

AMENDMENT OF POLICY PROVISIONS – MASSACHUSETTS

I. PART A – LIABILITY COVERAGE

Part A is amended as follows.

- A. Paragraph A. of the Insuring Agreement is replaced by the following paragraph.

We will pay damages for “bodily injury” or “property damage” for which any “insured” becomes legally responsible because of an auto accident. Damages include prejudgment interest awarded against the “insured”. We have the right to defend any lawsuit brought against anyone covered under this policy. We will only defend such persons for damages which might be payable under this policy. We also have a duty to defend any such lawsuit, even if it is without merit. Our duty to defend ends when we tender, or pay to any claimant or to a court of competent jurisdiction, with the court’s permission, the maximum limits of coverage under this policy. We also may end our duty to defend at any time during the course of the lawsuit, by tendering, or paying the maximum limits of coverage under the policy. We do not need a judgment or settlement of the lawsuit or a release by the claimant.

We have the right to settle any claim or lawsuit as we see fit. If any person covered under this policy settles a claim without our consent, we will not be bound by that settlement.

II. PART D – COVERAGE FOR DAMAGE TO YOUR AUTO

Paragraphs A. and B. are amended as follows.

- A. We will pay for direct and accidental loss to “your covered auto” or any “non-owned auto,” including their equipment, minus any applicable deductible shown in the Declarations. We will pay for loss to “your covered auto” caused by:

- (1) Other than “collision” only if the Declarations indicate that Other Than Collision Coverage is provided for that auto.
- (2) “Collision” only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a “non-owned auto,” we will provide the broadest coverage applicable to any “your covered auto” shown in the Declarations.

- B. “Collision” means the upset of “your covered auto” or a “non-owned auto” or their impact with another vehicle or object.

We consider glass breakage when not involving other collision loss to be other than “collision” and not a “collision” loss. Losses caused by vandalism, fire and theft, missiles, falling objects, larceny, explosion, earthquake, windstorm, hail, water, flood, malicious mischief, riot or contact with a bird or animal are also other than “collision”.

Any deductible indicated in the Declarations does not apply to glass breakage under other than “collision” coverage.

If we pay for the total loss of “your covered auto” as a result of a fire or theft, we may suspend coverage for a fire or theft loss under this Part for any replacement auto. However, if it is made reasonably available for our inspection within two business days following the day you acquired it, we will not suspend coverage. We may also raise your deductible unless you install an approved anti-theft device in the replacement auto.

III. PART F – GENERAL PROVISIONS

Part F is amended as follows.

A. The Termination provision is replaced by the following:

Cancellation. This policy may be cancelled during the policy period as follows.

1. The named insured shown in the Declarations may cancel by:
 - a. Returning this policy to us.
 - b. Giving us at least 20 days advance written notice of the date cancellation is to take effect.
2. We can cancel all or any part of this policy if:
 - a. You have not paid your premium on this policy.
 - b. We find that you were responsible for fraud or material misrepresentation when you applied for this policy or any extension or renewal of it.
 - c. Your driver’s license or auto registration has been under suspension or revocation during the policy period.
3. We can cancel “Collision” and Other Than “Collision” Coverage on a vehicle:
 - a. Customarily driven by or owned by persons who have within the last five years been convicted of vehicle homicide, auto related fraud, or auto theft.
 - b. Customarily driven by or owned by persons who have within the last five years made an intentional and material misrepresentation in making claim under those coverages.
 - c. Customarily driven or owned by persons who have within the last three years, been convicted of any category of driving under the influence of alcohol or drugs.
 - d. Designated as a “high-theft vehicle” which does not have at least a minimum anti-theft or auto recovery device as prescribed by the Commissioner of Insurance.
4. We may likewise cancel:
 - a. “Collision” on a vehicle customarily driven by or owned by persons who, within three years preceding the effective date of this policy, have been involved in four or more at-fault auto accidents. An at-fault auto

accident is one in which you or any person who customarily drives "your covered auto" was more than 50% at fault.

- b. Other than "Collision" Coverage on a vehicle customarily driven by or owned by persons who have two or more total auto theft or fire insurance claims within the three years immediately preceding the effective date of this policy.

If the driver's license of anyone residing in your household who usually operates "your covered auto" has been under suspension or revocation during the policy period, we may suspend coverage for that person.

We can cancel Towing and Labor for reasons other than those listed above if done within the first 90 days of the policy period.

Any notice of cancellation will be sent to you at your last address shown on the Declarations at least 20 days prior to the effective date. A notice sent by regular mail, for which a certificate of mailing receipt has been obtained from the United States Postal Service, will be considered sufficient notice.

In order for us to cancel the rights of any loss payee shown on the Declarations, a notice of cancellation must also be sent to the loss payee in a similar manner.

If we cancel, the amount of your refund will be determined by a pro rata table based on the number of days the policy was in effect. If the policy is cancelled by you or by law, you will get a refund, which is less than proportional to the time involved. It will be based instead on a "short rate" table which compensates us for our expenses in servicing your policy.

IV. LOSS PAYABLE CLAUSE

Sometimes the Declarations indicate that a loss payee has a secured interest in your auto. If so, we will make payments under "Collision," and Other Than "Collision" according to the legal interests of each party.

The loss payee's right of payment will not be invalidated by your acts or neglect. However, we will not pay if the loss of or damage to "your covered auto" is the result of conversion, embezzlement, or secretion by you or any family member. Also, we will not pay if the loss of or damage to "your covered auto" is the result of arson, theft or any other means of disposal committed by you or at your direction.

When we pay any loss payee we shall, to the extent of our payment have the right to exercise any of the loss payee's legal rights of recovery. If you do not file a proof of loss as provided in this policy, the loss payee must do so. This filing must be done within 30 days after the loss or damage becomes known to the loss payee.

In order for us to cancel the rights of any loss payee shown on the Declarations, a notice of cancellation must be sent to the loss payee as provided in this policy.

V. ACTUAL CASH VALUE

Whenever the appraised cost of repair of an auto plus the probable salvage value of the auto may be reasonably expected to exceed the actual cash value of the auto, we shall determine the auto's actual cash value. Our determination shall be based on a consideration of all of the following factors:

- (1) The retail book value for an auto of like kind and quality, but for the damage incurred;
- (2) The price paid for the auto plus the value of prior improvements to the auto at the time of the accident, less appropriate depreciation;
- (3) The decrease in value of the auto resulting from prior unrelated damage which is detected by the appraiser; and
- (4) The actual cost of purchase of an available auto of like kind and quality but for the damage sustained.

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III. PART F – GENERAL PROVISIONS

Part F is amended as follows.

A. The Termination provision is replaced by the following:

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 - a. Returning this policy to us.
 - b. Giving us at least 20 days advance written notice of the date cancellation is to take effect.
2. We can cancel all or any part of this policy if:
 - a. You have not paid your premium on this policy.
 - b. We find that you were responsible for fraud or material misrepresentation when you applied for this policy or any extension or renewal of it.
 - c. Your driver’s license or auto registration has been under suspension or revocation during the policy period.
3. We can cancel “Collision” and Other Than “Collision” Coverage on a vehicle:
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 - b. Customarily driven by or owned by persons who have within the last five years made an intentional and material misrepresentation in making claim under those coverages.
 - c. Customarily driven or owned by persons who have within the last three years, been convicted of any category of driving under the influence of alcohol or drugs.
 - d. Designated as a “high-theft vehicle” which does not have at least a minimum anti-theft or auto recovery device as prescribed by the Commissioner of Insurance.
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