have a right to recover the advanced payment.

#### PAYMENT OF LOSS

Any amount due hereunder is payable:

1. to the **covered person**, or
2. if the **covered person** is a minor, to his parent or guardian, or
3. if the **covered person** is deceased, to his surviving spouse, otherwise
4. at **our** option, to the person authorized by law to receive such payment.



OREGON MUTUAL INSURANCE GROUP  
SECTION II - PERSONAL INJURY PROTECTION

G0575AW (7-12)

**You** have this coverage for any vehicle described in the Declarations for which a specific premium charge indicates that Personal Injury Protection coverage is afforded.

**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:

**We** will pay Washington Personal Injury Protection for:

1. **medical and hospital benefits,**
2. **funeral expense benefits,**
3. **income continuation benefits, and**
4. **loss of services benefits**

incurred with respect to **bodily injury** sustained by a **covered 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 **covered person**.

**"Automobile liability insurance policy"** means a policy insuring against loss resulting from liability imposed by law for bodily injury, death, or property damage suffered by any person and arising out of the ownership, maintenance, or use of an insured automobile. An automobile liability policy does not include:

1. Vendors, single interest or collateral protection coverage;
2. General liability insurance; or
3. Excess liability insurance, commonly known as an umbrella policy, where coverage applies only as to excess to an underlying automobile policy.

**"Covered person"** means

1. the named insured or a person who is a resident of the named insured's household and is either related to the named insured by blood, marriage, or adoption, or is the named insured's ward, foster child, or stepchild; or
2. a person who sustains **bodily injury** caused by accident while: (a) occupying or using the insured automobile with the permission of the named insured; or (b) a **pedestrian** accidentally struck by the insured automobile.

**"Income continuation benefits"** means payments for the **covered person's** loss of income from work, because of bodily injury sustained by the insured in an automobile accident, less income earned during the benefit payment period. The benefit payment period begins fourteen days after the date of the automobile accident and ends at the earliest of the following:

1. the date on which the **covered person** is reasonably able to perform the duties of his or her usual occupation;
2. fifty-four weeks from the date of the automobile accident; or
3. the date of the **covered person's** death.

**"Insured motor vehicle"** means a vehicle owned by **you**, described in the Declarations to which Washington Personal Injury Protection Benefits apply and for which a specific premium is charged.

**"Loss of services benefits"** means reimbursement for payment to others, not members of the insured's household, for expenses reasonably incurred for services in lieu of those the **covered person** would usually have performed for his or her household without compensation, provided the services are actually rendered.

Reimbursement for loss of services ends the earliest of the following:

1. the date on which the **covered person** is reasonably able to perform those services;
2. fifty-two weeks from the date of the automobile accident; or
3. the date of the **covered person's** death.

**"Medical and hospital benefits"** means payments for all reasonable and necessary expenses incurred by or on behalf of the **covered person** for injuries sustained as a result of an **automobile accident** for health care services provided by persons licensed under Title 18 RCW, including pharmaceuticals, prosthetic devices and eyeglasses, and necessary ambulance, hospital, and professional nursing service. Medical and hospital benefits are payable for expenses incurred within three years from the date of the automobile accident.

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

1. a farm type tractor or other self-propelled equipment designed for use principally off public roads;
2. a vehicle operated on rails or crawler treads;
3. a vehicle located for use as a residence;
4. a motor home - meaning a **motor vehicle** originally designed, reconstructed, or permanently altered to provide facilities for human habitation;



5. a moped - meaning any two-wheeled or three-wheeled device having fully operative pedals for propulsion by human power and a motor with a cylinder displacement not exceeding fifty cubic centimeters which produces no more than two gross brake horsepower (developed by a prime mover, as measured by a brake applied to the driving shaft) and is capable of propelling the device at a maximum speed of not more than thirty miles per hour on level ground, and the wheels of which are at least sixteen inches in diameter.

"**Named insured**" means the individual named in the Declarations of the policy and includes his or her spouse if a resident of the same household.

"**Occupying**" means in or upon or entering into or alighting from.

"**Pedestrian**" means any person afoot.

## EXCLUSIONS

We will not pay:

1. For **bodily injury** to a person who intentionally causes injury to himself or herself.
2. A person who is injured while participating in a prearranged or organized racing or speed contest or in practice or preparation for such contest.
3. For **bodily injury** due to war, whether or not declared, or to an act or condition incident to such circumstances.
4. For **bodily injury** sustained by **you** or a **family member** while **occupying** any **motor vehicle** owned by **you** or a **family member** or furnished for you or family members regular use and not insured by a **motor vehicle** liability policy which provides Washington Personal Injury Protection Benefits with respect to the use and maintenance of that vehicle.
5. For **bodily injury** to any person arising out of the ownership, maintenance, or use of any motorized vehicle with less than four wheels.
6. For **bodily injury** resulting from the radioactive, toxic, explosive or other hazardous properties of nuclear material.
7. To a **covered person** whose **bodily injury** results or arises from the insured's use of an automobile in the commission of a felony.
8. For **bodily injury** sustained by a **covered person** or a relative while occupying a motor vehicle owned by the named insured or furnished for the named insured's regular use, if such motor vehicle is not described on the declaration page of the policy under which a claim is made, or
9. For **bodily injury** sustained by a **covered person** while occupying a motor vehicle owned by the relative or furnished for the relative's regular use, if such motor vehicle is not described on the declaration page of the policy under which a claim is made.

## 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 Washington Personal Injury Protection Benefits with respect to **bodily injury** sustained by any one **covered person** in any one **motor vehicle** accident is limited as follows:

1. The total amount payable shall not exceed the sum of:
  - a. \$10,000 for **medical and hospital expenses** incurred within three years of the **automobile accident**, or such higher limit of liability as is stated in the declarations page of this policy to which this endorsement is attached.
  - b. \$2,000 for **funeral expenses**.
  - c. \$10,000 **income continuation benefits** or such higher limit of liability as is stated in the declarations page of the policy to which this endorsement is attached, subject to a limit of \$200 per week. The combined weekly payment an insured may receive under personal injury protection coverage, worker's compensation, disability insurance, or other income continuation benefits may not exceed 85% of the **covered person's** weekly income from work.  
If your declaration page shows that you have purchased PIP protection with either a \$35,000 or \$50,000 option, the **income continuation benefit** limit is increased \$35,000, subject to a limit of \$700 per week.
  - d. \$5,000 for **loss of services benefits**, subject to an amount up to \$40 per day and a maximum limit of \$200 per week.  
If your declaration page shows that you have purchased PIP protection with either a \$35,000 or \$50,000 option, the **loss of services benefits** limit is increased to \$14,600, subject to a limit of \$40 per day.
  - e. Payments made under personal injury protection coverage are limited to the amount of actual **loss** or expense incurred.
2. Any Washington Personal Injury Protection Benefits payable to a covered person under this policy shall be applied in reduction of the amount of **damages** that **you** may be entitled to recover from **us** under Auto Liability or Underinsured Motorist Coverage for the same accident.
3. Any Washington Personal Injury Protection Benefits payable under this endorsement shall be reduced by any amount paid or payable under any:
  - a. workers' compensation law; or
  - b. any other similar medical or disability benefits law, excluding Medicare.

## NOTICE

In the event of an **auto accident**, written notice containing particulars sufficient to identify the **covered persons**, and also reasonably obtainable information respecting the time, date, place and circumstance of the **auto accident** shall be given by or on behalf of each **covered person** to **us** or any of **our** authorized agents as soon as practicable. If any **covered person** or his or her 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 **covered person** or his or her legal representative.

Any **covered 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.

## MEDICAL REPORTS; PROOF OF CLAIM

As soon as practicable the **covered person** or someone on his or her 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 **covered person** shall submit to physical examinations by physicians selected by **us** when and as often as **we** may reasonably require.

The **covered person**, or in the event of his or her incapacity or death, his or her 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 **covered person**, as a condition for receiving **income continuation benefits**, cooperate in furnishing **us** reasonable medical proof of his or her inability to work.

## PAYMENT OF CLAIMS

**We** will pay any amount due:

1. To the **covered person**;
2. If the **covered person** is a minor or an incompetent person, to the parent or legal guardian;
3. If the **covered 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.

## SUBROGATION

**We** are entitled to recover from responsible third parties any payments **we** make to **you** at **our** own cost through subrogation against such parties. **You** must do nothing to impair **our** right of subrogation against such parties and, when **we** ask, must assist **us** in exercising **our** subrogation rights against such parties.

## REIMBURSEMENT

If **you** recover for **your** bodily injury, property damage or loss from any responsible third parties and have been fully compensated by such recovery, **we** are entitled to reimbursement of the amounts paid to **you** in Personal Injury Protection benefits. If **you** bring suit to recover from any responsible third parties, **you** must notify **us** immediately. In the event **you** bring suit and fully recover from any responsible third parties, **we** agree to pay **our** fair share of legal expenses incurred by **you** in obtaining the recovery, if the expenses were incurred to **our** benefit. **Our** fair share of legal expenses is that percent of the legal expenses that the amount **we** recover bears to the total recovery.

## ARBITRATION

If **we** and the **covered person** do not agree as to the amount payable under this Section, either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree on the third arbitrator within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

Unless both parties agree otherwise, arbitration will take place in the county and state in which the **covered person** lives. A decision agreed to by two of the arbitrators will be binding.

## OTHER INSURANCE

If there is other applicable personal injury protection insurance or auto medical coverage, **we** will pay only **our** share. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide with respect to a vehicle **you** do not own shall be excess over any other collectible insurance providing auto medical payments, or personal injury protection insurance.



## INSURING AGREEMENT

**You** have this coverage for any vehicle described in the **Declarations** for which a specific premium charge indicates that Emergency Assistance Package applies to **your covered auto**. The coverages listed below are included in **your** policy. These coverages are in excess of any other collectible insurance unless otherwise stated. No deductible applies to these coverages.

**Your covered auto** as used in this endorsement means a motor vehicle owned by **you** and for which a specific premium is shown on the **Declarations** for this coverage.

### 1. Transportation Expenses and Rental Cost

- a. **We** will reimburse **you** up to \$100 for necessary transportation expenses actually incurred by **you** or a **family member** if **your** car is disabled to the degree that it might not be driven safely. Coverage begins at the place of disablement and ends when **you** or any **family member** arrives at:
  - (1) **Your** residence; or
  - (2) The nearest location **your covered auto** can be repaired or replaced.
- b. **Rental Cost** coverage under **SUPPLEMENTARY PAYMENTS – SECTION IV** in the policy is replaced by the following. Subject to the Rental Cost limit shown in this endorsement, **we** will pay for:
  - (1) Transportation expenses incurred by **you** in the event of a **loss** to **your covered auto** covered under this endorsement.
  - (2) Indirect **loss** expense for which you become legally responsible in the event of a **loss** to a non-owned auto.
  - (3) Any deductible amount **you** are legally responsible for paying on a temporary substitute auto rented from a car rental agency or garage.

This coverage applies only if:

- (1) **Your covered auto** or the non-owned auto is withdrawn from use for more than 24 hours (except for disablement expenses); and
- (2) The **loss** is caused by **comprehensive** or a **collision** covered peril.
- (3) When a deductible applies to the insured peril, the **loss** must exceed the deductible amount.
- (4) **You** give **our** authorized representatives or **us** evidence of your expenses.

**Our** payment will be limited to that period off time reasonably required to repair or replace the **covered auto**. **We** will pay up to \$50 per day with a maximum payable of \$1,500).

This coverage shall apply regardless of the expiration date of the policy period, provided the **loss** occurs during the policy period.

### 2. Emergency Expenses

If **you** are more than 25 miles from **your** home and **your covered auto** or any non-owned auto sustains a **loss** covered under the **comprehensive** or **collision** coverages of **your** policy and is inoperable or uninhabitable, **we** will pay up to \$500 in any one occurrence, for reasonable and necessary expenses for:

- a. Alternative transportation for **you** to continue to your destination or home.
- b. Meals and lodging necessary when the **loss** to **your covered auto** causes a delay en route. The expenses must be incurred between the time of the **loss** and **your** arrival at **your** destination or home or by the end of the fifth day, whichever comes first.
- c. Meals, lodging and transportation expenses **you** incur when **you** or any other person **you** choose, drive **your covered auto** from the place of repair to **your** destination or home.

### 3. Towing and Labor Costs Coverage under SUPPLEMENTARY PAYMENTS – SECTION IV in the policy is replaced by the following:

**We** will pay reasonable expenses incurred each time **your covered auto** or a non-owned auto is disabled, for:

- a. Towing to the nearest place where the necessary repairs can be made during regular business hours if it will not run;
- b. Towing to dislodge the vehicle from its place of disablement if on or next to a public street or highway.
- c. Mechanical labor up to one hour at the place of its breakdown, including change of tire; or
- d. Delivery of gasoline, oil or loaned battery. **We** do not pay for the cost of these items.

### 4. Personal Property Coverage

a. **We** will pay up to \$500 in any one occurrence for **loss** to personal property owned or used by **you** or any **family member**, while located in or near **your covered auto** while away from **your** residence premises. This coverage does not apply to:

- (1) Animals, birds or fish;
- (2) Motorized vehicles;

- (3) Aircraft;
- (4) Property carried or held as samples or for sale or delivery after sale;
- (5) Property rented or held for rental to others;
- (6) Money or currency, prepaid cards or passes, monetary value carried on an electronic chip or magnetic cards, securities, debit cards, checks, cashier's checks, travelers checks, money orders, and other negotiable instruments; or
- (7) Items described in b.(2) below.

If **your covered auto** is stolen from **your** residence premises and Comprehensive Coverage applies to **your covered auto**, we will pay up to \$250 for direct **loss** to clothes, luggage, camping gear, and other sporting equipment. The property must be owned by **you** or any **family member** and be in **your covered auto** at the time of **loss**.

- b. In case of total theft of **your covered auto**, we will pay:
  - (1) Up to \$100 for a car telephone which is permanently installed in **your covered auto**.
  - (2) The lesser of the following limits for direct **loss** due to theft of tapes, records, discs or other media:
    - (a) \$50;
    - (b) The actual cash value of the stolen or damaged property; or
    - (c) The amount necessary to replace the property with other property of like kind and quality.

## 5. Lock Coverage

We will pay up to \$125 per occurrence for:

- a. Locksmith services to unlock **your covered auto** and/or to replace the required key. Locksmith services also apply to a motor home and travel or camping trailers if the vehicle is shown on the **Declarations**.
- b. Expenses to repair or replace door or window locks on **your covered auto**, when it is likely that the corresponding key has been stolen.

Coverage does not apply to:

- a. Keys pertaining to any residence premises where **you** reside or dwelling under construction or renovation.
- b. Lost keys entrusted to any person who is not insured under this policy.

## 6. Liability Coverage Supplementary Payments

We will increase payment for loss of earnings up to \$200 per day, when **you** or a **family member** attend trials or hearings at our request.



## OREGON MUTUAL INSURANCE COMPANY

### IMPORTANT NOTICE TO POLICYHOLDERS

G8696AW (7-12)

Dear Policyholder,

Effective with the renewal of your policy, we have made the following changes to your coverage:

#### Amendment of Policy Provisions G0049AW (7-12)

- Under **Your Duties After An Accident Or Loss, Other Duties**, we have added item **6**, which allows us to examine any insured under oath as stated in the amendment.
- Your policy now includes liability, comprehensive and collision coverage for moving vans with a gross vehicle weight of 18,000 or less, if they are not owned or available for the regular use of you or a family member.
- Coverage for Personal Vehicle Sharing is now excluded.  
In the past, policyholders who share their personal vehicles have been ineligible for coverage under an Oregon Mutual policy. Washington H-2394 allows individuals who insure their private passenger motor vehicles to participate in a Personal Vehicle Sharing Program. The bill also authorizes insurers of the vehicle to exclude any and all coverage afforded under the vehicle owner's automobile insurance policy while the vehicle is used by a person other than the owner as part of a Personal Vehicle Sharing Program.  
If you decide to participate in any Personal Vehicle Sharing Program, you will need to discuss H-2394 with your insurance agent, to assure that you do not have any gaps in insurance coverage, and to also become familiar with the insurance and reporting requirements for such programs.
- Under the exclusions for **Section I – Liability**, exclusion **14** has been added.  
**14.** We do not provide coverage for fines, penalties, double or treble damages; punitive, exemplary or vindictive damages; or any other type of added damages intended to punish or deter wrongful conduct rather than as compensation for actual damages.
- If you have purchased **Underinsured Motorists Bodily Injury** coverage, form **G0024AW** will be listed on your declaration page and a premium shown for the covered vehicle(s). For this optional coverage, Exclusion **3** for punitive and exemplary damages has been replaced by the wording shown under exclusion **14** above.
- If you have purchased **Uninsured Motorists Property Damage** coverage for one or more vehicles, form **G0068AW** will be listed on your declaration page and a premium shown for the covered vehicle(s). For this optional coverage, Exclusion **3** for punitive or exemplary damages has been added as follows:  
**3.** We do not provide coverage for fines, penalties, double or treble damages; punitive, exemplary or vindictive damages; or any other type of added damages intended to punish or deter wrongful conduct rather than as compensation for actual damages.

#### Underinsured Motorists Property Damage Coverage G0068AW (7-12)

If form **G0068AW** is attached, in addition to the change to punitive and exemplary damage Exclusion **3** described on the **Amendment of Policy Provisions** above, the following changes apply:

- We have added Definition **5**, which describes what is meant by "**Covered auto**".
- We have added Exclusions **1.h.** diminution in the value of a **covered auto**, and **1.i.** loss of use of a **covered auto**.

#### Personal Injury Protection G0575AW (7-12)

If you have purchased **Personal Injury Protection** coverage, form **G0575AW** will be listed on your declaration page and a limit and premium shown for the covered vehicle(s). Under this endorsement, coverage for medical and hospital expenses can be purchased at a limit of \$10,000; \$35,000; or \$50,000. The optional limit of \$50,000 and other coverage provided if you choose to purchase that limit is now shown on the endorsement under Limits of Liability.

#### Emergency Assistance Package G0094A (7-12)

If you have purchased **Emergency Assistance Package** coverage for one or more vehicles, form **G0094A** will be listed on your declaration page and a premium shown for the covered vehicle(s). We have made the following changes to this optional endorsement:

##### **3. Towing and Labor Costs Coverage**

Under **3.b.**, we have clarified that we will tow your vehicle in order to dislodge it from where it is disabled, if it is next to a public street or highway. Under **3.c.** it now states that mechanical labor coverage includes the change of a tire.

**4. Personal Property Coverage**

No coverage is provided for money, prepaid cards, travelers' checks, and other negotiable instruments. (If you have a homeowner policy, some coverage for these items is provided there.)

Tapes, discs and other media have a separate limit of \$50.

**5. Lock Coverage**

Coverage for key replacement and locksmith services has been increased from \$50 to \$125.

**6. Liability Coverage Supplementary Payments**

Loss of earnings if you or a family member attends trials or hearings at our request is increased from \$100 to \$200 per day.

Please read the enclosed endorsement(s) and keep them with your automobile policy. If you have any questions regarding the changes to your policy, please contact your Oregon Mutual agent.

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



Eric Cutler, CPCU, CIC, AINS  
Director, Personal Lines Underwriting