

1986

Metropolitan Property and Liability Insurance Company v. Neal W. Finlayson, Lee Childs, Michelle Childs : Brief of Appellant

Utah Supreme Court

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UTAH COURT OF APPEALS
BRIEF

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DOCKET NO. 860204-CA IN THE SUPREME COURT

OF THE

STATE OF UTAH

METROPOLITAN PROPERTY &
LIABILITY INSURANCE COMPANY,

Plaintiff,

vs.

NEAL W. FINLAYSON, Individually,
and LEE CHILDS, Individually and
as Guardian ad Litem of MICHELLE
CHILDS, a minor,

Defendants.

Appeal No. 860274

860204-CA

#13. B

BRIEF OF APPELLANT LEE CHILDS

Appeal from the Judgment of the

Third Judicial District Court, Salt Lake County,

the Honorable David B. Dee, District Judge, Presiding.

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FILED

NOV 14 1986

Court, Utah

METROPOLITAN PROPERTY &
LIABILITY INSURANCE COMPANY,

vs.

NEAL W. FINLAYSON, Individually,
and LEE CHILDS, Individually and
as Guardian ad Litem of MICHELLE
CHILDS, a minor,

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STATEMENT OF THE ISSUE

The issue crucial to this appeal is whether the trial judge erred in denying defendant Child's Motion for Summary Judgment and/or in granting plaintiff Metropolitan's Motion for Summary Judgment by that court's Order dated April 18, 1986.

STATEMENT OF THE CASE

This action arises from an automobile accident which occurred in Salt Lake City on or about March 30, 1982 wherein defendant Neal W. Finlayson while operating a 1978 Chevrolet pick-up truck collided with an automobile occupied by appellant's late wife Michelle Childs and operated by one Michael B. Barton. The accident resulted in the immediate death of Michelle Childs and bodily injuries to Michael D. Barton. Plaintiff-Appellant Metropolitan Property and Liability Insurance Company commenced this action for declaratory judgment to determine the applicability of the liability provisions of Metropolitan's policy of automobile insurance to claims of appellant Childs and others against Metropolitan's insured operator Neal W. Finlayson. Appellant Childs intervened in the district court action as a party defendant. Following discovery the parties agreed to a stipulated statement of facts dated June 27, 1985, and based upon that stipulation of facts submitted mutual motions for summary judgment.

The trial court, the Honorable David B. Dee, entered an order dated April 18, 1986 denying defendant-appellant Child's motion for summary judgment and granting the motion for summary judgment of plaintiff-respondent Metropolitan. Defendant-appellant Childs appeals from that order of the district court.

From the stipulated statement of facts it is apparent that Mr. Neal Finlayson was intoxicated at the time of the accident and was driving the company owned truck not only without permission from his employer but contrary to his employer's specific instructions.

The specific policy term at issue provides liability coverage to Neal Finlayson at the times he is operating "non-owned" vehicles. The policy defines, in relevant part a "non-owned" vehicle as being one which is not "available" for the insured's "regular use". The legal meaning of the undefined policy provision "regular use" is the issue for consideration on appeal. The question presented is whether the district court erred in determining as a matter of law that the accident vehicle was one "available" for the insured's "regular use" under the stipulated facts, the policy terms, and applicable decisional law.

The accident vehicle was company-owned and was only to be used from company business. Neal Finlayson was at the time of the accident using the vehicle for a personal purpose even though such use was prohibited by his employer. Appellant's position on appeal is that Neal Finlayson's unauthorized personal use of a business vehicle cannot be construed to imply that the vehicle was one made "available" to him for this "regular use" and exclude such operation from coverage.

The following relevant facts were established for purposes of this appeal by the parties' stipulation:

FACTS

1. Neal and Terri Finlayson, his wife, applied for and were issued an insurance policy from Metropolitan for their 1980 Chevrolet Monte Carlo which became effective subject to the terms and conditions of the policy on November 27, 1980.

2. Defendant Neal W. Finalyson was involved in an automobile accident which occurred on or about March 30, 1982 in Salt Lake City, Utah.

3. Defendant Finlayson was at the time operating a 1978 Chevrolet pickup truck owned by his employer, FINCO Brothers, Inc.

4. The employer directed that all corporate vehicles were to be used only for company purposes and that they were not to be used for any personal use.

5. Most of the company vehicles were parked each night at the company's storage yard.

6. Neal Finalyson was the company mechanic and was often called out at night to repair company equipment. Because of this he kept his repair tools in the 1978 Chevrolet pickup and at the company's request kept the truck to his residence during non-business hours. This allowed him to respond to off-hours repair calls more quickly.

7. During the four year period of his employment prior to March 30, 1982, defendant Neal Finlayson had used the company truck without permission perhaps once or twice for local errands. It was Neal Finalyson's understanding that any personal use of the vehicle required the prior consent or permission of FINCO Brothers Inc.'s management.

8. As part of his business duties, Neal was required to work eight hours each day. The only time he could depart from business activities during those hours was when he obtained prior permission from Max Finlayson of FINCO Brothers, Inc.

9. March 30, 1982 was a slow day at work for defendant Neal Finlayson and his brother Tom. They had been instructed by their employer to drive to a second business location after lunch and do some repair work there for the balance of the day.

10. Neal and Tom decided however to get lunch and then

take the rest of the day off.

11. Tom and Neal went to lunch at about noon. Tom asked Neal to stop at the "Animal House," a bar located at 900 South and State Street in Salt Lake City.

12. Tom and Neal remained at the Animal House until approximately four o'clock that afternoon during which time they consumed a substantial but unknown quantity of beer.

13. Tom and Neal's absence from work that afternoon and their sojourn at the bar were not only unauthorized but their use of the company vehicle for such private purposes was strictly against company policy.

14. The Finlayson brothers left the bar with Neal Finlayson driving the company truck and were on their way home when the accident occurred.

15. These and other relevant facts are as stipulated between the parties.

SUMMARY OF ARGUMENTS

Defendant-appellant argues on appeal that the accident vehicle was not one furnished or "available" for the "regular use" of Metropolitan's insured Neal Finlayson, and that the company truck in question was not at the time of the subject accident being used for the purpose for which it was furnished. For either or both of those reasons, defendant-appellant Childs argues that the policy exclusion upon which Metropolitan relies to avoid coverage does not apply.

ARGUMENT

POINT I

THE ACCIDENT VEHICLE WAS NOT ONE
FURNISHED OR AVAILABLE FOR THE "REGULAR USE"
OF THE INSURED.

Metropolitan's policy insuring Neal and Terri Finlayson generally provides that the insurer will pay, in the insured's behalf, all amounts the insured becomes legally obligated to pay by reason of the use of a non-owned automobile by the insured. The policy defines a "non-owned automobile" as follows:

"Non-owned automobile" means an automobile which is neither owned by nor furnished nor available for the regular use of either the named insured or any relative..."

There is unfortunately no policy definition of the term "regular use". This court must therefore determine whether, under the conditions the accident vehicle was in defendant Neal Finlayson's possession, it was a vehicle furnished or available for his "regular use."

The quoted language constitutes a policy exclusion as to which the plaintiff insurer has the burden of proof in order to avoid coverage. The insurer drafted the exclusion and under well-established Utah law the policy language and any ambiguities or uncertainties in it must be construed strictly against the insurer. Williams v. First Colony Life Insurance Co., 593 P.2d 534 (Utah 1979); American Casualty Co. v. Eagle Ins. Co. Ltd., 568

P.2d 731 (Utah 1977); Bergera v. Ideal National Life Insurance Co., 524 P.2d 599 (Utah 1974); and Christensen v. Farmers Insurance Exchange, 21 Utah 2d 194, 443 P.2d 385 (1968).

It is also basic insurance law that extensions of coverage are to be construed broadly whereas exclusions, exceptions and limitations require a narrow construction; on the theory that the insurer, having affirmatively expressed coverage through broad promises, assumes a duty to define any limitations on such coverage in clear and explicit language. Krug v. Miller's Mutual Insurance Association of Illinois, 209 Kan. 111, 495 P.2d 949 (1972); Roach v. Churchman, 431 F.2d 849 (8th Cir. 1970); Stanley v. Onetta Boat Works, Inc., 431 F.2d 241 (9th Cir 1970); Hahn v. Alaska Title Guaranty Co., 557 P.2d 143 (Alaska 1976); Mission Insurance Co. v. Nethers, 119 Ariz. 405, 581 P.2d 250 (1978); Brenner v. Aetna Insurance Co., 8 Ariz. App. 272, 445 P.2d 474 (1968); and Beeson v. State Auto & Casualty Underwriters, 32 Colo. App. 62, 508 P.2d 402, aff'd 183 Colo. 284, 416 P.2d 623 (1973).

As indicated, Metropolitan has chosen language which it has elected to leave undefined in the policy. The meaning of the chosen language is therefore unclear, uncertain, and ambiguous. To that extent strict construction against its creator is demanded.

The term "regular use" has been judicially defined as follows:

The phrase "regular use"...denotes continuous use; uninterrupted normal use for all purposes; without limitations as to use; and customary use as opposed to occasional use or special use.

Travelers Indemnity Co. v. Hudson, 15 Ariz. App. 371, 488 P.2d 1008 at 1012 (1979). See also Eureka v. Security Fire & Marine Insurance Co. v. Simon, 401 P.2d 759 (Arizona, 1965); Safeco Insurance Co. of America v. Thomas, 224 Cal. App. 2d 209, 52 Cal Rptr. 910 (1966).

With but two exceptions during the proceeding four years, defendant Neal Finlayson never had the right to use any company truck for his personal use. What he had was not the right to the "uninterrupted normal use" of the company truck. Outside of his business use of company vehicles, those vehicles were available to him only on rare occasions and with prior authorization from his employer. This was a strict limitation placed upon use of the truck by the employer from the time the truck was purchased. The two times Neal Finlayson used the truck for unauthorized errands can only be considered as "occasional" and not "customary" or "uninterrupted normal use". Under the quoted authority the availability of the truck to Neal Finlayson could not be considered "regular use" for purposes of application of the exclusionary clause of the policy.

The Supreme Court of New Jersey has defined the term "regular use" for these purposes as "some plenary right to use. ." (emphasis added) Di Orio v. New Jersey Manufacturers Insurance Co., 63 N.J. 597, 311 A.2d 378, 381 (1973). Considering the strict limitations which were imposed on personal use by an employee, it cannot be argued that Neal Finlayson had any "plenary" right to use the accident vehicle. His use was limited

to business purposes only and Such use could not therefore be considered "regular use" by the Di Orio standard. Neither would it be considered "regular use" under Southern Railway Co. v. State Farm Mutual Insurance Co., where it was held that "permission to use an automobile only to go to and from work, requiring special permission to use it at other times, is not considered regular use." Id. 357 F. Supp. 810 (Georgia 1972).

In Farm Bureau Mutual Auto Insurance Co. v. Marr, 128 F. Supp. 67 (DNJA55), the court laid out the following guidelines for determining the meaning of the term "regular use" for insurance purposes:

1. Was the use of the car in question made available most of the time to the insured?
2. Did the insured make more than mere occasional use of the car?
3. Did the insured need to obtain permission to use the car or had that been granted by blanket authority?
4. Was there a purpose for the use of the car in the permission granted if not by blanket authority and was it being used for such purpose?
5. Was it being used in the area where such car would be expected to be used?

Id. at 71.

These guidelines have also been adopted in other states. See Bringle v. Economy Fire & Casualty Co., 169 N.W.2d 879 (Iowa 1969).

In applying these guidelines to the present case we find:

1. The truck in question was a business vehicle and

strict company policy prevented its personal use by any employee. Neal Finlayson's personal use of the truck occurred less than once a year.

2. The infrequent personal use of the company vehicle by Neal Finlayson cannot even be considered as "occasional " personal use.

3. The stated company policy was that there would be no personal use of compnay vehicles without prior permission, and on March 30, 1982 Neal finlayson had no such permission.

4. There was no business purpose involved in Neal Finlayson's trip to the Animal House bar and he had no permission for his use of the truck in that undertaking. He was on a "lark" of his own and not conducting his employer's business from noon that day until the accidnet occurred later in the evening.

5. Neal Finlayson spent his afternoon at the Animal House bar located at about 900 South and State street in Salt Lake City. His employer had instructed him to be at a company shop which was nowhere near the Animal House bar. Neal was not in the area his employer had designated and was not traveling in that direction with any intent to further his employer's business when the accident occurred. The Farm Bureau case outline of the criteria for determining "regular use" is totally unsatisfied by the facts of this case.

Neal Finlayson's business use of the truck should not and cannot be considered as rendering that vehicle available for his "regular use" according to the legal meaning that must be given the term. The policy terms which provide coverage for non-owned

vehicles is obviously intended to cover the insured's personal and occasional use of other vehicles. Such would be the case if he were to have a loaner car from the local garage or if he borrowed the neighbor's car for an occasional emergency or trip to the store. Clearly plaintiff's policy would not cover Mr. Finlayson's operation of the truck during his hours of employment, but in this case he had left work at noon that day and determined that he would not return. Since his use of the company vehicle was unauthorized and without the scope of his employment, he was in fact borrowing a non-owned vehicle for his personal use. Such use falls within the language of the policy provision extending coverage; also within its intended scope.

To consider that because the accident vehicle was assigned to Mr. Finlayson for business use it became available for his "regular use" produces an unreasonable result. In that case the plaintiff's liability would depend not only on Mr. Finlayson's use of the truck at the time of the accident, but it would also depend on which of the company trucks he might have been driving at the time. If he were driving his assigned company truck there would be no coverage under that rational; but if he had switched trucks with another employee that day, there would. Such an interpretation shifts the focus from Mr. Finlayson's personal use of the truck at the time of the accident to the irrelevant question of which company truck was he driving. It should make no difference which of the company trucks he was driving.

POINT II

AT THE TIME OF THE ACCIDENT THE COMPANY TRUCK WAS NOT BEING USED FOR THE PURPOSE FOR WHICH IT WAS FURNISHED AND THE EXCLUSION DOES NOT APPLY.

It is stipulated that when the Finlayson brothers left the bar, they had no intention of working for the rest of the day. The moment they departed from the instructions given them by the employer and began engaging in their afternoon drinking activities the company truck was no longer being used for company business.

The California District Court of Appeals has, in a similar case, held that when a company car which was furnished for business purposes is used to travel a distance of several miles to have a drink after work, the departure constitutes a personal use to which the "regular use" exclusion does not apply. Safeco Insurance Co. of America v. Thomas; 52 Cal. Rptr. 910, 244 Cal. App. 2 204 (1966). See also Nevels v. Hendrix, 367 So.2d 33 (Louisiana 1978).

An automobile is not furnished for "frequent or regular use" within the terms of the policy unless at the time of the accident giving rise to the claim, the automobile is being used by the person for whom it was furnished for the purpose for which it was frequently or regularly used. Kunze v. State Farm Mutual Automobile Insurance Co. 197 N.W.2d 685 (North Dakota 1972).

In Schoenknecht v. Prairie State Farmers Insurance Association, 27 Ill. App.2d 83, 169 N.E.2d 148 (1960) the court faced another similar fact situation. There the employer

furnished the insured with a passenger auto to be used by the insured in the performance of his duties in answering complaints made to the employer, Peoples Gas Light and Coke Company. The insured's working hours were from 8:00 A.M. to 4:30 P.M. each weekday, at the end of which he was to return the auto to his employer's place of business. On the day of the accident, the insured made his last call and instead of returning the car to the employer, he drove it to a friend's home. That night, as he left his friends home the accident occurred. The insurance provision in question was substantially the same as that in the instant case. The court ruled that the exclusionary clause did not defeat coverage:

Here this car upon this particular occasion was not being used during business hours or in furtherance of the insured's employers business. It was not, at the time of the accident, furnished to the insured for his regular use. His employer never furnished it to him for any such purpose. He was using the car without his employers knowledge or consent. His use was an unauthorized one. There is nothing in this exclusionary clause which eliminated coverage in the event the car was being operated by the insured without the owners knowledge, permission or consent and in the absence of any such exclusionary provision the policy covered the car the insured was then operating.

Id. at 152 (emphasis added).

In Pacific Auto Insurance Co. v. Lewis, 56 Cal. App.2d 597, 132 P.2d 846 (1943) the court ruled that

[w]hether an auto is furnished by another to an insured for his regular use may reasonably depend upon the time, place and

purpose for which it is to be used. One furnished for all purposes and at all times and places would clearly be for his regular use. One furnished at all times but strictly for business purposes alone could hardly be said to have been furnished for his regular use at a time and place when it was being used for personal purposes.

Id. at 848 (emphasis added).

It is obvious from the quoted stipulated facts that the accident vehicle was to be used only for company purposes and not for personal use. Personal use required the prior consent of the employers management, which was not obtained on the occasion of the accident. The drunk driving after having abandoned any notion of working the rest of the day was obviously a personal use.

The Idaho case of Foster vs. Johnstone, supra, approves the following "signposts" for determination of whether "regular use" exists:

3. Did the insured need to obtain permission to use the car or had that been granted by blanket authority?

4. Was there a purpose for the use of the car in permission granted or by the blanket authority and was it being used for such purpose?

5. Was it being used in the area where such car would be expected to be used? (emphasis added, p 807)

It can be readily seen that under the test of plaintiff's 's own cited decision (Foster) "regular use" does not exist in this case. While it is true that Finlayson drove the truck every day in connection with his employment duties, he did not drive it every day in connection with drinking activities unrelated to his employment and unauthorized by his employer.

That had never happened before and was, to say the least, a rare occurrence. Had the accident occurred during the actual pursuit of his employment duties, the exclusion would certainly apply. The fact is it did not. For the exclusion to apply, the plaintiff must establish that Mr. Finallyson's use at the time of the accident was a part of his regular use of the vehicle, which term judicially means:

Continuous use; uninterrupted normal use for all purposes; without limitations as to use; and customary use as opposed to occasional use or special use---some plenary right to use". Travelers, Eureka, Safeco;
(supra p.

The futility of plaintiff's argument for exclusion under the fact of this case can be demonstrated by a simple example. The argument would hold that an airliner or cruise ship is provided for the "regular use" of the pilot or captain because his operation of the ship was "regular" or "frequent"; even though his "use" was always for business purposes only.

Similarly, plaintiff's argument would hold that a vehicle provided an employee for a specific task that required one minute's operation once each day, once each month, or once each year on regular basis was a vehicle provided for the employee's "regular use", and his personal use for unrelated purposes would be excluded.

Such nonsensical results would logically flow from the plaintiff's reasoning. If adopted by this Court or the Supreme Court, absurd results can easily be foreseen.

CONCLUSION

Metropolitan chose to incorporate the exclusionary term "regular use" in its policy without providing any definition of the term. The term could easily have been assigned a clarifying definition and this lawsuit would thereby have been avoided. The law mandates strict construction against the insurer whenever uncertainty regarding exclusions arises because of the language which the insurer chose to employ. This case is a classic example of the reason for that basic rule. If the insurer were allowed to avoid coverage because of uncertainty or ambiguity arising from its chosen language, the insurer would in fact benefit from its own wrong and find reason to create other uncertainties and ambiguities in the meaning of its policy exclusions. The insurer should rather be encouraged by strict construction to draft its exclusionary provisions in clear, plain, specific, and meaningful language, in order that the purchasing public may clearly understand from a simple reading of the policy when there is and is not coverage.

Case law indicates that the undefined term "regular use" in a policy exclusion connotes a plenary right to use and not possession accompanied by restrictions against personal use. When, as here, such unauthorized personal use of a non-owned vehicle occurs only on rare occasions, the vehicle is not regarded legally as a "regularly used" vehicle, even though it may have been provided and used for business purposes on a regular basis. The case law on these issues is clear and consistent.

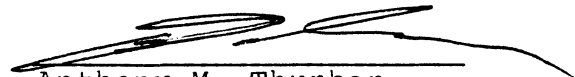
The unowned automobile coverage is designed to cover the occasional use of the non-owned vehicle. It is intended to cover the use of a loaner car, a borrowed neighbor's car, or a similar situation. Here, the insured borrowed an employer's vehicle, without permission and with no right to use the vehicle in the personal manner he was. He had only used the vehicle for personal reasons once or twice during the previous three or four years. That rare personal use could certainly not be considered "regular." The vehicle was not provided for his regular personal use, though it was made available to him regularly for other purposes. It is precisely the type of use to which the vehicle was being put at the time of the accident that is intended to be covered by his policy's non-owned auto provisions. Had the insured borrowed a neighbor's or a relative's car for similar purposes, the use of that vehicle would clearly be covered. It should make no difference from whom the car is borrowed. The fact is that it was borrowed for the use to which it was being put.

In this case the insured is not seeking coverage for his use of the company vehicle during the course of his employment, but only for the rare, infrequent occasions when his use of the company vehicle is purely personal. The insurer in this situation faces no greater exposure than it would should the insured borrow a neighbor's or relative's vehicle for his personal use on rare occasions. That type of use is the objective of "non-owned automobile" coverage.

For the above reasons, defendant-appellant Childs respectfully submit that the trial court's entry of summary judgment against liability coverage for Neal W. Finlayson was under the stipulated facts, the applicable decisional law; and the more persuasive reasoning and logical reasoning, reversible error.

DATED this 4 day of November, 1986.

RESPECTFULLY SUBMITTED

A handwritten signature in black ink, appearing to read 'Anthony M. Thurber', written over a horizontal line.

Anthony M. Thurber
Attorney for defendant-appellant

ADDENDUM

UNDER
SIGNED

1/18/80

1986

Must be in by or on 5/19/86

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IN THE THIRD JUDICIAL DISTRICT COURT OF SALT LAKE COUNTY,
STATE OF UTAH

METROPOLITAN PROPERTY &
LIABILITY INSURANCE COMPANY

Plaintiff,

vs.

NEAL W. FINLAYSON, et al.,

Defendants.

ORDER

Civil No. C82-8278
Honorable David B. Dee

Motions for Summary Judgment, having been filed by Plaintiff, Metropolitan Property and Liability Insurance Company and by Defendants Child and Barton, came on regularly for hearing before the Honorable David B. Dee on October 18, 1985; respective counsel were present and presented oral arguments; the Court having requested Supplemental Memoranda; counsel for the respective parties presented Supplemental Memoranda; and the Court duly considered the memoranda and arguments.

Based upon the foregoing,

IT IS HEREBY ORDERED that the Motion for Summary Judgment of Plaintiff, Metropolitan Property and Liability Insurance Company, is hereby granted.

IT IS FURTHER ORDERED that Defendants' Motions for Summary Judgment are denied.

IT IS FURTHER ORDERED that Judgment is hereby entered in favor of the Plaintiff and against the Defendants and that this lawsuit is hereby dismissed, each party to bear their own attorneys fees and costs.

DATED this 18th day of April, 1986.

BY THE COURT:

DAVID B. Dee
District Court Judge

CERTIFICATE OF SERVICE

I hereby certify that I caused to be mailed, postage prepaid, this 7th day of April, 1986, a true and correct copy of the foregoing to the following:

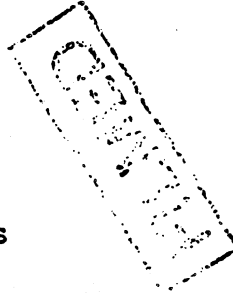
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HONORABLE DAVID B. DEE

James F. [unclear]

IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT
IN AND FOR SALT LAKE COUNTY, STATE OF UTAH

METROPOLITAN PROPERTY & LIABILITY INSURANCE COMPANY,	:	
	:	STIPULATED STATEMENT OF FACTS
Plaintiff,	:	
	:	Civil No. C82-8278
v.	:	
	:	Honorable David B. Dee
NEAL W. FINLAYSON, et al.,	:	
Defendants.	:	

Come now the parties above named by and through their attorneys of record, who hereby submit the following Stipulated Statement of Facts to be considered by the court in considering the parties' mutual motions for summary judgment:

1. On or about November 18, 1980, Neal and Terri Finlayson applied for insurance coverage with plaintiff Metropolitan Property & Liability Insurance Company. (See Application for Coverage, Exhibit "A"). The policy of insurance was to be effective as of November 27, 1980.

2. Coverage was bound as of November 27, 1980, subject to the terms and conditions of the automobile policy in current use by Metropolitan.

3. When the policy was actually issued, the Declaration Sheet (Exhibit "C") described the "owned automobile" as a 1980 Chevrolet Monte Carlo, vehicle number 1237KAK448161. (Exhibit "C").

4. Defendant Neal W. Finlayson was involved in an automobile accident which occurred on or about March 30, 1982 on Indiana Avenue (850 South 2067 West), Salt Lake City, Utah.

5. At the time of the accident, defendant Finlayson was operating a 1978 Chevrolet pickup truck owned by his employer FINCO Brothers, Inc.

6. At the time of the accident, Thomas Hugh Finlayson, a brother of Neal W. Finlayson, was a passenger in the vehicle being operated by Neal W. Finlayson.

7. FINCO Brothers, Inc., is a closely held Utah corporation engaged in the excavating and general contracting business.

8. Most of the stock in FINCO Brothers, Inc. is owned by Neal Finlayson's parents, Mr. and Mrs. Finlayson; Mr. Finlayson's sons, including defendant Neal Finlayson, each owned a small number of shares.

9. Neal Finlayson was a mechanic and laborer with FINCO Brothers, Inc.

10. As a part of his official duties with FINCO Brothers, Inc., Neal Finlayson moved around wherever mechanical work needed to be done.

11. Although the corporate offices of FINCO Brothers, Inc, are registered at Max Finlayson's home at 3179 West 7550 South, West Jordan, Utah, Finco Brothers, Inc. has an office located at 2401 Directors Road, Salt Lake City, Utah.

12. Neal Finlayson does not have an office at the Directors Road location. Rather, he works out of the pickup truck.

13. Neal Finlayson stored tools necessary for company work in the 1978 Chevrolet pickup truck.

14. Certain vehicles, including the accident pickup owned by FINCO Brothers, Inc., were made available for employees to use for business purposes, including driving to and from work.

15. At the time defendant Neal Finlayson began his employment with Finco during the year 1978, he was provided by the employer with a 1974 Chevrolet pickup truck for the same purposes as the accident vehicle. Eight or nine months prior to March 30, 1982, the 1974 Chevrolet pickup truck was replaced by the employer with a 1978 Chevrolet pickup truck. At the time the Chevrolet pickup trucks were acquired by the employer, the

employer directed that the corporate vehicles provided to defendant Neal Finlayson and other employees were to be used only for company purposes and that they were not for personal use.

16. Neal Finlayson was the primary operator of the 1978 Chevrolet pickup truck.

17. Although some of the vehicles of FINCO Brothers, Inc., were stored at the company lot when not in use, the 1978 Chevrolet pickup truck was stored at Neal Finlayson's home along with his personal vehicles.

18. During the four year period of his employment prior to March 30, 1982, on two occasions defendant Neal Finlayson used the company truck for personal purposes after receiving prior express permission from the employer. Once or twice Neal Finlayson had used the pick-up truck without permission for local errands. Those occasions are the only known instances of personal use of the company vehicle during that period of time by defendant Neal Finlayson. It was Neal Finlayson's understanding that any personal use of the vehicle required the prior consent or permission of FINCO Brothers Inc.'s management. Permission had never been refused when requested.

19. Max Finlayson considered Neal's use of the truck to take him to his job and back home from the job to be part of the authorized business use.

20. As part of his business duties, Neal was required to work eight hours each day. The only time he could depart from business activities during those hours was when he obtained prior permission from Max Finlayson.

21. The morning of the accident, March 30, 1982, Tom and Neal Finlayson rode to work together in the accident vehicle.

22. March 30, 1982 was a slow work day for the defendant Neal Finlayson and his brother Tom. At approximately noon, those two, with Neal Finlayson driving, drove the 1978 Chevrolet pick-up truck from the FINCO shop at 2401 West Director's Row (1100 South), Salt Lake City, Utah, to a tavern known as "The Animal House" located near State Street and 900 South in Salt Lake City, Utah.

23. The Finlayson brothers had been directed by Max Finlayson to go to the shop to do some additional work. They decided to stop at the tavern to have a sandwich and say hello to Tom Finlayson's friend Bob, the bartender.

24. The Finlayson brothers spent approximately four hours at the tavern and both consumed a substantial but unknown quantity of beer while there.

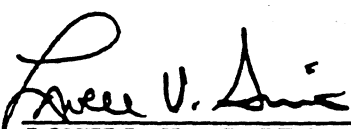
25. The afternoon drinking sojourn at the bar was not known to or authorized by the employer, although the employer was aware that the Finlayson Brothers would stop somewhere for lunch.


26. The Finlayson brothers decided to take the rest of the day off and go home. On the way the accident occurred.

27. As a result of the accident, a civil action has been filed against Neal Finlayson, FINCO Enterprises, Max Finlayson, and John Doe I by Michael B. Barton and Lee Childs, individually and as guardian ad litem of Michelle Childs, a minor, for injuries sustained by Michael B. Barton and for the wrongful death of Michelle Childs.

DATED this 27 day of ^{June}~~May~~, 1985.


ANTHONY M. THURBER
Attorney for Defendant Childs


LOWELL V. SMITH
Attorney for Metropolitan
Property & Liability Insurance
Company


KENNETH L. ROTHEY
Attorney for Defendant Finlayson

(Signature not required)
RICK D. HIGGINS
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935 East, 7220 South
Midvale, Utah 84047
(801) 566-1285

IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT

IN AND FOR SALT LAKE COUNTY, STATE OF UTAH

METROPOLITAN PROPERTY &
LIABILITY INSURANCE COMPANY,

Plaintiff,

vs.

NEAL W. FINLAYSON, Individually,
and LEE CHILDS, Individually and
as Guardian ad Litem of MICHELLE
CHILDS, a minor,

Defendants

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DEFENDANT'S MOTION FOR
SUMMARY JUDGMENT

Civil No. C82-8278

Honorable David B. Dee

Pursuant to Rule 56, Utah Rules of Civil Procedure,
defendants hereby move the Court for a summary judgment against
the plaintiff. This motion is based upon the Stipulated Facts on
file herein, the Memorandum of Law filed herewith and on the

grounds that there is no genuine issues of material fact as to the liability of the plaintiff that defendants are entitled to relief as a matter of law.

DATED this 12 day of August, 1985.

(S)

ANTHONY M. THURBER

Attorney for defendant Childs
Suite 735 Judge Building
8 East Broadway
Salt Lake City, Utah 84111
(801) 533-0181

(S)

LYNN J. CLARK
Attorney for Mike Barton
935 East 7220 South
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Midvale, Utah 84047

CERTIFICATE OF MAILING

I hereby certify that I mailed a true and correct copy of the forgoing Motion for Summary Judgment on the 12 day of August, 1985, with postage prepaid, at Salt Lake City, Utah, to the following:

Lowell Smith, Esq.
175 South West Temple
Salt Lake City, Utah 84101

LS

LOWELL V. SMITH, #3006
HANSON, DUNN, EPPERSON & SMITH
A Professional Corporation
Attorney for: Plaintiff
650 Clark Leaming Office Center
175 South West Temple
Salt Lake City, UT 84101
Telephone: (801) 363-7611

IN THE THIRD JUDICIAL DISTRICT COURT OF SALT LAKE COUNTY,
STATE OF UTAH

METROPOLITAN PROPERTY &
LIABILITY INSURANCE COMPANY,

Plaintiff,

vs.

NEAL W. FINLAYSON, individually
and LEE CHILDS individually and
as Guardian ad litem of
MICHELLE CHILDS, a minor,

Defendants.

MOTION FOR SUMMARY JUDGMENT

Civil No.: C82-8278

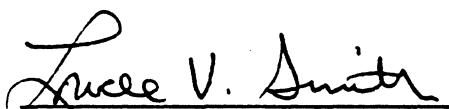
Judge David B. Dee

COMES NOW the Plaintiff Metropolitan Property & Liability Insurance Company, by and through its attorneys undersigned, and, pursuant to Rule 56, Utah Rules of Civil Procedure, hereby moves this Court for Summary Judgment on the basis that there is no genuine issue of material fact in dispute and that the Plaintiff is, as a matter of law, entitled to judgment.

This Motion is supported by the Stipulated Statement of Facts filed with this Court on July 1, 1985 and by the Memorandum of Points and Authorities attached hereto and incorporated herewith.

DATED this 14th day of August, 1985.

HANSON, DUNN, EPPERSON & SMITH



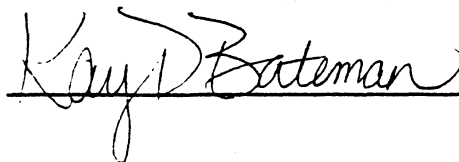
LOWELL V. SMITH
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that I caused to be mailed, postage prepaid, this 14th day of August, 1985, a true and correct copy of the foregoing to the following:

Kenneth L. Rothey, Esq.
942 East 7145 South, Suite 108
Midvale, UT 84047

Anthony Thurber, Esq.
211 East Broadway, Suite 213
Salt Lake City, UT 84111



**AUTOMOBILE
INSURANCE POLICY**



**Metropolitan Property and Liability
Insurance Company**

Administrative Offices Warwick, Rhode Island

WHERE TO FIND IT IN YOUR POLICY

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PLACE YOUR DECLARATIONS HERE

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METROPOLITAN PROPERTY AND LIABILITY INSURANCE COMPANY
(A Stock Insurance Company, Herein Called METROPOLITAN)

In reliance upon the Declarations made a part hereof and subject to all of the terms of this policy and payment of the required premium, METROPOLITAN makes the following agreements with the insured named in Item 1 of the Declarations:

(NOTE: The words in bold-face type are defined under DEFINITIONS within various sections of the policy)

SECTION I
PERSONAL INJURY PROTECTION

COVERAGE A—Basic Personal Injury Protection Coverage—Statutory

METROPOLITAN will pay promptly when due to or for the benefit of each eligible injured person or dependent survivor all basic personal injury protection benefits which such person is entitled by law to receive resulting from bodily injury, accidentally caused and arising out of the ownership, maintenance or use, including loading or unloading, of a motor vehicle as a motor vehicle.

COVERAGE B—Additional Personal Injury Protection Coverage—Optional

METROPOLITAN will pay promptly when due to or for the benefit of each person entitled thereto in accordance with the terms of the Additional Personal Injury Protection Endorsement issued to form a part of this policy additional personal injury protection benefits as specified in said endorsement for bodily injury with respect to which benefits are payable under COVERAGE A.

EXCLUSIONS

This insurance does not apply to bodily injury sustained by any person:

- (a) if such injury is suffered by him intentionally or as a result of intentionally attempting to cause bodily injury to another;
- (b) while using a motor vehicle which he had taken unlawfully, unless he reasonably believed that he was entitled to take and use such motor vehicle;
- (c) other than the named insured or any relative, while not occupying any motor vehicle, if the accident occurs outside of the state of registration of the owned automobile;
- (d) who is the named insured while occupying, or through being struck by while not occupying, any motor vehicle owned or registered by the named insured and which is not an automobile insured under this policy;
- (e) who is an owner or registrant of a motor vehicle involved in the accident with respect to which the security required by an applicable motor vehicle financial responsibility law, motor vehicle compulsory insurance law or any similar applicable law is not in effect;
- (f) who is a relative if such relative is entitled to any personal injury protection benefits as a named insured under the terms of any other policy;
- (g) other than the named insured or any relative, if such person is entitled to any personal injury protection benefits:
 1. as a named insured or a relative under the terms of any other policy with respect to such coverage; or
 2. under any other security maintained in lieu of an insurance policy, as provided by any law;

- (h) other than the named insured or any relative, while occupying, or through being struck by while not occupying, any motor vehicle other than an automobile insured under this policy which is being operated by the named insured or any relative if the owner or registrant of such motor vehicle is required by law to provide security with respect thereto;
- (i) arising out of the ownership, operation, maintenance or use of a parked motor vehicle unless:
 1. the motor vehicle was parked in such a way as to cause unreasonable risk of the bodily injury which occurred, or
 2. such bodily injury was a direct result of physical contact with:
 - a. equipment permanently mounted on such motor vehicle, while such equipment was being operated or used, or
 - b. property being lifted onto or lowered from such motor vehicle in the loading or unloading process, or
 3. such bodily injury was sustained by a person while occupying such motor vehicle;
- (j) while occupying a motor vehicle located for use as a residence or premises;
- (k) while occupying a public or livery conveyance for which security is maintained as required by applicable law, unless such conveyance is an owned automobile;
- (l) who is the named insured or any relative while occupying a motor vehicle owned or registered by the employer of the named insured or any relative for which security is maintained as required by applicable law.

DEFINITIONS

The definitions of "automobile," "bodily injury," "named insured," "owned automobile," "person" or "persons" and "relative" under SECTION II PART I apply and when used in reference to this insurance (including endorsements forming a part of the policy):

"basic personal injury protection benefits" means those benefits required to be provided under the provisions of an applicable motor vehicle financial responsibility law, motor vehicle compulsory insurance law or any similar applicable law of a state, but does not include those provisions of any such law which apply to the optional purchase of additional personal injury protection benefits or which require that an insurance policy or bond provide coverage for bodily injury liability or protection against uninsured motorists;

"dependent survivor" means a person who is entitled by law to receive basic personal injury protection benefits after the death of an eligible injured person;

"eligible injured person" means

- (a) the named insured or any relative who sustains bodily injury in an accident involving a motor vehicle;
- (b) any other person who sustains bodily injury (1) while occupying the owned automobile as a guest or passenger, or (2) while using the owned automobile with the expressed or implied consent of the named insured, or (3) while not occupying a motor vehicle through being struck by the owned automobile;

"occupying" means in or upon or entering into or alighting from.

LIMITS OF LIABILITY

Regardless of the number of persons insured, policies or bonds applicable, claims made, insurers (including self-insurers), or insured automobiles, METROPOLITAN's liability for the payment of personal injury protection benefits to or for the benefit of any one person who sustains bodily injury in any one accident, shall not exceed the maximum benefit amounts specified in the applicable law and is also subject to the following:

1. Allowable expenses shall not include charges for a hospital room in excess of a reasonable and customary charge for semi-private accommodations, except when the eligible injured person requires special or intensive care;
2. The maximum amount payable for all work loss sustained in any single thirty (30) day period, and any income earned from work performed by the eligible injured person within the same thirty (30) day period, together shall not exceed the sum required to be provided by applicable law, and such amount shall apply pro rata to any lesser period of work loss, provided that:
 - (a) the maximum amount payable for loss of income because of work loss shall not exceed 85% of such loss of income unless the eligible injured person presents to METROPOLITAN reasonable proof of a lower tax advantage, in which case a greater percentage value shall apply;
 - (b) the maximum amount payable for work loss, other than loss of income, incurred by the eligible injured person shall not exceed the per diem amount required to be provided by applicable law.

REDUCTIONS AND DEDUCTIBLES

Any amount payable by METROPOLITAN under the terms of this insurance shall be reduced by the amount paid, payable or required to be provided under the laws of any state or federal government for the same bodily injury.

The deductible amount, if any, set forth in the Declarations, or in any endorsement issued to form a part of this policy, shall apply only to the benefits otherwise payable to or for the benefit of the named insured and any relative.

MULTIPLE POLICIES APPLICABLE TO ONE ACCIDENT— NON-DUPLICATION OF BENEFITS

Regardless of the number of motor vehicles insured or insurers (including self-insurers) providing security in accordance with applicable law, or the provisions of any other law providing for direct benefits without regard to fault for motor or any other vehicle accidents, no person shall recover duplicate benefits for the same expense or loss.

If any eligible injured person or dependent survivor is entitled to recover benefits under more than one policy, the maximum recovery under all such policies shall not exceed the amount which would have been payable under the provisions of the policy providing the highest dollar limit of benefits payable.

SECTION II

AUTOMOBILE LIABILITY, AUTOMOBILE MEDICAL EXPENSES AND PROTECTION AGAINST UNINSURED MOTORISTS

ART 1. AUTOMOBILE LIABILITY COVERAGE

METROPOLITAN will pay on behalf of the insured all sums which he insured shall become legally obligated to pay as damages because of bodily injury sustained by other persons, and property damage caused by an occurrence arising out of the ownership, maintenance or use, including loading or unloading, of the owned automobile, or a non-owned automobile; and to defend with attorneys selected by and compensated by METROPOLITAN, any suit against the insured seeking damages on account of such bodily injury or property damage, even if any of the allegations of the suit are groundless, false or fraudulent; and METROPOLITAN may make such investigation, negotiation and settlement of any claim or suit as it deems expedient.

Additional Payments METROPOLITAN Will Make:

As respects the insurance afforded under the Automobile Liability Coverage and in addition to the applicable limits of liability METROPOLITAN will pay:

- (a) all expenses incurred by METROPOLITAN, all costs taxed against the insured in any suit defended by METROPOLITAN and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before METROPOLITAN has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of METROPOLITAN's liability thereon;
- (b) premiums on appeal bonds required in any such suit, premiums on bonds to release attachments for an amount not in excess of the applicable limit of liability of this policy, and the cost of bail bonds required of the insured because of accident or traffic law violation arising out of the use of an automobile or trailer insured hereunder, not to exceed \$250 per bail bond, but without any obligation to apply for or furnish any such bonds;
- (c) the insured's expenses for first aid to others at the time of an accident involving an automobile or trailer to which the Automobile Liability Coverage applies;
- (d) reasonable expenses incurred by the insured at METROPOLITAN's request, including actual loss of wages or salary (but not loss of other income) not to exceed \$25 per day because of his attendance at hearings or trials at such request.

DEFINITIONS FOR PART I

"automobile" means a four-wheel land motor vehicle designed for use principally upon public roads; but automobile shall not include a midget automobile nor any vehicle while located for use as a residence or premises;

"automobile business" means the business or occupation of selling, leasing, repairing, servicing, storing or parking of land motor vehicles or trailers;

"bodily injury" means bodily injury, sickness or disease sustained by any person including death at any time resulting therefrom;

"damages" with respect to bodily injury includes damages for care and loss of services resulting therefrom, and with respect to property damage, damages for loss of use;

"insured" means

- (a) with respect to an owned automobile:
 - (1) the named insured or any relative;
 - (2) any other person using such automobile with the permission of the named insured, provided his actual operation or (if he is not operating) his other actual use thereof is within the scope of such permission, and
 - (3) any other person or organization but only with respect to his or its liability because of acts or omissions of an insured under (a) (1) or (2) above;
- (b) with respect to a non-owned automobile:
 - (1) the named insured;
 - (2) a relative, but only with respect to a private passenger automobile or utility trailer, provided his actual operation or (if he is not operating) the other actual use thereof is with the permission, or reasonably believed to be with the permission, of the owner and is within the scope of such permission, and
 - (3) any other person or organization not owning or hiring the automobile, but only with respect to his or its liability because of acts or omissions of an insured under (b) (1) or (2) above.

"midget automobile" means a land motor vehicle of the type commonly referred to as "midget automobile," "kart," "go-kart," "speedmobile" or a comparable name whether commercially built or otherwise;

"named insured" means the person or persons named in the Declarations and the term named insured also includes the spouse of such person or persons if resident of the same household;

"non-owned automobile" means an automobile which is neither owned by nor furnished nor available for the regular use of either the named insured or any relative, other than a temporary substitute automobile, and includes a utility trailer while used with any such automobile;

"occurrence" means an accident, including continuous or repeated exposure to conditions, which results in bodily injury or property damage neither expected nor intended from the standpoint of the insured;

"owned automobile" means

- (a) a private passenger automobile or utility automobile owned by the named insured and described in the Declarations to which the Automobile Liability Coverage of the policy applies and for which a specific premium for such insurance is charged, or
- (b) a private passenger automobile or utility automobile ownership of which is newly acquired by the named insured, provided (i) it replaces an owned automobile as defined in (a) above, or (ii) METROPOLITAN insures all automobiles owned by the named insured on the date of such acquisition and the named insured notifies METROPOLITAN within thirty (30) days of such acquisition of his election to make this and no other policy issued by METROPOLITAN applicable to such automobile and pays any additional premium required therefor, or
- (c) a temporary substitute automobile;

and includes a utility trailer while used with any such automobile;

"person" or "persons" means a natural person and not a corporation, partnership, association or business name;

"private passenger automobile" means a private passenger type automobile designed solely for the transportation of persons and their personal luggage;

"property damage" means physical injury to or destruction of tangible property which occurs during the policy period, including the loss of use thereof at any time resulting therefrom;

"relative" means a person related to the named insured by blood, marriage or adoption, who is a resident of the same household, provided neither such person nor the spouse of such person owns a private passenger automobile. The named insured's unmarried and unemancipated children, while away from the household attending school or for active military service are deemed to be residents of the household;

"temporary substitute automobile" means an automobile not owned by the named insured or any resident of the same household, while temporarily used with the permission of the owner as a substitute for an owned automobile when withdrawn from normal use for servicing or repair or because of breakdown, loss or destruction;

"utility automobile" means an automobile of the pickup body, sedan delivery or panel type not used for business or commercial purposes other than farming or ranching;

"utility trailer" means

- (1) a trailer designed for use with a private passenger automobile, if not an office, store, display or passenger trailer, or
- (2) a farm wagon or farm implement while used with a private passenger automobile or utility automobile.

PART 2. AUTOMOBILE MEDICAL EXPENSE COVERAGE

METROPOLITAN will pay promptly when due, to or for the benefit of each eligible injured person, reasonable medical expenses incurred for services furnished within one year from the date of accident for bodily injury caused by accident arising out of the ownership, maintenance or use, including loading and unloading, of an automobile.

DEFINITIONS FOR PART 2

The definitions of "automobile," "automobile business," "bodily injury," "named insured," "non-owned automobile," "owned automobile," "person" or "persons," and "relative" under SECTION II, PART 1, apply, and when used in reference to this insurance (including endorsements forming a part of the policy):

"eligible injured person" means

- (a) the named insured or any relative who sustains bodily injury in an accident involving an automobile;
- (b) any other person who sustains bodily injury (1) while occupying the owned automobile as a guest or passenger, or (2) while using the owned automobile, with the expressed or implied consent of the named insured, or (3) while not occupying a motor vehicle through being struck by the owned automobile;
- (c) any other person who sustains bodily injury while occupying a non-owned automobile with the permission of the owner if the bodily injury results from the operation or occupancy of such non-owned automobile by the named insured or a relative;

"medical expenses" means expenses for necessary medical, surgical, x-ray and dental services, including prosthetic devices, and necessary ambulance, hospital, professional nursing and funeral services;

"occupying" means in or upon or entering into or alighting from.

PART 3. PROTECTION AGAINST UNINSURED MOTORISTS COVERAGE

METROPOLITAN will pay all sums which the insured or his legal representative shall be legally entitled to recover as damages because of bodily injury sustained by the insured, caused by accident and arising out of the ownership, maintenance or use of an uninsured highway vehicle; and, where the limits of liability for Protection Against Uninsured Motorist Coverage stated in the Declarations exceeds the limits of liability required under the applicable motor vehicle financial responsibility law, motor vehicle compulsory insurance law or any similar law of the state where the insured highway vehicle is principally garaged, an underinsured highway vehicle; provided, for the purposes of this coverage, determination as to whether the insured or such representative is legally entitled to recover such damages, and if so, the amount thereof, shall be made by agreement between the insured or such representative and METROPOLITAN or, if they fail to agree, by arbitration.

No judgment against any person or organization alleged to be legally responsible for the bodily injury shall be conclusive, as between the insured and METROPOLITAN of the issues of liability of such person or organization or of the amount of damages to which the insured is legally entitled unless such judgment is entered pursuant to an action prosecuted by the insured or his legal representative with the written consent of METROPOLITAN.

DEFINITIONS FOR PART 3

The definitions of "bodily injury," "damages," and "person" or "persons," under SECTION II, PART 1, apply and when used with reference to this insurance (including endorsements forming a part of the policy):

"highway vehicle" means a land motor vehicle or trailer other than:

- (a) a farm type tractor or other farm equipment designed for use principally off public roads, while not upon public roads;
- (b) a vehicle operated on rails or crawler-treads, or
- (c) a vehicle while located for use as a residence or premises;

"hit-and-run vehicle" means a highway vehicle which causes bodily injury to an insured arising out of physical contact of such vehicle with the insured or with a vehicle which the insured is occupying at the time of the accident provided:

- (a) there cannot be ascertained the identity of either the operator or owner of such highway vehicle;
- (b) the insured or someone on his behalf shall have reported the accident within 24 hours to a police, peace or judicial officer or to the Commissioner or Director of Motor Vehicles, and shall have filed with METROPOLITAN within thirty (30) days thereafter a statement under oath that the insured or his legal representative has a cause or causes of action arising out of such accident for damages against a person or persons whose identity is unascertainable, and setting forth the facts in support thereof, and
- (c) at METROPOLITAN's request, the insured or his legal representative makes available for inspection the vehicle which the insured was occupying at the time of the accident;

"insured" means

- (a) the named insured and any other person designated as named insured in the Declarations, and, while residents of the same household, the spouse of any such named insured or relatives of either;
- (b) any other person while occupying an insured highway vehicle, and
- (c) any person with respect to damages which such person is entitled to receive because of bodily injury to which this insurance applies sustained by an insured under (a) or (b) above.

"insured highway vehicle" means a highway vehicle:

- (a) described in the schedule as an insured highway vehicle to which the bodily injury liability coverage of the policy applies;
- (b) while temporarily used as a substitute for an insured highway vehicle as described in subparagraph (a) above, when withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction;
- (c) while being operated by the named insured;

but the term "insured highway vehicle" shall not include:

- (i) a vehicle while used as a public or livery conveyance;
- (ii) a vehicle while being used without the permission of the owner;
- (iii) under subparagraphs (b) and (c) above, a vehicle owned by the named insured or any resident of the same household as the named insured, or
- (iv) under subparagraphs (b) and (c) above, a vehicle furnished for the regular use of the named insured or any resident of the same household;

"occupying" means in or upon or entering into or alighting from;

"state" includes the District of Columbia, a territory or possession of the United States, and a province of Canada;

"underinsured highway vehicle" means a highway vehicle with respect to the ownership, maintenance or use of which there is, in at least the amounts specified by an applicable motor vehicle financial responsibility law, motor vehicle compulsory insurance law or any similar applicable law of the state in which the insured highway vehicle is principally garaged, one or more bodily injury liability bonds or insurance policies applicable at the time of the accident with respect to any person or organization legally responsible for the use of such highway vehicle, but the sum of limits of liability of such bonds or policies is less than the applicable limits of liability under the Protection Against Uninsured Motorists Coverage as stated in the Declarations under this policy;

"uninsured highway vehicle" means:

- (a) a highway vehicle with respect to the ownership, maintenance or use of which there is, in at least the amounts specified by an applicable motor vehicle financial responsibility law, motor vehicle compulsory insurance law or any similar applicable law of the state in which the insured highway vehicle is principally garaged, no bodily injury liability bond or insurance policy applicable at the time of the accident with respect to any person or organization legally responsible for the use of such highway vehicle, or with the respect to which there is a bodily injury liability bond or insurance policy applicable at the time of the accident but the company writing the same denies coverage thereunder; or is or becomes insolvent;
- (b) a hit-and-run vehicle;

but the term "uninsured highway vehicle" shall not include:

- (i) an insured highway vehicle;
- (ii) a highway vehicle which is owned or operated by a self-insurer within the meaning of an applicable motor vehicle financial responsibility law, motor vehicle compulsory insurance law, motor carrier law, or any similar applicable law, or
- (iii) a highway vehicle which is owned by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any of the foregoing.

EXCLUSIONS

This policy does not apply:

Under the Automobile Liability Coverage,

- (a) to bodily injury to any employee of the insured arising out of and in the course of employment by the insured, but this exclusion does not apply to any such injury arising out of and in the course of domestic employment by the insured unless benefits therefor are in whole or in part either payable or required to be provided under any workmen's compensation law;
- (b) to bodily injury or property damage with respect to which an insured under this policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability;

Under the Automobile Liability and Automobile Medical Expense Coverages,

- (c) to bodily injury or property damage due to war;

Under the Automobile Liability Coverage and, except with respect to bodily injury through being struck by an automobile, under the Automobile Medical Expense Coverage,

- (d) to any automobile or trailer while used as a public or livery conveyance, but this exclusion does not apply with respect to the occupancy of a non-owned automobile by the named insured or a relative, other than as an operator thereof;
- (e) to any automobile or trailer while maintained or used by any person while such person is employed or otherwise engaged in the automobile business, but this exclusion does not apply to the maintenance or use of an owned automobile (1) by the named insured or a relative, or (2) by any other insured in an automobile business in which the named insured has an interest as proprietor or partner;
- (f) to a non-owned automobile while maintained or used by any person while such person is employed or otherwise engaged in any other business or occupation, but this exclusion does not apply to a private passenger automobile operated or occupied by the named insured or his private chauffeur or domestic servant, or a utility trailer used therewith;

under the Automobile Liability Coverage.

- (g) to any automobile while being used for the towing of any trailer owned or hired by the insured and not covered by like insurance in METROPOLITAN, or to any trailer covered by this policy while being used with any automobile owned or hired by the insured and not covered by like insurance in METROPOLITAN;
- (h) to bodily injury to any fellow employee of the insured injured in the course of his employment if such injury arises out of the use of an automobile or trailer in the business of his employer, but this exclusion does not apply to the named insured with respect to injury sustained by any such fellow employee;
- (i) to property damage to (1) property owned or transported by the insured, (2) property rented to or in the charge of the insured other than a residence or private garage or (3) property as to which the insured is for any purpose exercising physical control;

under the Automobile Medical Expense Coverage,

- (j) to bodily injury sustained while occupying any vehicle located for use as a residence or premises;
- (k) to that amount of any medical expense which is paid or payable to or for the benefit of the injured person under the provisions of any (1) premises insurance affording benefits for medical expenses, (2) workmen's compensation or disability benefits law, or (3) personal injury protection benefits provided or required by law to be provided under this policy;

under the Protection Against Uninsured Motorists Coverage,

- (l) to bodily injury to an insured while occupying a highway vehicle (other than an insured highway vehicle) owned by the named insured or by any relative resident in the same household as the named insured or through being struck by such a vehicle;
- (m) to bodily injury to an insured with respect to which such insured, his legal representative or any person entitled to payment under this coverage shall, without written consent of METROPOLITAN, make any settlement with any person or organization who may be legally liable therefor;
- (n) so as to inure directly or indirectly to the benefit of any workmen's compensation or disability benefits carrier or any person or organization qualifying as a self-insurer under any workmen's compensation or disability benefits law or any similar law, or
- (o) to any personal injury protection benefits provided or required by law to be provided under this policy.

LIMITS OF LIABILITY

Regardless of the number of (1) persons or organizations who are insureds under this policy, (2) persons or organizations who sustain bodily injury or property damage, (3) claims made or suits brought in account of bodily injury or property damage, or (4) automobiles or trailers to which this policy applies, METROPOLITAN's liability is limited as follows:

Automobile Liability Coverage

The limit for Automobile Liability Coverage stated in the Declarations as applicable to "each occurrence" is the total limit of METROPOLITAN's liability for all damages as the result of any one occurrence; provided with respect to any occurrence for which notice of this policy is given in lieu of security or when this policy is certified as proof of financial responsibility for the future under the provisions of the motor vehicle financial responsibility law of any state or province, such limit of liability shall be applied to provide the separate limits required by such law for bodily injury liability and property damage liability to the extent of the coverage required by such law, but the separate application of such limit shall not increase the total limit of METROPOLITAN's liability.

Automobile Medical Expense Coverage

The limit for Automobile Medical Expense Coverage stated in the Declarations as applicable to "each person" is the limit of METROPOLITAN's liability for all medical expense incurred by or on behalf of each person who sustains bodily injury as the result of any one accident; provided, however, that the maximum amount payable for funeral and burial expenses included hereunder shall not exceed \$1,000 to or for the benefit of each person.

Protection Against Uninsured Motorists Coverage

The limit for Protection Against Uninsured Motorists Coverage stated in the Declarations as applicable to "each person" is the limit of METROPOLITAN's liability for all damages, arising out of bodily injury sustained by one person in any one accident, and subject to this provision, the limit of liability stated in the Declarations as applicable to "each accident" is the total limit of METROPOLITAN's liability for all such damages for bodily injury sustained by two or more persons in any one accident.

Any amount payable under the Protection Against Uninsured Motorists Coverage because of bodily injury sustained in an accident by a person who is an insured under this coverage shall be reduced by

- (1) all sums paid on account of such bodily injury by or on behalf of (i) the owner or operator of the uninsured highway vehicle or the underinsured highway vehicle, and (ii) any other person or organization jointly or severally liable together with such owner or operator for such bodily injury, including all sums paid under the Automobile Liability Coverage of the policy, and
- (2) the amount paid and the present value of all amounts payable on account of such bodily injury under any workmen's compensation law, disability benefits law or any similar law.

Any payment made under the Protection Against Uninsured Motorists Coverage to or for any insured shall be applied in reduction of the amount of damages which he may be entitled to recover from any person insured under the Automobile Liability Coverage of this policy.

METROPOLITAN shall not be obligated to pay under the Protection Against Uninsured Motorists Coverage that part of the damages which the insured may be entitled to recover from the owner or operator of an uninsured highway vehicle or an underinsured highway vehicle which represents expenses for medical services paid or payable under the Automobile Medical Expense Coverage

HER INSURANCE

omobile Liability and Automobile Medical Expense Coverages

If the insured has other insurance against a loss to which the Automobile Liability Coverage applies or other automobile insurance affording benefits for automobile medical expenses against a loss to which the Automobile Medical Expense Coverage applies, METROPOLITAN shall not be liable under this policy for a greater portion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss; provided, however, the insurance with respect to a temporary substitute automobile or a non-owned automobile shall be excess insurance over other valid and collectible insurance and if the insured has other excess or contingent insurance applicable to loss arising out of use of a temporary substitute automobile or a non-owned automobile, METROPOLITAN shall not be liable under this policy for a greater proportion of such loss than the amount which would have been payable under this policy, had no such other insurance existed, bears to the sum of said amount and the amounts which would have been payable under each other policy applicable to such loss, had there been such policy been the only policy so applicable.

Protection Against Uninsured Motorists Coverage

With respect to bodily injury to an insured while occupying a high-velocity vehicle not owned by the named insured, the insurance under Protection Against Uninsured Motorists Coverage shall apply as excess insurance over any other similar insurance available to such insured and applicable to such vehicle as primary insurance, and this insurance shall then apply only in the amount by which the limit of liability for this coverage exceeds the applicable limit of liability of such other insurance.

Except as provided in the foregoing paragraph, if the insured has similar insurance available to him and applicable to the accident, the damages shall be deemed not to exceed the higher of the applicable limits of liability of this insurance and such other insurance, and METROPOLITAN shall not be liable for a greater proportion of any loss to which this Protection Against Uninsured Motorists Coverage applies than the limit of liability hereunder bears to the sum of the applicable limits of liability of this insurance and other insurance.

PERSONAL INJURY INSURANCE

Protection Against Uninsured Motorists Insurance

Any protection against uninsured motorist coverage afforded by this policy shall be excess over any personal injury protection benefit required by applicable law to be provided under this policy to the insured.

SECTION III

LOSS TO THE COVERED AUTOMOBILE

METROPOLITAN will pay for loss to the covered automobile or to a named private passenger automobile. The insurance afforded hereunder applies only for the amount of each loss in excess of the deductible amount stated in the Declarations as applicable thereto, and, however, that any deductible amount stated in the Declarations as applicable to loss caused by collision shall not apply to loss caused by collision with another automobile insured by METROPOLITAN. For the purposes of this coverage, breakage of glass, and loss caused by missiles, falling objects (other than an automobile), theft or larceny, explosion, earthquake, riot, commotion or collision with a bird or animal shall be deemed not to be a loss caused by collision.

METROPOLITAN Will Pay These Additional Costs:

1. Costs of labor done at the place of disablement and for towing made necessary by the disablement of the covered automobile, not to exceed \$25 per disablement.
2. Loss to wearing apparel and luggage of the named insured or relative not to exceed \$200 for each occurrence while such property is in or upon the covered automobile, provided such loss is caused by a peril for which the covered automobile is insured.
3. Transportation Expenses
METROPOLITAN will reimburse the named insured for the cost of transportation:
 - (a) from the place of disablement of the covered automobile to the place of intended destination, but not to exceed \$10 for each occurrence, provided the disablement involves a loss to the covered automobile with respect to which this policy affords insurance;
 - (b) if there be a theft of the entire covered automobile, not to exceed \$10 per day nor a total of more than \$300 incurred during the period starting 48 hours after the report of the theft to METROPOLITAN and ending when METROPOLITAN offers settlement for the theft.
4. General Average and Salvage Charges
METROPOLITAN will pay general average and salvage charges imposed with respect to the covered automobile being transported for which the insured becomes legally liable.

EXCLUSIONS

This insurance does not apply:

- (a) to any automobile while used as a public or livery conveyance;
- (b) to loss to a non-owned private passenger automobile arising out of its use by the insured while he is employed or otherwise engaged in the automobile business;
- (c) to loss to any automobile not described in this policy if there is other valid and collectible insurance against such loss available to the insured;
- (d) to damage which is due and confined to wear and tear, freezing, mechanical or electrical breakdown or failure, unless such damage results from a theft covered by this policy;
- (e) to tires, unless damaged by fire, malicious mischief or vandalism, or stolen or unless the loss be coincident with and from the same cause as other loss covered by this policy;
- (f) to loss to:
 - (i) any device or instrument designed for the recording, reproduction, or recording and reproduction of sound unless such device or instrument is permanently installed in the covered automobile;
 - (ii) any tape, wire, record disc or other medium for use with any device or instrument designed for the recording, reproduction, or recording and reproduction of sound;
 - (iii) or of any device, transceiver, instrument or combination of devices or instruments designed for broadcasting or receiving as a Citizens Band radio, two way mobile radio or telephone, including its accessories, equipment and antenna.

- (g) to loss to a camper body designed for use with covered automobile and not designated in the Declarations and for which no premium has been charged if such camper body was owned at the inception of the policy period or the inception of any anniversary date or extension period thereof;
- (h) to loss due to
 - (i) war, whether or not declared, civil war, insurrection, rebellion or revolution, or to any act or condition incident to any of the foregoing,
 - (ii) radioactive contamination.

DEFINITIONS

The definitions of "automobile," "automobile business," "named insured," "occurrence," "private passenger automobile," "relative," "temporary substitute automobile," "utility automobile" and "utility trailer" under SECTION II, PART 1, apply and when used in reference to this insurance (including endorsements forming a part of the policy):

"camper body" means a body designed to be mounted upon a covered automobile and equipped as sleeping or living quarters;

"collision" means (a) collision of a covered automobile with another object or with a vehicle to which such covered automobile is attached, or (b) upset of such covered automobile;

"covered automobile" means

- (a) a private passenger automobile, utility automobile or a trailer designed for use with a private passenger automobile owned by the named insured and described in the Declarations as a covered automobile, and for which a specific premium for loss to such vehicle is charged, or
- (b) if not so described, such vehicle is newly acquired by the named insured during the policy period, provided it replaces a described covered automobile and provided the named insured notifies METROPOLITAN within thirty (30) days of such acquisition of his election to make this and no other policy issued by METROPOLITAN applicable to such automobile and pays any additional premium required therefor;
- (c) a temporary substitute automobile;

"insured" means (a) with respect to the owned automobile, the named insured and any other person or organization if not engaged in the automobile business, or as a carrier or other bailee for hire, maintaining, using or having custody of such automobile with permission of the named insured; (b) with respect to a non-owned automobile, the named insured or any relative, provided, such automobile is a private passenger automobile, or utility trailer, and is being operated by, or is in the possession or control of, the named insured or such relative;

"loss" means direct and accidental loss or damage;

"non-owned private passenger automobile" means a private passenger automobile not owned by or furnished or available for the regular use of either the named insured or any relative but non-owned private passenger automobile does not include a temporary substitute automobile.

*Note: "frequent" is deleted
why the separate definition*

LIMITS OF LIABILITY

The limits of METROPOLITAN's liability for loss shall not exceed the actual cash value of the property, or if the loss is of a part thereof the actual cash value of such part, at time of loss, nor what it would then cost to repair or replace the property or such part thereof with other of like kind and quality.

OTHER INSURANCE

If the named insured has other insurance against a loss covered by this insurance, METROPOLITAN shall not be liable under this insurance for a greater proportion of such loss than the applicable limit of liability stated in the Declarations bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

GENERAL CONDITIONS

The conditions are applicable to all sections and coverages, except where specifically made applicable to only one or more sections or coverages.

1. POLICY PERIOD, TERRITORY

This policy applies only to accidents, occurrences and loss during the policy period within the United States of America, its territories or possessions, or Canada, including loss to the automobile while being transported between ports thereof.

2. PREMIUM

All premiums for this policy shall be computed in accordance with METROPOLITAN's rules, rates, rating plans, premiums and minimum premiums applicable to the insurance afforded herein.

On each anniversary of the effective date, the policy premium shall be computed in accordance with the manuals then in use by METROPOLITAN.

Premiums are payable on the dates set forth in the Declarations.

If the named insured acquires ownership of a private passenger or utility automobile or a vehicle to be insured hereunder during the policy period he must notify METROPOLITAN within thirty (30) days after the date of such acquisition of his election to make this policy applicable to such automobile, except that the insurance under the Personal Injury Protection, Automobile Liability and Automobile Medical Expense Coverages shall apply automatically to such automobile if it replaces an owned automobile. Any additional premium shall be computed in accordance with the manuals in use by METROPOLITAN as of the date of such acquisition, and shall be paid promptly.

Any premium adjustments made under this policy for any reason shall be rounded to the nearest dollar, in accordance with the manuals in use by METROPOLITAN.

3. FINANCIAL RESPONSIBILITY LAWS

When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, such insurance as is afforded by this policy under the Automobile Liability Coverage shall comply with the provisions of such law to the extent of the coverages and limits required by such law. The insured agrees to reimburse METROPOLITAN for any payment made by METROPOLITAN which it would not have been obligated to make under the terms of this policy except for the agreement contained in this paragraph.

4. LIBERALIZATION

If METROPOLITAN revises this policy form with respect to policy provisions, endorsements or rules by which the insurance hereunder could be extended or broadened without additional premium charge, such insurance as is afforded hereunder shall be so extended or broadened effective immediately upon approval or acceptance of such revisions during the policy period by the appropriate insurance supervisory authority.

METROPOLITAN may from time to time issue to the named insured a replacement policy incorporating all policy changes effective on or before the date of issue of such replacement policy, but the issuance of such replacement policy shall not affect the liability of METROPOLITAN with respect to any accident, occurrence or loss occurring prior to said date of issue, nor shall it operate to increase the limit of METROPOLITAN's liability otherwise applicable to such accident, occurrence or loss.

5. OTHER AUTOMOBILE INSURANCE IN METROPOLITAN

With respect to any occurrence, accident or loss to which this and any other automobile insurance policy issued to the named insured by METROPOLITAN also applies, the total limit of METROPOLITAN's liability under all such policies shall not exceed the highest applicable limit of liability or benefit amount under any one such policy.

6. NOTICE

In the event of an accident, occurrence or loss, written notice containing the particulars sufficient to identify the insured or claimant and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the claimants and of available witnesses, shall be given by or for the insured to METROPOLITAN or any of its authorized agents as soon as practicable. In the event of theft the insured shall also promptly notify the police. If claim is made or suit is brought against the insured, he shall immediately forward to METROPOLITAN every demand, notice, summons or other process received by him or his representative.

If, before METROPOLITAN makes payment under the Personal Injury Protection Insurance or the Protection Against Uninsured Motorist Insurance Coverages, the insured, claimant or the legal representatives of either, shall institute any legal action for bodily injury against any person or organization legally responsible for the use of a vehicle involved in the accident, a copy of the summons and complaint or other process served in connection with such legal action shall be forwarded immediately to METROPOLITAN by such insured, claimant or legal representative.

7. ASSISTANCE AND COOPERATION OF THE INSURED

The insured shall cooperate with METROPOLITAN and, upon METROPOLITAN's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the insured because of bodily injury and property damage with respect to which insurance is afforded under this policy; and the insured shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The insured shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of accident.

After notice of claim under the Protection Against Uninsured Motorists Insurance Coverage, METROPOLITAN may require the insured to take such action as may be necessary or appropriate to preserve his right to recover damages from any person or organization alleged to be legally responsible for the bodily injury; and in any action against METROPOLITAN, METROPOLITAN may require the insured to join such person or organization as a party defendant.

8. ACTION AGAINST METROPOLITAN

Sections I and II

No action shall lie against METROPOLITAN unless, as a condition precedent thereto, the insured shall have fully complied with all the terms of this policy, nor shall an action lie under the Automobile Liability Coverage until the amount of the insured's obligation to pay shall have been finally determined either by judgment against the insured after actual trial or by written agreement of the insured, the claimant and METROPOLITAN.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join METROPOLITAN as a party to any action against the insured to determine the insured's liability, nor shall METROPOLITAN be impleaded by the insured or his legal representative. Bankruptcy or insolvency of the insured or of the insured's estate shall not relieve METROPOLITAN of any of its obligations hereunder.

Section III

No action shall lie against METROPOLITAN unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this policy, nor until thirty (30) days after proof of loss is filed and the amount of loss is determined as provided in this policy.

9. MEDICAL REPORTS: PROOF AND PAYMENT OF CLAIM

Sections I and II

As soon as practicable, or within the number of days specified by applicable law, the person making claim shall give to METROPOLITAN written proof of claim for Personal Injury Protection Insurance, Automobile Medical Expense Coverage or Protection Against Uninsured Motorists Coverage, including full particulars of the nature and extent of the injuries, treatment and other details entering into the determination of the amount payable. The injured person shall submit to physical examinations by physicians selected by METROPOLITAN when and as often as METROPOLITAN may reasonably require, and he, or in the event of his incapacity or death, his legal representative, or the person or persons entitled to sue therefor, shall upon each request from METROPOLITAN execute authorization to enable METROPOLITAN to obtain medical reports and copies of records.

Under the Personal Injury Protection Insurance and Protection Against Uninsured Motorists Coverage, the insured and every other person making claim shall submit to examinations under oath by any person named by METROPOLITAN and subscribe the same, as often as may reasonably be required. Proof of claim shall be made upon forms furnished by METROPOLITAN, unless METROPOLITAN shall have failed to furnish such forms within fifteen (15) days after receiving notice of claim.

Under the Personal Injury Protection Insurance and Automobile Medical Expense Coverage, METROPOLITAN may pay the injured person or any person or organization rendering the services and such payment shall reduce the amount payable hereunder for such injury. Payment hereunder shall not constitute an admission of liability of any person or, except hereunder, of METROPOLITAN.

Any amount due under the Personal Injury Protection Insurance and Protection Against Uninsured Motorists Coverage is payable (a) to the insured, or (b) if the insured be a minor to his parent or guardian, or (c) if the insured be deceased to his surviving spouse, otherwise (d) to a person authorized by law to receive such payment or to a person legally entitled to recover the damages which the payment represents; provided METROPOLITAN may at its option pay any amount due in accordance with division (d) hereof.

D. INSURED'S DUTIES IN EVENT OF LOSS [Under Section III]

In the event of loss, the insured shall:

- (a) protect the automobile, whether or not the loss is covered by this policy, and any further loss due to the insured's failure to protect shall not be recoverable under this policy; reasonable expenses incurred in affording such protection shall be deemed incurred at METROPOLITAN's request;
- (b) file with METROPOLITAN within ninety-one (91) days, or within the number of days specified by applicable law, after loss, his sworn proof of loss in such form and including such information as METROPOLITAN may reasonably require and shall, upon METROPOLITAN's request, exhibit the damaged property and submit to examination under oath.

1. APPRAISAL [Under Section III]

If the insured and METROPOLITAN fail to agree as to the amount of loss, either may, within sixty (60) days after proof of loss is filed, demand an appraisal of the loss. In such event the insured and METROPOLITAN shall each select a competent appraiser, and the appraisers shall select a competent and disinterested umpire. The appraisers shall state separately the actual cash value and the amount of loss and failing to agree shall submit their differences to the umpire. An award in writing of any two shall determine the amount of loss. The insured and METROPOLITAN shall each pay his chosen appraiser and shall bear equally the other expenses of the appraisal and umpire.

12. PAYMENT OF LOSS [Under Section III]

METROPOLITAN may pay for the loss in money; or may repair or replace the damaged or stolen property; or may, at any time before the loss is paid or the property is so replaced, at its expense return any stolen property to the named insured, or at its option to the address shown in the Declarations with payment for any resultant damage thereto; or may take all or such part of the property at the agreed or appraised value but there shall be no abandonment to METROPOLITAN. METROPOLITAN may settle any claim for loss either with the insured or the owner of the property.

13. LOSS PAYEE [Under Section III]

Loss, if any, under this policy shall be payable as interest may appear to the person or organization named in the Declarations as Loss Payee and this insurance as to the interest of the bailment lessor, conditional vendor or mortgagee or assignee of bailment lessor, conditional vendor or mortgagee (herein called the lienholder) shall not be invalidated by any act or neglect of the lessee, mortgagor or owner of the within described automobile nor by any change in the title or ownership of the property; provided, however, that the conversion, embezzlement or secretion by the lessee, mortgagor or purchaser in possession of the property insured under a bailment lease, conditional sale, mortgage or other encumbrance is not covered under this policy, unless specifically insured against and premium paid therefor; and provided, also, that in case the lessee, mortgagor or owner shall neglect to pay any premium due under this policy the lienholder shall, on demand, pay the same.

Provided also, that the lienholder shall notify METROPOLITAN of any change of ownership or increase of hazard which shall come to the knowledge of said lienholder and, unless permitted by this policy, it shall be noted thereon and the lienholder shall, on demand, pay the premium for such increased hazard for the term of the use thereof; otherwise this policy shall be null and void.

METROPOLITAN reserves the right to cancel this policy at any time as provided by its terms, but in such case METROPOLITAN shall notify the lienholder when not less than ten (10) days thereafter such cancellation shall be effective as to the interest of said lienholder therein, and METROPOLITAN shall have the right, on like notice, to cancel this agreement.

If the insured fails to render proof of loss within the time granted in the conditions of this policy, such lienholder shall do so within sixty (60) days thereafter, in form and manner as provided by this policy, and further, shall be subject to the provisions of this policy relating to appraisal and time of payment and of bringing suit.

Whenever METROPOLITAN shall pay the lienholder any sum for loss under this policy and shall claim that, as to the lessee, mortgagor or owner, no liability therefor existed, METROPOLITAN shall, to the extent of such payment, be thereupon legally subrogated to all the rights of the party to whom such payment shall be made, under all securities held as collateral to the debt, or may at its option, pay to the lienholder the whole principal due or to grow due on the mortgage with interest, and shall thereupon receive a full assignment and transfer of the mortgage and of all such other securities; but no subrogation shall impair the right of the lienholder to recover the full amount of its claim.

Whenever a payment of any nature becomes due under this policy, separate payment may be made to each party at interest provided METROPOLITAN protects the equity of all parties.

14. NO BENEFIT TO BAILEE [Under Section III]

The insurance afforded by this policy shall not inure directly or indirectly to the benefit of any carrier or other bailee for hire liable for loss to the automobile.

15. SUBROGATION

Subject to any applicable limitations set forth in applicable law, in the event of any payment under this policy, METROPOLITAN shall be subrogated to all the insured's or eligible injured persons' right of recovery therefor against any person or organization and the insured or eligible injured person shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights, and shall do nothing after loss to prejudice such rights.

16. REIMBURSEMENT AND TRUST AGREEMENT

Under Sections I and II, subject to any applicable limitations set forth in applicable law, in the event of payment to any person under the Personal Injury Protection Insurance, Automobile Medical Expense Coverage or the Protection Against Uninsured Motorists Insurance Coverages:

- (a) METROPOLITAN shall be entitled to the extent of such payment to the proceeds of any settlement or judgment that may result from the exercise of any rights of recovery of such person against any person or organization legally responsible for the bodily injury because of which such payment is made, including the proceeds of any settlement with or judgment against a person or organization who is an insured under the Automobile Liability Coverage of this policy;
- (b) such person shall hold in trust for the benefit of METROPOLITAN all rights of recovery which he shall have against such other person or organization because of such bodily injury;
- (c) such person shall do whatever is proper to secure and shall do nothing after loss to prejudice such rights;
- (d) if requested in writing by METROPOLITAN, such person shall take, through any representative designated by METROPOLITAN, such action as may be necessary or appropriate to recover such payment as damages from such other person or organization, such action to be taken in the name of such person; in the event of a recovery, METROPOLITAN shall be reimbursed out of such recovery for expenses, costs and attorneys' fees incurred by it in connection therewith;
- (e) such person shall execute and deliver to METROPOLITAN such instruments and papers as may be appropriate to secure the rights and obligations of such person and METROPOLITAN established by this provision.

7. CHANGES

The terms of this policy may not be waived or changed except by policy endorsement hereto, signed by an executive officer of METROPOLITAN.

8. ASSIGNMENT

Assignment of interest under this policy shall not bind METROPOLITAN until its consent is endorsed hereon; if, however, the insured named in Item 1 of the Declarations, or his spouse if a resident of the same household, shall die, this policy shall cover (a) the survivor as named insured, (b) his legal representative as named insured but only while acting within the scope of his duties as such, and (c) any person having proper temporary custody of an owned automobile, as an insured, until the appointment and qualification of such legal representative.

19. CANCELLATION

This policy may be cancelled by the insured named in Item 1 of the Declarations by mailing to METROPOLITAN written notice stating when thereafter the cancellation shall be effective.

This policy may be cancelled by METROPOLITAN,

- (a) if the named insured fails to discharge when due any of his obligations in connection with the payment of premiums for this policy or any installment thereof,
- (b) if the driver's license of the named insured or any other operator who either resides in the same household or customarily operates an automobile insured under this policy has been under suspension or revocation during the twelve (12) month period preceding the effective date of cancellation,
- (c) if this policy is to be replaced by another policy issued by METROPOLITAN to be effective as of the effective date of cancellation of this policy, or
- (d) if this policy has been in effect less than sixty (60) days at the time notice of cancellation is mailed,

by mailing to the insured named in Item 1 of the Declarations at the address shown in this policy written notice stating when not less than the number of days thereafter required by applicable law, or in any event not less than twenty (20) days thereafter, such cancellation shall be effective.

In all other circumstances this policy may be cancelled by METROPOLITAN in accord with applicable law, as of any anniversary of its effective date by mailing, not less than the number of days required by such applicable law or in any event not less than thirty (30) days before such anniversary, written notice thereof to the insured named in Item 1 of the Declarations at the address shown in this policy.

The mailing of notice shall be sufficient proof of notice and the effective date and hour of cancellation stated therein shall become the end of the policy period. Delivery of such written notice, either by such insured or by METROPOLITAN, shall be equivalent to mailing.

Notwithstanding the agreement set forth in the foregoing provisions, this policy shall, on the effective date of any replacement automobile insurance policy not issued by METROPOLITAN, terminate with respect to any automobile designated in both policies.

If the policy is cancelled, earned premium shall be computed pro-rata and return premiums shall be rounded to the nearest dollar. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

20. PARTICIPATION

This policy is a participating policy. The Board of Directors may from time to time, in its discretion, declare and authorize the distribution of dividends with respect to participating policies and the insured named in Item 1 of the Declarations shall, to the extent and upon the conditions fixed and determined by the Board of Directors, participate in such dividend distribution.

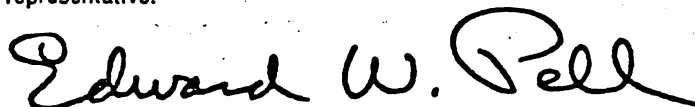
21. DECLARATIONS

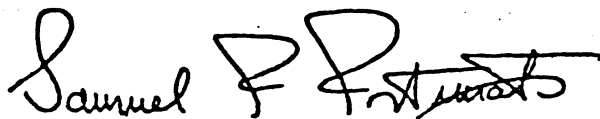
By acceptance of this policy, the insured named in Item 1 of the Declarations agrees that the statements in the Declarations and in any subsequent application accepted by METROPOLITAN which are offered as an inducement to METROPOLITAN to issue or continue this policy, are his agreements and representations, that this policy is issued and continued in reliance upon the truth of such representations and that this policy embodies all agreements existing between himself and METROPOLITAN or any of its agents relating to this insurance.

22. ARBITRATION

If any person making claim under the Protection Against Uninsured Motorists Coverage and METROPOLITAN do not agree that such person is legally entitled to recover damages from the owner or operator of an uninsured highway vehicle because of bodily injury to the insured, or do not agree as to the amount of payment which may be owing hereunder, or do not agree as to the coverage of insurance hereunder, then, upon written election of the insured, the matter or matters upon which such person and METROPOLITAN do not agree shall be settled by arbitration in accordance with the rules of the American Arbitration Association, unless other means of conducting the arbitration are required by applicable law or are agreed to between the insured and METROPOLITAN, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Such person and METROPOLITAN each agree to consider itself bound and to be bound by any award made by the arbitrator(s) pursuant to this provision.

IN WITNESS WHEREOF, the METROPOLITAN PROPERTY AND LIABILITY INSURANCE COMPANY has caused this policy to be signed by its President and its Secretary at Warwick, Rhode Island, and countersigned on the Declarations by a duly authorized representative.


Secretary


President

MAILING ADDRESS 7565 Autumn DR. West Jc. DAN, UT 84084		TELEPHONE NO. 755-871	
VH. NO. 566-288		OTHER VEH. NO. 566-288	
EXACT LOCATION OF residence, if no street number used FORMER ADDRESS if in community less than 6 months		LENGTH OF RES.	
MOST RECENT LIABILITY INSURER FARMERS		POLICY NO. 76105230702	
APPLICANT'S EMPLOYER FINCO CONST.		MONTH-DAY-YEAR 11-27-73 TO 11-27-73	
APPLICANT'S EMPLOYER FINCO CONST.		ADDRESS OF EMPLOYER 3175 W. 7550 S. J.	
2 DRIVERS		3 OTHER RESIDENTS	
1. NAME NPA		1. NAME under 12	
2. NAME TERRI		2. NAME under 12	
3. NAME		3. NAME	
4. NAME		4. NAME	
4 VIOLATIONS & ACCIDENTS		5 FINANCE COMPANY	
1. NAME GMA		1. NAME GMA	
2. NAME		2. NAME	
3. NAME		3. NAME	
4. NAME		4. NAME	
5. NAME		5. NAME	
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93. NAME		93. NAME	
94. NAME		94. NAME	
95. NAME		95. NAME	
96. NAME		96. NAME	
97. NAME		97. NAME	
98. NAME		98. NAME	
99. NAME		99. NAME	
100. NAME		100. NAME	

Also own a mustang which Mrs.
Drives to work and will be added
when it comes due.

MR. drives a company truck to work.

REMARKS

TRAILERS	12 THE FOLLOWING QUESTIONS CONCERNING CAMPING, TRAVEL OR UTILITY TRAILERS SHOULD BE ANSWERED IN FULL					
	DESCRIBE EXACT USE OF TRAILER					LENGTH FT.
	IS TRAILER EQUIPPED WITH OTHER THAN USUAL HOUSEHOLD EQUIPMENT?					
	DOES APPLICANT MAINTAIN OTHER PERMANENT LIVING QUARTERS FOR HIS OWN OCCUPANCY?					
	NUMBER OF MONTHS DURING YEAR TRAILER WILL BE USED AS LIVING QUARTERS					
	WHERE IS TRAILER KEPT WHEN NOT IN USE?					
	ARE PASSENGERS EVER TRANSPORTED IN TRAILER?					
	IS TRAILER EVER RENTED OR LOANED TO OTHERS?					
IS TRAILER USED IN CONNECTION WITH APPLICANT'S OCCUPATION?						
IS TRAILER EVER USED IN CONNECTION WITH STORE, OFFICE OR DISPLAY USE?						

SECOND I.D. NO.	43 A 52862567	1201A 111111
NAMED INSURED	NEAL W FINLAYSON	
ADDRESS	7565 SO AUTUMN DR	WEST JORDAN UT 84084
		SECURITY NO. 1

[illegible]

YEAR		TRADE NAME	VEHICLE IDENTIFICATION NO. (VIN)	MODEL	BODY TYPE	CYL	WSP. CO.	DATE OF LATEST WSP	WSP. RPT. STATUS	POTENTIAL DRIVERS AGES	TYPE OF INSPECTION	ALTERNATE GARAGE ZIP	TAX ID
180	CHEVROLET	1237KAK448161	M CARLO	2 DR	6	A7N07500P02	04						
275	FORD	SGTARM36067	COURIER	PICKUP	4	P003500T10	04						
16HAC		2323 FOOTHILL BLVD			SALT LAKE CITY			UT		84109			

[illegible]

VEH	POL	ADD'L	INCEP	AUTO LIABILITY — MEDICAL EXPENSE — U.M.				INCEP	LOSS TO COVERED AUTO		INCEP	
				B.I. & P.D. LIABILITY PER OCCURRENCE	MEDICAL EX. PER OCCUR	UNINSURED MOTORIST PER PERSON	UNINSURED MOTORIST PER ACCIDENT		DATE	COLLISION		
1				100000	1000	50000	100000	11/27	100	100	11/27	
2				100000	1000	50000	100000	06/16				
CLASSES	1			0131000	0131000		END'D NO AND DATE					
	2			0531000								

P	Y	P.J.P.	AUTO LAB. MED EXP. U.M.	LOSS TO COVERED AUTO	ENDORSEMENTS	TOTAL	AMOUNT OF DEPOSIT
1	1	5	23	40		68	82.00
2	2	6	30			36	
3	3						

[illegible]

CONTRACT																			
	DES	MO	DAY	YR		DES	MO	DAY	YR		DES	MO	DAY	YR		DES	MO	DAY	YR

[illegible]

INFORMATION

ADD VEH TO BE ADDED MUSTANG TO/FROM WK RT MR DRIVES CO VEH
PER REPORT FROM CLMS, ALCO INVOLV IN 3/82 LOSS SEND DNC NOTICE

14	21	REQUESTING	102	REQUESTING	02	ORIGINATING	DATE/TIME	STATUS	091	082	POLICY	120280	SITUATION	11
				LOCATION		LOCATION	GENERATED				EXPIRATION DATE			

MOBILE POLICY STATUS REPORT

OND I.D. NO. 43 A 528825673 0 201A 112781 112782 MONTHS OF COVERAGE 12
 ED INSURED NEAL W FINLAYSON
 ADDRESS 7565 SO AUTUMN DR WEST JORDAN UT 84084 POLICY STATUS 1 18 2 3 4

NAME DATE OF BIRTH MARITAL STATUS DRIVER'S LICENSE
 NEAL FINLAYSON 11/18/52 M BUILDER XC176971
 TERRI FINLAYSON 02/26/58 F ASSEMBL X4724737
 SEP 20 1982

POTENTIAL DRIVERS AGES INSP. REPORT STATUS DATE OF LATEST INSP. INSP. CO. TYPE OF INSPECTION
 TRADE NAME VEHICLE IDENTIFICATION NO. (VIN) MODEL BODY TYPE CYL. COST ALTERNATE GARAGE ZIP TAX TOWN
 BO CHEVROLET 1237KAK448161 M CARLO 2 DR 6 A7N07500P02 04
 75 FORD SGTARM36067 COURIER PICKUP 4 P 803500110 04
 GHAC 2323 FOOTHILL BLVD SALT LAKE CITY UT 84109

ALTERNATE GARAGE

AUTO LIABILITY - MEDICAL EXPENSE - U.M.
 INCEP. DATE LOSS TO COVERED AUTO INCEP. DATE
 COLLISION OTHER THAN COLLISION
 1 100000 1000 50000 100000 11/27 100 100 11/27
 2 100000 1000 50000 100000 06/16

COV. ENDS. 1 0131000 0131000
 2 0531000

PHE. V. P.I.P. AUTO LIAB. MED. EXP. U.M. LOSS TO COVERED AUTO ENDORSEMENTS TOTAL AMOUNT OF DEPOSIT
 1 5 23 40 68 82.00
 2 6 30 36

EFFECTIVE DATE PROCESSED DATE UNO NO. TYPE OF ACTION
 0Y02058202058275A5C9E4
 GN01019907148200S6S9
 FN0817820817821H13
 FN0818820818823CL3
 0Y06168206168285C8
 JV0802820802821H03
 FN0818820818823CL3
 JV0910820910821704

CONV. DES. MO DAY YR. DES. MO DAY YR. DES. MO DAY YR. DES. MO DAY YR. DES. MO DAY YR.
 C N

CLAIM NO. SWI. S. U. F. AMOUNT PAID. I. B. S. B. S. C. A. T. DATE TIME. A. U. S. E. V. C. H. E. R. USE IN CLAIM DIFF. MULTI-POL-IND-INPUT 1
 B1206414AB11 1101H1420003308205P11Y111 PIP WAS \$ 2,000
 RECEIVED NO DATA ENTRY
 PIA ACT. DATE

INFORMATION
 ADD VEH TO BE ADDED MUSTANG TO/FROM WR RT MR DRIVES CO VEH
 ALSO INVOLV IN 3/82 LOSS SEND DNC NOTICE

11/14/82 POLICY 120280 SITUATION 1 2

825673 0 METROPOLITAN

1 See NAMED INSURED AND ADDRESS in the Automobile Insurance Schedule below.

12 From: **11-27-80** to the effective date of cancellation, 12:01 A.M.
 CY standard time at the address of the named insured as stated in the policy.
 00 Policy Anniversary Date: **11-27**

1 — PREMIUM PAYMENT SCHEDULE

For this policy is payable on the **27 TH** day of
JAN; APR; JUL; OCT
 upon notice of interim amendments.

4 — OWNERSHIP

As otherwise stated in the Special Information section of the Automobile Insurance Schedule, the named automobile(s) is solely owned by the named insured subject to the interest of any lien herein.

ITEM 5 — COVERAGE ORDERED

The policy applies to the named automobile(s) described in the Automobile Insurance Schedule issued hereunder, which is hereby made a part of these declarations, and affords with respect to said owned automobile(s) as of the effective date specified in the Automobile Insurance Schedule, the coverages indicated herein as applicable hereto by entry of specific premium charge or charges.

ITEM 6 — LIMITS OF LIABILITY AND DEDUCTIBLE AMOUNTS

The limit of the Company's liability for the applicable coverages including deductible amounts, if any, shall be as indicated in the Automobile Insurance Schedule subject to all the terms of the policy having reference thereto.

ITEM 7 — PLACE OF GARAGING

Unless otherwise stated in the Special Information section of the Automobile Insurance Schedule the named automobile(s) is principally garaged at the address of the named insured as stated in the policy.

ITEM 8 — LOSS PAYEE

As stated in the policy any loss under Loss to Covered Automobile is payable to the interest may appear to the named insured and to the loss payee, if any, specified in the Automobile Insurance Schedule.

6128423

Authorized Representative

METROPOLITAN PROPERTY AND LIABILITY INSURANCE COMPANY

AUTOMOBILE INSURANCE SCHEDULE Issued to form part of the Declarations

POLICY NUMBER	SCHEDULE EFFECTIVE DATE	TYPE OF TRANSACTION	FIELD REPRESENTATIVE'S CODE	STATE CODE	TERRITORY CODE	VEHICLE 1	VEHICLE 2	VEHICLE 3
825673 0	11-27-80	NEW	6128423	43		04		

NAMED INSURED AND ADDRESS

NEAL W FINLAYSON
 7565 SO AUTUMN DR
 WEST JORDAN UT 84084

DIAL-A-SERVICE SEE SERVICE DIRECTORY
 DIAL-A-CLAIM SERVICE SEE CLAIM DIRECTORY

OR WRITE TO
 METROPOLITAN PROPERTY AND LIABILITY INSURANCE COMPANY
 P.O. BOX 5555 ORANGE CA. 92667

NAME	DATE OF BIRTH	NAME	DATE OF BIRTH
NEAL W FINLAYSON	11/18/52	TERRI FINLAYSON	02/26

COVERAGES APPLICABLE AND LIMITS OF LIABILITY

BASIC	PERSONAL INJURY PROTECTION					AUTO LIAB — MED. EXP. — U.M.				LOSS TO COVERED AUTOMOBILE	
	ADDITIONAL PERSONAL INJURY					BODILY INJURY & PROPERTY DAMAGE LIABILITY	AUTOMOBILE MEDICAL EXPENSE	UNINSURED MOTORISTS		VEHICLE COLLISION	OTHER COLL.
	TOTAL BENEFITS	MEDICAL	INCOME LOSS	SUBSTITUTE SERVICES	SURVIVOR BENEFITS			PER PERSON	PER ACCIDENT		
EE LOW	\$	\$	\$	\$	\$	PER OCCURRENCE \$100,000	PER ACCIDENT \$1,000	\$50,000	\$100,000	\$100	\$100

Number of endorsements forming a part of this policy or attached to the policy: **P817**

DESCRIPTION OF OWNED AUTOMOBILE(S)	VEH	YEAR	TRADE NAME	VEHICLE IDENTIFICATION NUMBER (VIN)	MODEL	BODY TYPE	CLASS - SPT (ENCLOSURE)
	1	80	CHEVROLET	1Z37KAK448161	M CARLO	2 DR	011100
	2						
	3						

LOSS PAYEE DATA: **VEH 1 GMAC** **2323 FOOTHILL BLVD** **SALT LAKE CITY** **UT 84**

SPECIAL INFORMATION

BASIC PERSONAL INJURY PROTECTION BENEFITS APPLY UP TO THE FOLLOWING LIMITS FOR EACH ELIGIBLE PERSON:

A. \$2,000 MAXIMUM FOR MEDICAL EXPENSES; B. 85% OF GROSS INCOME NOT TO EXCEED \$1,000 PER WEEK UP TO A MAXIMUM OF 52 WEEKS; C. \$12 PER DAY FOR LOSS OF SERVICES UP TO A MAXIMUM OF 365 DAYS; D. \$1,000 FOR FUNERAL EXPENSES; E. \$2,000 TOTAL FOR SURVIVOR BENEFITS TO HEIRS.

ITEM 1	See NAMED INSURED AND ADDRESS in the Automobile Insurance Schedule below.	ITEM 5 — COVER AFFORDED The policy applies to the owned automobile(s) described in the Automobile Insurance Schedule issued hereunder, which is hereby made a part of these declarations with respect to said owned automobile(s) as of the effective date specified in the Automobile Insurance Schedule, the coverages indicated herein as applicable to by entry of specific premium charge or charges.
ITEM 2 POLICY PERIOD	From: 11-27-80 to the effective date of cancellation, 12:01 A.M. standard time at the address of the named insured as stated in the policy. Policy Anniversary Date: 11-27	ITEM 6 — LIMITS OF LIABILITY AND DEDUCTIBLE AMOUNTS The limit of the Company's liability for the applicable coverages including deductibles, if any, shall be as indicated in the Automobile Insurance Schedule as all the terms of the policy having reference thereto.
ITEM 3 — PREMIUM PAYMENT SCHEDULE Premium for this policy is payable on the 27 TH day of JAN; APR; JULY; OCT and upon notice of interim amendments.		ITEM 7 — PLACE OF GARAGING Unless otherwise stated in the Special Information section of the Automobile Insurance Schedule the owned automobile(s) is principally garaged at the address of the insured as stated in the policy.
ITEM 4 — OWNERSHIP Unless otherwise stated in the Special Information section of the Automobile Insurance Schedule, the owned automobile(s) is solely owned by the named insured subject to the interest of any lienholder herein.		ITEM 8 — LOSS PAYEE As stated in the policy any loss under Loss to Covered Automobile is payable to the named insured and to the loss payee, if any, specified in the Automobile Insurance Schedule.

This policy, including all endorsements attached herewith, is hereby countersigned by **6128423** Authorized Representative

METROPOLITAN PROPERTY AND LIABILITY INSURANCE COMPANY **AUTOMOBILE INSURANCE SCHEDULE** Issued to form part of the Declaration

POLICY NUMBER	SCHEDULE EFFECTIVE DATE	TYPE OF TRANSACTION	FIELD REPRESENTATIVE'S CODE	STATE CODE	TERRITORY CODE	VEHICLE 1	VEHICLE 2	VEHICLE 3
28825673 0	11-27-80	NEW	6128423	43		04		

NAMED INSURED AND ADDRESS	NEAL W FINLAYSON 7565 SO AUTUMN DR WEST JORDAN UT 84084	DIAL-A-SERVICE SEE SERVICE DIRECTORY DIAL-A-CLAIM SERVICE SEE CLAIM DIRECTORY OR WRITE TO METROPOLITAN PROPERTY AND LIABILITY INSURANCE COMPANY P.O. BOX 5555 ORANGE CA. 92667

RIVER(S)	NAME	DATE OF BIRTH	NAME	DATE
	NEAL FINLAYSON	11/18/52	TERRI FINLAYSON	02

PERSONAL INJURY PROTECTION						AUTO LIAB — MED EXP — U.M.				LOSS TO COVERED AUTOMOBILE	
BASIC	ADDITIONAL PERSONAL INJURY					BODILY INJURY & PROPERTY DAMAGE LIABILITY	AUTOMOBILE MEDICAL EXPENSE	UNINSURED MOTORISTS		ACTUAL CASH VALUE DEDUCTIBLE AMOUNT APPLICABLE TO CAUSING DAMAGE	
	TOTAL BENEFITS	MEDICAL	INCOME LOSS	SUBSTITUTE SERVICES	SURVIVOR BENEFITS			PER OCCURRENCE	PER ACCIDENT	PER PERSON	PER ACCIDENT
SEE BELOW	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	100,000	1,000	50,000	100,000		1	\$100	\$			
	2	\$	\$	\$	\$	3	\$	\$	\$	\$	\$

PREMIUM	VEH	PERSONAL INJURY PROTECTION	AUTO LIAB. MED. EXP. U.M.	LOSS TO COVERED AUTOMOBILE	CURRENT QUARTER ANNUAL POLICY PREMIUM	PLUS PREMIUM ENDORSEMENTS	TOTAL QUARTER ANNUAL PREMIUM	TOTAL OF PREVIOUS QUARTER ANNUAL PREMIUM	PRO-RATA CHANGE IN QUARTER ANNUAL PREMIUM FOR THIS TRANSACTION	
									INCREASE	DEC
1	\$	6	\$ 27	\$ 49	\$ 82	\$	\$ 82	\$		
2	\$	\$	\$	\$						
3	\$	\$	\$	\$						

Form numbers of endorsements forming a part of this policy or attached to the policy **P817**

DESCRIPTION OF OWNED AUTOMOBILE(S)	VEH	YEAR	TRADE NAME	VEHICLE IDENTIFICATION NUMBER (VIN)	MODEL	BODY TYPE	CLASS - SET (ENCLOSURE)
	1	80	CHEVROLET	1237KAK448161	M CARLO	2 DR	011100
	2						

DSS PAYEE DATA	VEH 1	GMAC	2323 FOOTHILL BLVD	SALT LAKE CITY	UT 8
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SPECIAL INFORMATION
BASIC PERSONAL INJURY PROTECTION BENEFITS APPLY UP TO THE FOLLOWING LIMITS FOR EACH ELIGIBLE PERSON:
 A. \$2,000 MAXIMUM FOR MEDICAL EXPENSES; B. 85% OF GROSS INCOME NOT TO EXCEED \$1 PER WEEK UP TO A MAXIMUM OF 52 WEEKS; C. \$12 PER DAY FOR LOSS OF SERVICES UP TO A MAXIMUM OF 365 DAYS; D. \$1,000 FOR FUNERAL EXPENSES; E. \$2,000 TOTAL FOR SURVIVOR BENEFITS TO HEIRS.

Exhibit C

X

. RICK MIZUTA & BEDDY WALKER, DBA: THE
. ANIMAL HOUSE
. 716 SOUTH STATE STREET
. SALT LAKE CITY, UTAH 84111

. CROWLEY INSURANCE AGENCY INC
. 543 EAST 400 SOUTH
. SALT LAKE CITY, UTAH 84102
.

9-16-82

9-16-83

X

SAME

TAVERN

NIL
90
NIL

NIL
10,000
NIL

GLASS SCHEDULE PER MP0460(7-77)

PER CL69359
PER CL69359
250

PER CL69359
PER CL69359
10,000

PRODUCTS HAZARD REDEFINED PER G611(7-66)

7-77
AS PER END'T A

AS PER END'T A

AS PER END'T A

AS PER END'T A

N/A

1,085

1,085

N/A

RP/ts 10-5-82

Salt Lake City, Utah

Crowley Insurance Agency Inc.

Agent of this Company



Royal
Insurance

COMPANY

in policy declarations.

Unless otherwise stated, this endorsement forms a part of the policy to which attached as of issue, provided such attachment is stated in the policy declarations. Otherwise, this endorsement is issued for attachment to and forms a part of the policy numbered below, effective only on the date indicated on this endorsement but at the same time or hour of the day as the policy became effective.

SIGNED BY

[Signature]
AUTHORIZED REPRESENTATIVE

PREMIUM

☐ Add'l. ☐ Return \$

END. EFF. DATE
(MO., DAY, YR.)

POLICY SYMBOL & NUMBER

PYNF 59788

Named Insured (and address, zip code, when necessary for mailing)

Producer (and address, zip code, for mailing)

ENDORSEMENT A

FORMS AND ENDORSEMENTS ATTACHED TO POLICY AT TIME OF ISSUANCE:

ALL SECTIONS: 83903, MP0090(7-77), MP0127(12-79)

Section I

MP0460(7-77)
MP101A(7-77)

Section II

MP9991(7-77)
67905A
CL69359
67909
G611(7-66)
GL0019(7-78)
GL0026(3-81)
GL0027(3-81)

Section III

MP0450(7-77)
MP0307(7-77)

CHANGE OF NAME NOTIFICATION

Royal Insurance



THIS NOTIFICATION FORMS A PART OF THE POLICY TO WHICH IT IS ATTACHED.

The name of Royal Globe Insurance Company has been changed to Royal Insurance Company of America. This is a change of name only and does not affect the liability and obligations of the Company under the terms and conditions of its policies. If the name Royal Globe Insurance Company appears, the name Royal Insurance Company of America is substituted in its stead.

83903



SPECIAL MULTI-PERIL POLICY CONDITIONS AND DEFINITIONS GENERAL CONDITIONS

MP 00 90
(Ed. 07 77)

The following Conditions apply to Section I and II except as otherwise indicated. Additional Conditions or modifications of the following Conditions may appear in the specific coverage sections.

1. Premium. All premiums for this policy shall be computed in accordance with the Company's rules, rates, rating plans, premiums and minimum premiums applicable to the insurance afforded herein.

If this policy is issued for a period in excess of one year with a specified expiration date and a premium is payable at each anniversary, such premium shall be determined annually on the basis of the rates in effect at the anniversary date.

If this policy is issued for a period without a specified expiration date, it may be continued by payment of the required premium for the succeeding annual period. Such premium must be paid to the Company prior to each anniversary date; if not so paid, this policy shall expire on the first anniversary date that the said premium has not been received by the Company.

2. Time of Inception. To the extent that coverage in this policy replaces coverage in other policies terminating noon standard time on the inception date of this policy, coverage under this policy shall not become effective until such other coverage has terminated.

3. Cancellation. This policy may be cancelled by the named insured by surrender thereof to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This policy may be cancelled by the Company by mailing to the named insured at the mailing address shown in the Declarations, written notice stating when not less than ten days thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the named insured or by the Company shall be equivalent to mailing.

If the named insured cancels, the Company shall, upon demand and surrender of this policy, refund the excess of paid premium above the customary short rates for the expired time. If the Company cancels, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

Notice of cancellation addressed to the named insured and mailed to the mailing address shown in the Declarations shall be sufficient notice to effect cancellation of this policy.

4. Concealment or Fraud. This policy is void if any insured has intentionally concealed or misrepresented any material fact or circumstance relating to this insurance.

5. Assignment. Assignment of interest under this policy shall not bind the Company until its consent is endorsed hereon. However, if the named insured shall die, this insurance shall apply:

- (a) to the named insured's legal representative, as the named insured, but only while acting within the scope of his duties as such; or
- (b) to the person having temporary custody of the property of the named insured but only until the appointment and qualification of the legal representative.

6. Subrogation.

(a) In the event of any payment under this policy, the Company shall be subrogated to all the insured's rights of recovery against any person or organization and the insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The insured shall do nothing after loss to prejudice such rights.

(b) The Company shall not be bound to pay any loss if the insured has impaired any right of recovery for loss; however, it is agreed that the insured may:

(1) as respects property while on the premises of the insured, release others in writing from liability for loss prior to loss, and such release shall not affect the right of the insured to recover hereunder, and

(2) as respects property in transit, accept such bills of lading, receipts or contracts of transportation as are ordinarily issued by carriers containing a limitation as to the value of such goods or merchandise.

7. Inspection and Audit. The Company shall be permitted but not obligated to inspect the named insured's property and operations at any time. Neither the Company's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking on behalf of or for the benefit of the named insured or others to determine or warrant that such property or operations are safe or healthful or are in compliance with any law, rule or regulation.

The Company may examine and audit the named insured's books and records at any time during the policy period and extensions and within three years after the final termination of this policy, as far as they relate to the subject matter of this insurance.

8. Liberalization Clause. In the event any filing is submitted to the insurance supervisory authorities on behalf of the Company, and:

(a) the filing is approved or accepted by the insurance authorities to be effective while this policy is in force or within 45 days prior to its inception; and

(b) the filing includes insurance forms or other provisions that would extend or broaden this insurance by endorsement or substitution of form, without additional premium,

the benefit of such extended or broadened insurance shall inure to the benefit of the insured as though the endorsement or substitution of form had been made.

9. Insurance Under More Than One Coverage, Part or Endorsement. In the event that more than one coverage, part or endorsement of this policy insures the same loss, damage or claim, the Company shall not be liable for more than the actual loss or damage sustained by the insured.

10. Waiver or Change of Provisions. The terms of this insurance shall not be waived, changed or modified except by endorsement issued to form a part of this policy.

CONDITIONS APPLICABLE TO SECTION I

1. **Policy Period, Territory.** Section I of this policy applies only to loss to property during the policy period while such property is within or between the fifty states of the United States of America, the District of Columbia and Puerto Rico.

2. **Deductible.** Unless otherwise provided in the Declarations:

(a) The sum of \$100 shall be deducted from the amount of loss to property in any one occurrence. This deductible shall apply:

(1) separately to each building, including personal property therein;

(2) separately to personal property in each building if no coverage is provided on the containing building; and

(3) separately to personal property in the open (including within vehicles).

(b) The aggregate amount of this deductible in any one occurrence shall not exceed \$1,000.

3. **Coinsurance Clause.** The Company shall not be liable for a greater proportion of any loss to property covered than the limit of liability under this policy for such property bears to the amount produced by multiplying the actual cash value of such property at the time of the loss by the coinsurance percentage stated in the Declarations.

In the event that the aggregate claim for any loss is both less than \$10,000 and less than 5% of the limit of liability for all contributing insurance applicable to the property involved at the time such loss occurs, no special inventory or appraisal of the undamaged property shall be required providing that nothing herein shall be construed to waive the application of the first paragraph of this clause.

If insurance under Section I of this policy is divided into separate limits of liability, the foregoing shall apply separately to the property covered under each such limit of liability.

4. **Removal.** This policy covers loss by removal of the property covered hereunder from premises endangered by the perils insured against, and the amount of insurance applies pro rata for five days at each proper place to which such property shall necessarily be removed for preservation.

5. **Debris Removal.** This policy covers expense incurred in the removal of debris of the property covered which may be occasioned by loss by any of the perils insured against in this policy. The total amount recoverable under this policy for both loss to property and debris removal expense shall not exceed the limit of liability applying to the property. Cost of removal of debris shall not be considered in the determination of actual cash value when applying the Coinsurance Clause.

6. **War Risk And Governmental Action Exclusion.** This policy under Section I shall not apply to loss caused, directly or indirectly, by or due to any act or condition incident to the following:

(a) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack (i) by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces; or (ii) by military, naval or air forces; or (iii) by an agent of any such government, power, authority or forces, it being understood that any discharge, explosion or use of any weapon of war employing nuclear fission or fusion shall be conclusively presumed to be such a hostile or warlike action by such a government, power, authority or forces.

(b) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence; seizure or destruction under quarantine or custom's regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.

7. **Nuclear Clause And Nuclear Exclusion.**

(a) **Nuclear Clause (Not Applicable in New York).** The word "fire" in this policy is not intended to and does not embrace nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and loss by nuclear reaction or nuclear radiation or radioactive contamination is not intended to be and is not insured against by this policy, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by "fire" or any other perils insured against by this

policy. However, subject to the foregoing and all provisions of this policy, direct loss by "fire" resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this policy.

(b) **Nuclear Clause (Applicable only in New York):** This policy does not cover loss or damage caused by nuclear reaction or nuclear radiation or radioactive contamination, all whether directly or indirectly resulting from an insured peril under this policy.

(c) **Nuclear Exclusion (Not Applicable in New York):** Loss by nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, or due to any act or condition incident to any of the foregoing is not insured against by this policy, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by any of the perils insured against by this policy; and nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, is not "explosion" or "smoke". This clause applies to all perils insured against hereunder except the peril of fire, which is otherwise provided for in the nuclear clause above.

8. **Other Insurance.**

(a) If at the time of loss there is other insurance written in the name of the insured upon the same plan, terms, conditions and provisions as contained in this policy, herein referred to as Contributing Insurance, the Company shall be liable for no greater proportion of any loss than the limit of liability under this policy bears to the whole amount of insurance covering such loss.

(b) If at the time of loss there is other insurance other than that as described in (a) above, the Company shall not be liable for any loss hereunder until:

(1) the liability of such other insurance has been exhausted, and

(2) then for only such amount as may exceed the amount due from such other insurance, whether collectible or not.

9. **Duties Of The Named Insured After A Loss.** In case of loss the named insured shall:

(a) give immediate written notice of such loss to the Company;

(b) protect the building and personal property from further damage, make reasonable temporary repairs required to protect the property, and keep an accurate record of repair expenditures;

(c) prepare an inventory of damaged personal property showing in detail, quantity, description, actual cash value and amount of loss. Attach to the inventory all bills, receipts and related documents that substantiate the figures in the inventory;

(d) exhibit the remains of the damaged property as often as may be reasonably required by the Company and submit to examination under oath;

(e) submit to the Company within 60 days after requested a signed, sworn statement of loss that sets forth to the best of the named insured's knowledge and belief:

(1) the time and cause of loss;

(2) interest of the insured and all others in the property involved and all encumbrances on the property;

(3) other policies of insurance that may cover the loss;

(4) changes in title or occupancy of the property during the term of the policy;

(5) specifications of any damaged building and detailed estimates for repair of the damage;

(6) an inventory of damaged personal property described in (c) above;

(f) give notice of such loss to the proper police authority if loss is due to a violation of law.

10. **Appraisal.** If the named insured and the Company fail to agree on the amount of the loss, either can demand that the amount of loss be set by appraisal. If either party makes a written demand for appraisal, each shall select a competent independent appraiser. Each shall notify the other of the selected appraiser's identity within twenty (20) days of the receipt of the written demand.

The two appraisers shall select a competent, impartial umpire. If the appraisers are unable to agree upon an umpire within fifteen (15) days, the named insured or the Company may petition a judge of a Court of Record in the state where the insured premises is located to select an umpire.

The appraisers shall then set the amount of the loss. If the appraisers submit a written report of an agreement to the Company, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of loss.

Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and compensation of the umpire shall be paid equally by the named insured and the Company.

11. Company Options. If the Company gives notice within thirty (30) days after it has received a signed, sworn statement of loss, it shall have the option to take all or any part of the property damaged at an agreed value, or to repair, rebuild or replace it with equivalent property.

12. Abandonment Of Property. The Company need not accept any property abandoned by an insured.

13. Payment Of Loss. The Company will pay all adjusted claims within thirty (30) days after presentation and acceptance of the proof of loss.

14. Privilege To Adjust With Owner.

(a) Except as provided in (b) below, or unless another payee is specifically named in the policy, loss, if any, shall be adjusted with and payable to the named insured.

(b) In the event claim is made for damage to property of others held by the insured, the right to adjust such loss or damage with the owner or owners of the property is reserved to the Company and the receipt of payment by such owner or owners in satisfaction thereof shall be in full satisfaction of any claim of the insured for which such payment has been made.

If legal proceedings be taken to enforce a claim against the insured as respects any such loss or damage, the Company reserves the right at its option without expense to the insured to conduct and control the defense on behalf of and in the name of the insured. No action of the Company in such regard shall increase the liability of the Company under this policy, nor increase the limits of liability specified in the policy.

15. Suit. No suit shall be brought on this policy unless the insured has complied with all the policy provisions and has commenced the suit within one year after the loss occurs.

16. Permits And Use. Except as otherwise provided, permission is granted:

(a) to make alterations and repairs;

(b) in the event of loss hereunder, to make reasonable repairs, temporary or permanent, provided such repairs are confined solely to the protection of the property from further damage, and provided further that the insured shall keep an accurate record of such repair expenditures. The cost of any such repairs directly attributable to damage by any peril insured against shall be included in determining the amount of loss hereunder. Nothing herein contained is intended to modify the policy requirements applicable in case loss occurs, and in particular the requirement that, in case loss occurs, the insured shall protect the property from further damage.

17. Vacancy, Unoccupancy and Increase of Hazard.

(a) This Company shall not be liable for loss occurring while a described building, whether intended for occupancy by owner or tenant is vacant beyond a period of sixty consecutive days. "Vacant" or "Vacancy" means containing no contents pertaining to operations or activities customary to occupancy of the building, but a building in process of construction shall not be deemed vacant.

(b) Permission is granted for unoccupancy

(c) Unless otherwise provided in writing added hereto this Company shall not be liable for loss occurring while the hazard is increased by any means within the control or knowledge of the insured.

18. Protective Safeguards. If as a condition of this insurance that the insured shall maintain so far as is within his control such protective safeguards as are set forth by endorsement hereto.

Failure to maintain such protective safeguards shall suspend this insurance only as respects the location or situation affected for the time of such discontinuance.

19. Mortgage Clause—Applicable Only To Buildings. This clause is effective if a mortgagee is named in the Declarations. The word "mortgagee" includes "trustee". Loss to buildings shall be payable to the named mortgagee as interest may appear, under all present or future mortgages on the buildings described in the Declarations in order of precedence of mortgages on them.

As it applies to the interest of any mortgagee designated in the Declaration, this insurance shall not be affected by any of the following:

(a) any act or neglect of the mortgagor or owner of the described buildings;

(b) any foreclosure or other proceedings or notice of sale relating to the property;

(c) any change in the title or ownership of the property;

(d) occupancy of the premises for purposes more hazardous than are permitted by this policy;

provided, that in case the mortgagor or owner shall neglect to pay any premium due under this policy, the mortgagee shall, on demand, pay the premium.

The mortgagee shall notify the Company of any change of ownership, occupancy or increase of hazard which shall come to the knowledge of the mortgagee. Unless permitted by this policy, such change of ownership, occupancy or increase of hazard shall be noted on the policy and the mortgagee shall on demand pay the premium for the increased hazard for the term it existed under this policy. If such premium is not paid, the policy shall be null and void.

The Company reserves the right to cancel this policy at any time as provided by its terms. If so cancelled, this policy shall continue in force for the benefit only of the mortgagee for ten days after notice to the mortgagor of such cancellation and shall then cease. The Company shall have the right to cancel this agreement on ten days notice to the mortgagee.

When the Company shall pay the mortgagee any sum for loss under this policy, and shall claim that, as to the mortgagor or owner, no liability therefor existed, the Company shall, to the extent of such payment, be thereupon legally subrogated to all the rights of the mortgagee to whom such payment shall have been made, under the mortgage debt. In lieu of taking such subrogation, the Company may, at its option, pay to the mortgagee the whole principal due or to grow due on the mortgage, with interest accrued and shall thereupon receive a full assignment and transfer of the mortgage and of all such other securities. However, no subrogation shall impair the right of the mortgagee to recover the full amount of said mortgagee's claim.

20. Recoveries. In the event the Company has made a payment for loss under the policy and a subsequent recovery is made of the lost or damaged property, the insured shall be entitled to all recoveries in excess of the amount paid by the Company, less only the actual cost of effective such recoveries.

21. Loss Clause. Any loss hereunder shall not reduce the amount of the insurance.

22. No Benefit To Bailee. This insurance shall not inure directly or indirectly to the benefit of any carrier or other bailee.

23. No Control. This insurance shall not be prejudiced.

(a) by any act or neglect of the owner of any building if the insured is not the owner thereof, or by any act or neglect of any occupant (other than the insured) of any building when such act or neglect of the owner or occupant is not within the control of the insured, or

(b) by failure of the insured to comply with any warranty or condition contained in any endorsement attached to this policy with regard to any portion of the premises over which the insured has no control.

CONDITIONS APPLICABLE TO SECTION II

1. **Supplementary Payments.** The Company will pay, in addition to the applicable limit of liability:

(a) all expenses incurred by the Company, all costs taxed against the insured in any suit defended by the Company and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before the Company has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the Company's liability thereon;

(b) premiums on appeal bonds required in any such suit, premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this policy, and the cost of bail bonds required of the insured because of accident or traffic law violation arising out of the use of any vehicle to which this policy applies, not to exceed \$250 per bail bond, but the Company shall have no obligation to apply for or furnish any such bonds;

(c) expenses incurred by the insured for first aid to others at the time of an accident, for bodily injury to which this policy applies;

(d) reasonable expenses incurred by the insured at the Company's request in assisting the Company in the investigation or defense of any claim or suit, including actual loss of earnings not to exceed \$25 per day.

2. **Premium.** Premium designated in this policy as "advance premium" is a deposit premium only which shall be credited to the amount of the earned premium due at the end of the policy period. At the close of each period (or part thereof terminating with the end of the policy period) designated in the Declarations as the audit period the earned premium shall be computed for such period and, upon notice thereof to the named insured shall become due and payable. If the total earned premium for the policy period is less than the premium previously paid, the Company shall return to the named insured the unearned portion paid by the named insured.

The named insured shall maintain records of such information as is necessary for premium computation and shall send copies of such records to the Company at the end of the policy period and at such times during the policy period as the Company may direct.

3. **Financial Responsibility Laws.** When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, such insurance as is afforded by this policy for bodily injury liability or for property damage liability shall comply with the provisions of such law to the extent of the coverage and limits of liability required by such law. The insured agrees to reimburse the Company for any payment made by the Company which it would not have been obligated to make under the terms of this policy except for the agreement contained in this paragraph.

4. **Insured's Duties in the Event of Occurrence, Claim or Suit.**

(a) In the event of an occurrence, written notice containing particulars sufficient to identify the insured and also reasonably obtainable information with respect to the time, place and circumstances thereof and the names and addresses of the injured and of available witnesses shall be given by or for the insured to the Company or any of its authorized agents as soon as practicable.

(b) If claim is made or suit is brought against the insured, the insured shall immediately forward to the Company every demand, notice, summons or other process received by him or his representative.

(c) The insured shall cooperate with the Company and, upon the Company's request, assist in making settlements, in the conduct of suits and in entering any right of contribution or indemnity against any person or organization who may be liable to the insured because of injury or damage with respect to which insurance is afforded under this policy, and the insured shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The insured shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of accident.

5. **Medical Reports; Proof and Payment of Claim.** As soon as practicable the insured person or someone on his behalf shall give to the Company written proof of claim, under oath if required, and shall, after each request from the Company, execute authorization to enable the Company to obtain medical reports and copies of records. The injured person shall submit to physical examination by physicians selected by the Company

when and as often as the Company may reasonably require. The Company may pay the injured person or any person or organization rendering the services and the payment shall reduce the amount payable hereunder for such injury. Payment hereunder shall not constitute an admission of liability of any person or, except hereunder, of the Company.

6. **Action Against Company.** No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the insured's obligation to pay shall have been finally determined either by judgment against the insured after actual trial or by written agreement of the insured, the claimant and the Company.

Any person or organization, or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the Company as a party in any action against the insured to determine the insured's liability, nor shall the Company be impleaded by the insured or his legal representative. Bankruptcy or insolvency of the insured or of the insured's estate shall not relieve the Company of any of its obligations hereunder.

7. **Other Insurance.** The insurance afforded by this policy is primary insurance, except when stated to apply in excess of or contingent upon the absence of other insurance. When this insurance is primary and the insured has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the Company's liability under this policy shall not be reduced by the existence of such other insurance.

When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the Company shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

(a) **Contribution by Equal Shares.** If all of such other valid and collectible insurance provides for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.

(b) **Contribution by Limits.** If any of such other insurance does not provide for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

8. **Annual Aggregate.** If this policy is issued for a period in excess of one year, any limit of the Company's liability stated in this policy as "aggregate" shall apply separately to each consecutive annual period.

9. **Nuclear Exclusion.**

1. This policy does not apply:

(a) Under any Liability Coverage, to bodily injury or property damage

(1) with respect to which an insured under this policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) resulting from the hazardous properties of nuclear material and with respect to which (i) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (ii) the insured, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

(b) Under any Medical Payments Coverage, or under any Supplementary Payments provision relating to first aid, to expenses incurred with respect to bodily injury resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.

(c) Under any Liability Coverage, to bodily injury or property damage resulting from the hazardous properties of nuclear material, if

(1) the nuclear material (i) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (ii) has been discharged or dispersed therefrom;

(2) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or

(3) the bodily injury or property damage arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to property damage to such nuclear facility and any property thereat.

1. As used in this exclusion

"hazardous properties" include radioactive, toxic or explosive properties.

"nuclear material" means source material, special nuclear material or byproduct material;

"source material", "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

"waste" means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof;

"nuclear facility" means

(a) any nuclear reactor,

(b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,

(c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,

(d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"property damage" includes all forms of radioactive contamination of property.

DEFINITIONS APPLICABLE TO SECTION II

When used in the provisions applicable to Section II of this policy (including endorsements forming a part hereof):

"automobile" means a land motor vehicle, trailer or semitrailer designed for travel on public roads (including any machinery or apparatus attached thereto), but does not include mobile equipment;

"bodily injury" means bodily injury, sickness or disease sustained by any person which occurs during the policy period, including death at any time resulting therefrom;

"collapse hazard" includes "structural property damage" as defined herein and **properly damage** to any other property at any time resulting therefrom. **"Structural property damage"** means the collapse of or structural injury to any building or structure due to (1) grading of land, excavating, borrowing, filling, back filling, tunneling, pile driving, cofferdam work or caisson work, or (2) moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of its structural support thereof. The collapse hazard does not include property damage (1) arising out of operations performed for the named insured by independent contractors, or (2) included within the completed operations hazard or the underground property damage hazard, or (3) for which liability is assumed by the insured under an incidental contract;

"completed operations hazard" includes bodily injury and property damage arising out of operations or reliance upon a representation or warranty made at any time with respect thereto, but only if the bodily injury or property damage occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the named insured. **"Operations"** include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:

- (1) when all operations to be performed by or on behalf of the named insured under the contract have been completed;
- (2) when all operations to be performed by or on behalf of the named insured at the site of the operations have been completed; or
- (3) when the portion of the work out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Operations which may require further service or maintenance work, or correction, repair or replacement because of any defect or deficiency, but which are otherwise complete, shall be deemed completed.

The completed operations hazard does not include bodily injury or property damage arising out of

- (a) operations in connection with the transportation of property, unless the bodily injury or property damage arises out of a condition in or on a vehicle created by the loading or unloading thereof;
- (b) the existence of tools, uninstalled equipment or abandoned or unused materials; or
- (c) operations for which the classification stated in the policy or in the company's manual specifies "including completed operations";

"elevator" means any hoisting or lowering device to connect floors or landings, whether or not in service, and all appliances thereof including any car, platform, shaft, hoistway, stairway, runway, power equipment and machinery; but does not include an automobile servicing hoist, or a hoist without a platform outside a building if without mechanical power or if not attached to building walls, or a rod or material hoist used in alteration, construction or demolition operations, or an inclined conveyor used exclusively for carrying property or a dumbwaiter used exclusively for carrying property and having a compartment height not exceeding four feet.

"explosion hazard" includes property damage arising out of blasting or explosion. The explosion hazard does not include property damage (1) arising out of the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment, or (2) arising out of operations performed for the named insured by independent contractors, or (3) included within the completed operations hazard or the underground property damage hazard, or (4) for which liability is assumed by the insured under an incidental contract;

"incidental contract" means any written (1) lease of premises, (2) contract agreement, except in connection with construction or demolition

operations, or (3) undertaking to indemnify a municipality required by municipal ordinance, except in connection with work for the municipality, (4) contract agreement, or (5) elevator maintenance agreement.

"insured" means any person or organization qualifying as an insured in the "Persons Insured" provision of the applicable insurance coverage. The insurance afforded separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the company liability.

"mobile equipment" means a land vehicle (including any machinery or apparatus attached thereto), whether or not self-propelled, (1) not subject to motor vehicle registration, or (2) maintained for use exclusively on premises owned by or rented to the named insured, including the ways immediately adjoining, or (3) designed for use principally off public roads, or (4) designed or installed for the sole purpose of affording mobility to equipment of the following types forming an integral part of or permanently attached to such vehicle: power cranes, shovels, loaders, diggers and drills, concrete mixers (other than the mix in transit type), graders, scrapers, rollers and other road construction or repair equipment, air compressors, pumps and generators, including spraying, welding and building cleaning equipment, and geophysical exploration and well servicing equipment.

"named insured" means the person or organization named in Item 1. of the declarations of this policy.

"named insured's products" means goods or products manufactured, sold, handled or distributed by the named insured or by others trading under his name, including any container thereon (other than a vehicle), but **"named insured's products"** shall not include a vending machine or any property other than such container, rented to or located for use of others but not sold.

"occurrence" means an accident, including continuous or repeated exposure to conditions, which results in bodily injury or property damage neither expected nor intended from the standpoint of the insured;

"policy territory" means

- (1) the United States of America, its territories or possessions, or Canada; or
- (2) international waters or air space, provided the bodily injury or property damage does not occur in the course of travel or transportation from any other country, state or nation; or
- (3) anywhere in the world with respect to damages because of bodily injury or property damage arising out of a product which was sold for use or consumption within the territory described in paragraph (1) above, provided the original suit for such damages is brought within such territory.

"products hazard" includes bodily injury and property damage arising out of the named insured's products or reliance upon a representation or warranty made at any time with respect thereto, but only if the bodily injury or property damage occurs away from premises owned by or rented to the named insured and after physical possession of such products has been relinquished to others.

"property damage" means (1) physical injury to or destruction of tangible property which occurs during the policy period, including the loss of use thereof at any time resulting therefrom; or (2) loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an occurrence during the policy period.

"underground property damage hazard" includes underground property damage as defined herein and **properly damage** to any other property at any time resulting therefrom. **"Underground property damage"** means property damage to wires, conduits, pipes, drains, sewers, tanks, tunnels, any other property, and any apparatus or equipment thereon beneath the surface of the ground or water, caused by and occurring during the use of mechanical equipment for the purpose of grading land, paving, excavating, drilling, borrowing, filling, back filling or pile driving. The underground property damage hazard does not include property damage (1) arising out of operations performed for the named insured by independent contractors, or (2) included within the completed operations hazard, or (3) for which liability is assumed by the insured under an incidental contract.



In consideration of the premium charged, this endorsement is made a part of this policy.

The SMP Policy is amended as follows:

1. SUBROGATION

General Condition 6. "Subrogation" of the SMP Policy Conditions and Definitions Form is replaced by the following:

6. Subrogation.

(a) In the event of any payment under this policy, the Company shall be subrogated to all the insured's rights of recovery against any person or organization and the insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The insured shall do nothing after loss to prejudice such rights except as provided below.

(b) When SMP Condominium Additional Policy Provision Endorsement MP 00 80 is attached to this policy, the waiver of subrogation condition, paragraph 1. of Form MP 00 80 is deleted and replaced by the following:

The Company waives its rights to subrogation against any unit-owner of the condominium described in the declarations.

(c) As respects coverage provided under Section I—Property Coverage of this policy, this insurance shall not be invalidated should the Insured waive in writing any or all right of recovery against any party for loss. Provided, however, that in the event the insured waives only a part of his rights against any particular third party, this Company shall be subrogated with respect to all rights of recovery which the insured may retain against any such third party for loss from the perils insured against to the extent that payment therefor is made by this Company; all subject to the following additional provisions:

- (1) This condition does not apply to crime, inland marine or glass coverage written under Section I Property Coverage of this policy;
- (2) If made before loss has occurred, such agreement may run in favor of any third party;
- (3) If made after loss has occurred, such agreement may run only in favor of a third party falling within one of the following categories at the time of loss:
 - (i) a third party insured under this policy; or
 - (ii) a corporation, firm, or entity (a) owned or controlled by the named insured or in which the named insured owns capital stock or other proprietary interest, or (b) owning or controlling the named insured or owning or controlling capital stock or other proprietary interest in the named insured; or
 - (iii) a tenant of the named insured.
- (d) Except as provided in paragraphs (b) and (c) above the Company shall not be bound to pay any loss if the insured has impaired any right of recovery for loss. However, it is agreed that the insured may, as respects property in transit, accept such bills of lading, receipts or contracts of transportation as are ordinarily issued by carriers containing a limitation as to the value of such goods or merchandise.

2. PERMITS AND USE

In the Conditions Applicable to Section I of the SMP Policy Conditions and Definitions Form:

A. Condition 16. Permits and Use is amended by adding the following:

(c) Without prejudice to this insurance, for there to be an error in stating the name, number, street or location of any building(s) covered hereunder, or of building(s) and personal property if covered under a single item of insurance, where there is no willful concealment or misrepresentation.

B. Condition 17. Vacancy, Unoccupancy and Increase of Hazard is replaced by the following:

Permission is granted for:

(a) The described building(s) to be vacant without limit of time, subject to a 15% reduction in the amount of loss payment otherwise due under this policy while the involved building(s) is vacant beyond a period of 60 consecutive days. This penalty will not be applicable during the period of any extension whereby the 60 day period is extended by endorsement.

("Vacant" or "Vacancy" means containing no contents pertaining to operations or activities customary to occupancy of the building. A building in the course of construction shall not be considered vacant.)

(b) Unoccupancy.

Provisions (a) and (b) above do not apply to the perils of vandalism or malicious mischief or sprinkler leakage.

(c) Increased hazards and for change in use or occupancy.

3. PERSONAL PROPERTY OF THE INSURED

The following words are deleted from Personal Property of the Insured in Section I. Property Covered:

A. "and usual to the occupancy of the insured"

in the General Personal Property Form and Special Personal Property Form

B. "and usual to the occupancy of the named insured"

in the Condominium Unit-owners General Personal Property Form and Condominium Unit-owners Special Personal Property Form

4. EXTENSIONS OF COVERAGE

In the General Building Form
Special Building Form
Condominium General Building Form
Condominium Special Building Form

the following words are deleted from A. Newly Acquired Property under Extensions of Coverage:

"but not exceeding \$100,000"



GLASS COVERAGE ENDORSEMENT

MP 04 60
(Ed. 07 77)

is consideration of the payment of premium and subject to all the terms of this endorsement:

1. PROPERTY COVERED

This endorsement covers damage to the glass described in the schedule and to the lettering and ornamentation separately described therein, by breakage of the glass or by chemicals accidentally or maliciously applied.

The Company will pay for:

- a repairing or replacing frames immediately encasing and contiguous to such glass when necessary because of such damage;
- b installing temporary plates in or boarding up openings containing such glass when necessary because of unavoidable delay in repairing or replacing such damaged glass;
- c removing or replacing any obstructions, other than window displays, when necessary in replacing such damaged glass, lettering or ornamentation.

2. SCHEDULE

Loc. No.	Bldg. No.	Number of Plates	Length in Inches	Width in Inches	Description of Glass, Lettering and Ornamentation; Position in Building. The glass is plain flat glass with all edges set in frames, unless otherwise stated herein.	Specific Limit, if any	Premium
1	1	1	92	56	FRONT'S		INCL
		1	34	56	FRONT'S		INCL
		-	32	56	FRONT'S		INCL
		1	32	56	FRONT'S		INCL

Total Premium \$ INCL

3. EXCLUSION

Insurance provided by this Endorsement does not apply to loss caused by or due to fire.

4. CONDITIONS

Limits of Liability and Settlement Options: The limit of the Company's liability for damage shall not exceed the actual cash value of the property at time of loss, nor what it would then cost to repair or replace the damaged property with other of the nearest obtainable kind and quality, nor the applicable limit of insurance stated in the schedule; provided, however, the limit of the Company's liability under each of paragraphs (1a), (1b) and (1c) above, is \$75 with respect to loss due to any one occurrence at any one location, separately occupied or designed for separate occupancy.

The Company may pay for the loss in money or may repair or replace the property. Any property so paid for or replaced shall become the property of the Company.

5. OTHER PROVISIONS APPLICABLE TO THIS ENDORSEMENT

The following conditions contained in the SMP Policy Conditions and Definitions Form are also applicable to this endorsement: Cancellation; Duties of the Named Insured After a Loss; Inspection and Audit; Liberalization Clause; Nuclear Exclusion; Other Insurance; Policy Period, Territory; Protective Safeguards; Subrogation; Suit; Time of Inception; War Risk and Governmental Action Exclusion.

This Endorsement must be attached to Change Endorsement when issued after the Policy is written.



SPECIAL MULTIPERIL FORM SECTION I—SPECIAL PERSONAL PROPERTY FORM

(Ed. 7-77)
CALIFORNIA

I. PROPERTY COVERED

PERSONAL PROPERTY OF THE INSURED: Business personal property owned by the insured and usual to the occupancy of the insured, including the insured's interest in personal property owned by others to the extent of the value of labor, materials and charges furnished, performed or incurred by the insured; all while (1) in or on the building(s), or (2) in the open (including within vehicles) on or within 100 feet of the designated premises.

This coverage shall also include tenant's improvements and betterments, meaning the insured's use interest in fixtures, alterations, installations or additions constituting a part of the building(s) occupied but not owned by the insured and made or acquired at the expense of the insured exclusive of rent paid by the insured, but which are not legally subject to a removal by the insured.

PERSONAL PROPERTY OF OTHERS: This insurance shall cover for the account of the owner(s) (OTHER THAN THE NAMED INSURED) persons property belonging to others in the care, custody or control of the insured, while (1) in or on the building(s), or (2) in the open (including within vehicles) on or within 100 feet of the designated premises.

Loss shall be adjusted with the named insured for the account of the owners of the property, EXCEPT THAT THE RIGHT TO ADJUST ANY LOSS WITH THE OWNERS IS RESERVED TO THE COMPANY AND THE RECEIPT OF THE OWNERS IN SATISFACTION THEREOF SHALL BE IN FULL SATISFACTION OF ANY CLAIM BY THE NAMED INSURED FOR WHICH PAYMENTS HAVE BEEN MADE.

II. PROPERTY NOT COVERED

THIS POLICY DOES NOT COVER:

A. PROPERTY SOLD BY THE INSURED UNDER CONDITIONAL SALE, TRUST AGREEMENT, INSTALLMENT PAYMENT OR OTHER DEFERRED PAYMENT PLAN, AFTER DELIVERY TO CUSTOMERS.

B. AIRCRAFT, WATERCRAFT, INCLUDING MOTORS, EQUIPMENT AND ACCESSORIES (EXCEPT ROWBOATS AND CANOES, WHILE OUT OF WATER AND ON THE DESIGNATED PREMISES), AND AUTOMOBILES, TRAILERS, SEMI TRAILERS OR ANY SELF-PROPELLED VEHICLES OR MACHINES, EXCEPT SUCH PROPERTY NOT LICENSED FOR USE ON PUBLIC THOROUGHFARES AND OPERATED PRINCIPALLY ON THE PREMISES OF THE INSURED.

THIS PROVISION DOES NOT APPLY TO THE FOLLOWING TYPES OF PROPERTY WHEN HELD FOR SALE OR SOLD BUT NOT DELIVERED:

1. WATERCRAFT (INCLUDING MOTORS, EQUIPMENT AND ACCESSORIES) WHILE NOT AFLOAT.
2. MOTORCYCLES, MOTORSCOOTERS AND SNOWMOBILES, OR
3. TRAILERS DESIGNED FOR USE WITH PRIVATE PASSENGER VEHICLES FOR GENERAL UTILITY PURPOSES OR CARRYING BOATS.

THIS PROVISION DOES NOT APPLY TO THE FOLLOWING TYPES OF PROPERTY WHEN MANUFACTURED, PROCESSED OR WAREHOUSED BY THE INSURED:

1. AIRCRAFT.
2. WATERCRAFT, INCLUDING MOTORS, EQUIPMENT AND ACCESSORIES, WHILE NOT AFLOAT OR
3. AUTOMOBILES, TRAILERS, SEMI TRAILERS OR ANY SELF-PROPELLED VEHICLES OR MACHINES.

C. PERSONAL PROPERTY WHILE WATERBORNE

D. HOUSEHOLD AND PERSONAL EFFECTS CONTAINED IN LIVING QUARTERS OCCUPIED BY THE INSURED, ANY OFFICER, DIRECTOR, STOCKHOLDER OR PARTNER OF THE INSURED OR RELATIVES OF ANY OF THE FOREGOING, EXCEPT AS PROVIDED IN THE EXTENSIONS OF COVERAGE.

E. ACCOUNTS, BILLS, CURRENCY, DEEDS, EVIDENCES OF DEBT, MORTGAGES AND SECURITIES.

F. OUTDOOR SIGNS, WHETHER OR NOT ATTACHED TO A BUILDING STRUCTURE.

G. GROWING CROPS AND LAWNS.

H. PROPERTY WHICH IS MORE SPECIFICALLY COVERED IN WHOLE OR IN PART BY THIS OR ANY OTHER CONTRACT OF INSURANCE, EXCEPT FOR THE AMOUNT OF LOSS WHICH IS IN EXCESS OF THE AMOUNT FROM SUCH MORE SPECIFIC INSURANCE.

III. PROPERTY SUBJECT TO LIMITATIONS

THE FOLLOWING PROPERTY IS SUBJECT TO THESE ADDITIONAL LIMITATIONS:

1. EXCEPT FOR LOSS CAUSED BY THE "SPECIFIED PERILS":
 - (A) FUR AND FUR GARMENTS ARE COVERED FOR NOT EXCEEDING LOSS IN THE AGGREGATE OF \$1,000 IN ANY ONE OCCURRENCE FOR ALL CONTRIBUTING INSURANCE.
 - (B) JEWELRY AND WATCHES, WATCH MOVEMENTS, JEWELS, PEARLS, PRECIOUS AND SEMI-PRECIOUS STONES, BULLION, GOLD, SILVER, PLATINUM AND OTHER PRECIOUS ALLOYS OR METALS ARE COVERED FOR NOT EXCEEDING LOSS IN THE AGGREGATE OF \$1,000 IN ANY ONE OCCURRENCE FOR ALL CONTRIBUTING INSURANCE. THIS LIMITATION SHALL NOT APPLY TO JEWELRY AND WATCHES VALUED AT \$25 OR LESS PER ITEM.
 - (C) PATTERNS, DIES, MOLD MODELS AND FORMS ARE COVERED FOR NOT EXCEEDING LOSS IN THE AGGREGATE OF \$1,000 IN ANY ONE OCCURRENCE FOR ALL CONTRIBUTING INSURANCE.
 - (D) STAMPS, TICKETS AND LETTERS OF CREDIT ARE COVERED FOR NOT EXCEEDING LOSS IN AGGREGATE OF \$250 IN ANY ONE OCCURRENCE FOR ALL CONTRIBUTING INSURANCE.
2. VALUABLE PAPERS AND RECORDS MEANING BOOKS OF ACCOUNT, MANUSCRIPTS, ABSTRACTS, DRAWINGS, CARD INDEX SYSTEMS AND OTHER RECORDS INCLUDING FILM, TAPE, DISC, DRUM, CELL AND OTHER MAGNETIC RECORDING OR STORAGE MEDIA FOR ELECTRONIC DATA PROCESSING ARE COVERED ONLY AGAINST LOSS CAUSED BY THE "SPECIFIED PERILS".
3. ANIMALS AND PETS ARE NOT COVERED, EXCEPT WHEN HELD FOR SALE OR SOLD BUT NOT DELIVERED, AND THEN ONLY AGAINST

DEATH OR DESTRUCTION DIRECTLY RESULTING FROM OR NECESSARY BY THE "SPECIFIED PERILS".

4. OUTDOOR TREES, SHRUBS AND PLANTS ARE NOT COVERED EXCEPT WHEN HELD FOR SALE OR SOLD BUT NOT DELIVERED, THEN ONLY AGAINST DIRECT LOSS BY THE "SPECIFIED PERILS".

5. GLASS, GLASSWARE, STATUARY, MARBLES, BRIC A BRAC, CEILINGS AND OTHER ARTICLES OF A FRAGILE OR BRITTLE NATURE ARE COVERED AGAINST LOSS BY BREAKAGE ONLY IF DIRECTLY CAUSED BY THE "SPECIFIED PERILS". THIS LIMITATION SHALL APPLY TO BOTTLES OR SIMILAR CONTAINERS OF PROPERTY SOLD, OR SOLD BUT NOT DELIVERED, NOR TO LENSES OF PHOTOGRAPHIC OR SCIENTIFIC INSTRUMENTS.

6. STEAM BOILERS, STEAM PIPES, STEAM TURBINES AND ENGINES ARE NOT COVERED AGAINST LOSS CAUSED BY BURST, RUPTURE, CRACKING OR EXPLOSION ORIGINATING THEREIN, OTHER THAN EXPLOSION OF ACCUMULATED GASES OR UNCONSUMED FUEL WITHIN A FIRE BOX OR COMBUSTION CHAMBER.

7. MACHINES AND MACHINERY ARE NOT COVERED AGAINST LOSS CAUSED BY RUPTURE, BURSTING OR DISINTEGRATION OF ROTATING OR MOVING PARTS RESULTING FROM CENTRIFUGAL OR RECIPROCATING FORCE.

THE TERM "SPECIFIED PERILS" SHALL MEAN DIRECT LOSS BY LIGHTNING, AIRCRAFT EXPLOSION, RIOT, CIVIL COMMOTION, SQUADS, VEHICLES, WINDSTORM OR HAIL TO PROPERTY CONTAINED IN BUILDING, VANDALISM OR MALICIOUS MISCHIEF, LEAKAGE OR ACCIDENTAL DISCHARGE FROM AUTOMATIC FIRE PROTECTIVE SYSTEMS.



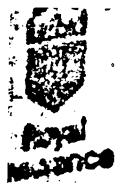
GENERAL SCHEDULE—SECTION
SMP LIABILITY INSURANCE

MP 99 91
(Ed. 07 77)

Description of Hazards and Locations

The rating classifications herein, except as specifically provided elsewhere, do not modify any of the provisions of the policy.	Code No.	Premium Bases †	Rates		Advance Premiums	
			*B.I.	P.D.	*B.I.	P.D.
(a) Premises—Operations		(a) Area (Sq. Ft.) (b) Frontage (c) Remuneration	(a) Per 100 Sq. Ft. of Area (b) Per Linear Foot (c) Per \$100 of Remuneration		*For SMP Liability Insurance Form Single Limit, Use B.I. Column.	
(b) Escalators		(d) Number Insured	(d) Per Landing			
(c) Independent Contractors—Let or Sublet Work		(e) Cost	(e) Per \$100 of Cost		Include Premium for Premises Medical Payment Insurance in B.I. Column.	
(d) Completed Operations		(f) Receipts	(f) Per \$1,000 of Receipts			
(e) Products		(g) Sales	(g) Per \$1,000 of Sales			
a) Taverns	58161	A) 2,250	INCL	INCL	INCL	INCL
Premises Medical Payments			INCL	--	INCL	--
e) Taverns	58161	45,000	INCL	INCL	INCL	INCL

† Describe premium basis, if other than stated.



COMPREHENSIVE GENERAL LIFE INSURANCE

This coverage PART, the DECLARATIONS and other coverage PART(S), or endorsements referred to herein, and the GENERAL PROVISIONS complete the contract of insurance.

I. COVERAGE A—BODILY INJURY LIABILITY COVERAGE B—PROPERTY DAMAGE LIABILITY

The company will pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages because of

Coverage A. **bodily injury** or
Coverage B. **property damage**

to which this insurance applies, caused by an occurrence, and the company shall have the right and duty to defend any suit against the insured seeking damages on account of such **bodily injury** or **property damage**, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient, but the company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the company's liability has been exhausted by payment of judgments or settlements.

Exclusions

This insurance does not apply:

- (a) to liability assumed by the insured under any contract or agreement except an **incidental contract**; but this exclusion does not apply to a warranty of fitness or quality of the **named insured's products** or a warranty that work performed by or on behalf of the **named insured** will be done in a workmanlike manner;
- (b) to **bodily injury** or **property damage** arising out of the ownership, maintenance, operation, use, loading or unloading of
 - (1) any **automobile** or aircraft owned or operated by or rented or loaned to any **insured**, or
 - (2) any other **automobile** or aircraft operated by any person in the course of his employment by any **insured**;but this exclusion does not apply to the parking of an **automobile** on premises owned by, rented to or controlled by the **named insured** or the ways immediately adjoining, if such **automobile** is not owned by or rented or loaned to any **insured**;
- (c) to **bodily injury** or **property damage** arising out of (1) the ownership, maintenance, operation, use, loading or unloading of any **mobile equipment** while being used in any prearranged or organized racing, speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity or (2) the operation or use of any snowmobile or trailer designed for use therewith;
- (d) to **bodily injury** or **property damage** arising out of and in the course of the transportation of **mobile equipment** by an **automobile** owned or operated by or rented or loaned to any **insured**;
- (e) to **bodily injury** or **property damage** arising out of the ownership, maintenance, operation, use, loading or unloading of
 - (1) any watercraft owned or operated by or rented or loaned to any **insured**, or
 - (2) any other watercraft operated by any person in the course of his employment by any **insured**;but this exclusion does not apply to watercraft while ashore on premises owned by, rented to or controlled by the **named insured**;

- (f) to **bodily injury** or **property damage** arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any water course or body of water; but this exclusion does not apply if such discharge, dispersal, release or escape is sudden and accidental;

- (g) to **bodily injury** or **property damage** due to war, whether or not declared, civil war, insurrection, rebellion or revolution or to any act or condition incident to any of the foregoing, with respect to

(1) liability assumed by the insured under an **incidental contract**, or

(2) expenses for first aid under the Supplementary Payments provision;

- (h) to **bodily injury** or **property damage** for which the insured or his indemnitee may be held liable

(1) as a person or organization engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages, or

(2) if not so engaged, as an owner or lessor of premises used for such purposes,

if such liability is imposed

(i) by, or because of the violation of, any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverage, or

(ii) by reason of the selling, serving or giving of any alcoholic beverage to a minor or to a person under the influence of alcohol or which causes or contributes to the intoxication of any person;

but part (ii) of this exclusion does not apply with respect to liability of the insured or his indemnitee as an owner or lessor described in (2) above;

- (i) to any obligation for which the insured or any carrier as his insurer may be held liable under any workmen's compensation, unemployment compensation or disability benefits law, or under any similar law;

- (j) to **bodily injury** to any employee of the insured arising out of and in the course of his employment by the insured or to any obligation of the insured to indemnify another because of damages arising out of such injury, but this exclusion does not apply to liability assumed by the insured under an **incidental contract**;

- (k) to **property damage** to

(1) property owned or occupied by or rented to the insured,

(2) property used by the insured, or

(3) property in the care, custody or control of the insured or as to which the insured is for any purpose exercising physical control;

but parts (2) and (3) of this exclusion do not apply with respect to liability under a written sidetrack agreement and part (3) of this exclusion does not apply with respect to **property damage** (other than to **elevators**) arising out of the use of an **elevator** at premises owned by, rented to or controlled by the **named insured**;

- (l) to **property damage** to premises alienated by the named insured arising out of such premises or any part thereof;

- (m) to loss of use of tangible property which has not been physically injured or destroyed resulting from

(2) a delay in or lack of performance by or on behalf of the **named insured** of any contract or agreement, or

- (2) the failure of the **named insured's products** or work performed by or on behalf of the **named insured** to meet the level of performance, quality, fitness or durability warranted or represented by the **named insured**;

but this exclusion does not apply to loss of use of other tangible property resulting from the sudden and accidental physical injury to or destruction of the **named insured's products** or work performed by or on behalf of the **named insured** after such products or work have been put to use by any person or organization other than an **insured**;

- (b) to **property damage** to the **named insured's products** arising out of such products or any part of such products;
- (c) to **property damage** to work performed by or on behalf of the **named insured** arising out of the work or any portion thereof, or out of materials, parts or equipment furnished in connection therewith;
- (d) to damages claimed for the withdrawal, inspection, repair, replacement, or loss of use of the **named insured's products** or work completed by or for the **named insured** or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein.

II. PERSONS INSURED

Each of the following is an **insured** under this insurance to the extent set forth below:

- (a) if the **named insured** is designated in the declarations as an individual, the person so designated but only with respect to the conduct of a business of which he is the sole proprietor, and the spouse of the **named insured** with respect to the conduct of such a business;
- (b) if the **named insured** is designated in the declarations as a partnership or joint venture, the partnership or joint venture so designated and any partner or member thereof but only with respect to his liability as such;
- (c) if the **named insured** is designated in the declarations as other than an individual, partnership or joint venture, the organization so designated and any executive officer, director or stockholder thereof while acting within the scope of his duties as such;
- (d) any person (other than an employee of the **named insured**) or organization while acting as real estate manager for the **named insured**; and
- (e) with respect to the operation, for the purpose of locomotion upon a public highway, of **mobile equipment** registered under any motor vehicle registration law,
- (i) an employee of the **named insured** while operating any such equipment in the course of his employment, and
- (ii) any other person while operating with the permission of the **named insured** any such equipment registered in the name of the **named insured** and any person or organization legally responsible for such operation, but only if there is no other valid and collectible insurance available, either on a primary or excess basis, to such person or organization;

provided that no person or organization shall be an **insured** under this paragraph (e) with respect to:

- (1) **bodily injury** to any fellow employee of such person injured in the course of his employment, or
- (2) **property damage** to property owned by, rented to, in charge of or occupied by the **named insured** or the employer of any person described in subparagraph (ii)

This insurance does not apply to **bodily injury** or **property damage** arising out of the conduct of any partnership or joint venture of which the **insured** is a partner or member and which is not designated in this policy as a **named insured**.

III. LIMITS OF LIABILITY

Regardless of the number of (1) **insureds** under this policy, (2) persons or organizations who sustain **bodily injury** or **property damage**, or (3) claims made or suits brought on account of **bodily injury** or **property damage**, the company's liability is limited as follows:

Coverage A—The total liability of the company for all damages, including damages for care and loss of services, because of **bodily injury** sustained by one or more persons as the result of any one **occurrence** shall not exceed the limit of **bodily injury** liability stated in the declarations as applicable to "each **occurrence**".

Subject to the above provision respecting "each **occurrence**", the total liability of the company for all damages because of (1) all **bodily injury** included within the **completed operations hazard** and (2) all **bodily injury** included within the **products hazard** shall not exceed the limit of **bodily injury** liability stated in the declarations as "aggregate".

Coverage B—The total liability of the company for all damages because of all **property damage** sustained by one or more persons or organizations as the result of any one **occurrence** shall not exceed the limit of **property damage** liability stated in the declarations as applicable to "each **occurrence**".

Subject to the above provision respecting "each **occurrence**", the total liability of the company for all damages because of all **property damage** to which this coverage applies and described in any of the numbered subparagraphs below shall not exceed the limit of **property damage** liability stated in the declarations as "aggregate":

- (1) all **property damage** arising out of premises or operations rated on a remuneration basis or contractor's equipment rated on a receipts basis, including **property damage** for which liability is assumed under any **incidental contract** relating to such premises or operations, but excluding **property damage** included in subparagraph (2) below;
- (2) all **property damage** arising out of and occurring in the course of operations performed for the **named insured** by independent contractors and general supervision thereof by the **named insured**, including any such **property damage** for which liability is assumed under any **incidental contract** relating to such operations, but this subparagraph (2) does not include **property damage** arising out of maintenance or repairs at premises owned by or rented to the **named insured** or structural alterations at such premises which do not involve changing the size of or moving buildings or other structures;
- (3) all **property damage** included within the **products hazard** and all **property damage** included within the **completed operations hazard**.

Such aggregate limit shall apply separately to the **property damage** described in subparagraphs (1), (2) and (3) above, and under subparagraphs (1) and (2), separately with respect to each project away from premises owned by or rented to the **named insured**.

Coverages A and B—For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence**.

IV. POLICY TERRITORY

This insurance applies only to **bodily injury** or **property damage** which occurs within the policy territory.

AMENDMENT
Type policy number only, in the section above the heavy line, if issued with and attachment stated in policy declaration.

Unless otherwise stated, this endorsement forms a part of the policy to which attached as of issue, provided such attachment is stated in the policy declarations. Otherwise, this endorsement is issued for attachment to and forms a part of the policy numbered below, effective only on the date indicated on this endorsement but at the same time or hour of the day as the policy became effective.

ENDORSEMENT BY:

[Signature]
AUTHORIZED REPRESENTATIVE

CLASS CODE

ENDORSEMENT (MO., DAY, YR.)
EFFECTIVE DATE

POLICY SYMBOL & NUMBER
PYNF 59788

Named Insured (and address, zip code when necessary for mailing)

Producer (and address, zip code, for mailing)

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

COMPREHENSIVE GENERAL LIABILITY INSURANCE
MANUFACTURERS' AND CONTRACTORS' LIABILITY INSURANCE
OWNERS', LANDLORDS' AND TENANTS' LIABILITY INSURANCE
OWNERS' AND CONTRACTORS' PROTECTIVE LIABILITY INSURANCE
COMPLETED OPERATIONS AND PRODUCTS LIABILITY INSURANCE
CONTRACTUAL LIABILITY INSURANCE

SCHEDULE

Coverages	Limits of Liability
Bodily Injury Liability and Property Damage Liability	\$ 300,000 each occurrence
	\$ 300,000 aggregate

It is agreed that the provisions of the policy captioned "LIMITS OF LIABILITY" relating to Bodily Injury Liability and Property Damage Liability are amended to read as follows:

LIMITS OF LIABILITY

Regardless of the number of (1) insureds under this policy, (2) persons or organizations who sustain bodily injury or property damage, (3) claims made or suits brought on account of bodily injury or property damage or (4) automobiles or units of mobile equipment to which this policy applies, the company's liability is limited as follows:

Bodily Injury Liability and Property Damage Liability:

- (a) The limit of liability stated in the Schedule of this endorsement as applicable to "each occurrence" is the total limit of the company's liability for all damages because of bodily injury or property damage as a result of any one occurrence, provided that with respect to any occurrence for which notice of this policy is given in lieu of security or when this policy is certified as proof of financial responsibility under the provisions of the Motor Vehicle Financial Responsibility Law of any state or province such limit of liability shall be applied to provide the separate limits required by such law for Bodily Injury Liability and Property Damage Liability to the extent of the coverage required by such law, but the separate application of such limit shall not increase the total limit of the company's liability.
- (b) Subject to the above provision respecting "each occurrence", the total liability of the company for all damages because of all bodily injury and property damage which occurs during each annual period while this policy is in force commencing from its effective date and which is described in any of the numbered subparagraphs below shall not exceed the limit of liability stated in the Schedule of this endorsement as "aggregate":
- (1) all property damage arising out of premises or operations rated on a remuneration basis or contractor's equipment rated on a receipts basis, including property damage for which liability is assumed under any incidental contract relating to such premises or operations, but excluding property damage included in subparagraph (2) below;
 - (2) all property damage arising out of and occurring in the course of operations performed for the named insured by independent contractors and general supervision thereof by the named insured, including any such property damage for which liability is assumed under any incidental contract relating to such operations, but this subparagraph (2) does not include property damage arising out of maintenance or repairs at premises owned by or rented to the named insured or structural alterations at such premises which do not involve changing the size of or moving buildings or other structures;

- (3) all **bodily injury** and **property damage** included within the **completed operations hazard** and all **bodily injury** and **property damage** included within the **products hazard**; provided such coverage is afforded under this policy;
- (4) all **property damage** for which liability is assumed under any contract to which the Contractual Liability Insurance applies, provided such coverage is afforded under this policy.

Such aggregate limit shall apply separately:

- (i) to the **property damage** described in subparagraphs (1) and (2) and separately with respect to each project away from premises owned by or rented to the **named insured**;
 - (ii) to the sum of the **damages** for all **bodily injury** and **property damage** described in subparagraph (3); and
 - (iii) to the **property damage** described in subparagraph (4) and separately with respect to each project away from premises owned by or rented to the **named insured**.
- :) For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence**.

dv. 3003 Ed. 11-16-67

L69359

This coverage PART, the DECLARATIONS and other coverage PART(S), or endorsements referred to herein, and the GENERAL PROVISIONS complete the contract of insurance.

I. COVERAGE E—PREMISES MEDICAL PAYMENTS

The company will pay to or for each person who sustains **bodily injury** caused by accident all reasonable **medical expense** incurred within one year from the date of the accident on account of such **bodily injury**, provided such **bodily injury** arises out of (a) a condition in the **insured premises** or (b) operations with respect to which the **named insured** is afforded coverage for **bodily injury** liability under this policy.

Exclusions

This insurance does not apply:

(a) to **bodily injury**

- (1) arising out of the ownership, maintenance, operation, use, loading or unloading of:
 - (i) any **automobile** or aircraft owned or operated by or rented or loaned to any **insured**, or
 - (ii) any other **automobile** or aircraft operated by any person in the course of his employment by any **insured**;

but this exclusion does not apply to the parking of an **automobile** on the **insured premises**, if such **automobile** is not owned by or rented or loaned to any **insured**;

- (2) arising out of (i) the ownership, maintenance, operation, use, loading or unloading of any **mobile equipment** while being used in any prearranged or organized racing, speed or demolition contest or in any starting activity or in practice or preparation for any such contest or activity or (ii) the operation or use of any snowmobile or trailer designed for use therewith;

- (3) arising out of the ownership, maintenance, operation, use, loading or unloading of:
 - (i) any watercraft owned or operated by or rented or loaned to any **insured**, or
 - (ii) any other watercraft operated by any person in the course of his employment by any **insured**;

but this exclusion does not apply to watercraft while ashore on the **insured premises**, or

- (4) arising out of and in the course of the transportation of **mobile equipment** by an **automobile** owned or operated by or rented or loaned to any **insured**;

(b) to **bodily injury**

- (1) included within the **completed operations hazard** or the **products hazard**;
- (2) arising out of operations performed for the **named insured** by independent contractors other than (a) maintenance and repair of the **insured premises** or (b) structural alterations at such premises which do not involve changing the size of or moving building or other structures;

- (3) resulting from the selling, serving or giving of any alcoholic beverage (i) in violation of any statute, ordinance or regulation, (ii) to a minor, (iii) to a person under the influence of alcohol or (iv) which causes or contributes to the intoxication of any person if the **named insured** is a person or organization engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages or, if not so engaged, is an owner or lessor of premises used for such purposes but only part (b) of this exclusion (b) (3) applies when the **named insured** is such an owner or lessor;

- (4) due to war, whether or not declared, civil war, insurrection, rebellion or revolution or to any act or condition incident to any of the foregoing;

(c) to **bodily injury**

- (1) to the **named insured**, any partner therein, any tenant or other person regularly residing on the **insured**

premises or any employee of any of the foregoing if the **bodily injury** arises out of and in the course of his employment therewith;

- (2) to any other tenant if the **bodily injury** occurs on that part of the **insured premises** rented from the **named insured** or to any employee of such a tenant if the **bodily injury** occurs on the tenant's part of the **insured premises** and arises out of and in the course of his employment for the tenant;

- (3) to any person while engaged in maintenance and repair of the **insured premises** or alteration, demolition or new construction at such premises;

- (4) to any person if any benefits for such **bodily injury** are payable or required to be provided under any workmen's compensation, unemployment compensation or disability benefits law, or under any similar law;

- (5) to any person practicing, instructing or participating in any physical training, sport, athletic activity or contest;

- (d) to any **medical expense** for services by the **named insured**, any employee thereof or any person or organization under contract to the **named insured** to provide such services.

II. LIMITS OF LIABILITY

The limit of liability for Premises Medical Payments Coverage stated in the declarations as applicable to "each person" is the limit of the company's liability for all **medical expense** for **bodily injury** to any one person as the result of any one accident, but subject to the above provision respecting "each person", the total liability of the company under Premises Medical Payments Coverage for all **medical expense** for **bodily injury** to two or more persons as the result of any one accident shall not exceed the limit of liability stated in the declarations as applicable to "each accident".

When more than one medical payments coverage afforded by this policy applies to the loss, the company shall not be liable for more than the amount of the highest applicable limit of liability.

III. ADDITIONAL DEFINITIONS

When used in reference to this insurance (including endorsements forming a part of the policy):

"**insured premises**" means all premises owned by or rented to the **named insured** with respect to which the **named insured** is afforded coverage for **bodily injury** liability under this policy, and includes the ways immediately adjoining on land.

"**medical expense**" means expenses for necessary medical, surgical, x-ray and dental services, including prosthetic devices, and necessary ambulance, hospital, professional nursing and funeral services.

IV. POLICY PERIOD; TERRITORY

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

V. ADDITIONAL CONDITION

Medical Reports; Proof and Payment of Claim

As soon as practicable the injured person or someone on his behalf shall give to the company written proof of claim, under oath if required, and shall, after each request from the company, execute authorization to enable the company to obtain medical reports and copies of records. The injured person shall submit to physical examination by physicians selected by the company when and as often as the company may reasonably require. The company may pay the injured person or any person or organization rendering the services and the payment shall reduce the amount payable hereunder for such injury. Payment hereunder shall not constitute an admission of liability of any person or, except hereunder, of the company.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.
(The following information is required only when this endorsement is issued subsequent to preparation of policy.)

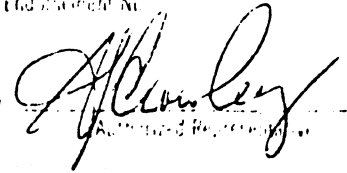
Endorsement effective

Policy No. **PYNF 59788**

Endorsement No.

Named Insured

Countersigned By



This endorsement modifies each provision as included by the operation of the policy to which it is attached.

**COMPREHENSIVE GENERAL LIABILITY INSURANCE
COMPLETED OPERATIONS AND PRODUCTS LIABILITY INSURANCE**

PRODUCTS HAZARD REDEFINED

- I, _____, agree that with respect to bodily injury or property damage arising out of the named insured's products and/or operations, the insured is authorized to:
- (1) sue, from or in connection with the use of any premises described in the endorsement, or
 - (2) sue in connection with the conduct of any operation described in this endorsement, when conducted by or on behalf of the named insured.
- The definition of "products hazard" is amended to read as follows:

"products hazard" includes bodily injury and property damage arising out of use of the named insured's products or from false or deceptive representation or warranty made with respect thereto, but only if the bodily injury or property damage occurs after physical possession of such product has been relinquished to others."

Description of Premises and Operations: **Taverns - 58161**



This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The following information is required only when this endorsement is issued subsequent to preparation of policy.)

Endorsement Effective

Policy No.

Endorsement No.

Nained Insured

Countersigned by

(Authorized Representative)

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

GENERAL LIABILITY INSURANCE

SMP LIABILITY INSURANCE

BUSINESSOWNERS POLICY

AMENDATORY ENDORSEMENT—ADDITIONAL DEFINITION

It is agreed that the following definition is added:

"loading or unloading", with respect to an automobile, means the handling of property after it is moved from the place where it is accepted for movement into or onto an automobile or while it is in or on an automobile or while it is being moved from an automobile to the place where it is finally delivered, but "loading or unloading" does not include the movement of property by means of a mechanical device (other than a hand truck) not attached to the automobile.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The following information is required only when this endorsement is issued subsequent to preparation of policy.)

Endorsement effective

Policy No.

Endorsement No.

Named Insured

Countersigned by


(Authorized Representative)

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

**COMPREHENSIVE GENERAL LIABILITY INSURANCE
MANUFACTURERS AND CONTRACTORS LIABILITY INSURANCE
OWNERS, LANDLORDS AND TENANTS LIABILITY INSURANCE
SMP LIABILITY INSURANCE**

NON-OWNED SNOWMOBILE

It is agreed that Part 2 of Exclusion (c) is replaced by the following:

- (2) the operation or use of any snowmobile or trailer designed for use therewith
- (i) owned or operated by or rented or loaned to any insured, or
- (ii) operated by any person in the course of his employment by any insured;



This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The following information is required only when this endorsement is issued subsequent to preparation of policy.)

Endorsement effective

Policy No.

Endorsement No.

Named Insured

Countersigned by


(Authorized Representative)

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

PREMISES MEDICAL PAYMENTS INSURANCE

NON-OWNED SNOWMOBILE

It is agreed that subparagraph (ii) under part (2) of exclusion (a) is replaced by the following:

- (ii) the operation or use of any snowmobile or trailer designed for use therewith
- (a) owned or operated by or rented or loaned to any insured, or
- (b) operated by any person in the course of his employment by any insured;



SMP COMPREHENSIVE CRIME COVERAGE ENDORSEMENT
SECTION III — CRIME COVERAGE

MP 04 50
(Ed. 07-77)

This endorsement shall be attached to Policy No. **PYNF 59788**
of the _____
(herein called Company)

Insurance Company.

The Insuring Agreements, General Agreements, Conditions and Limitations and other terms of this endorsement shall apply only as specified herein and none of the provisions, stipulations and other terms of the policy to which this endorsement is attached shall apply to insurance hereunder unless so specified.

DECLARATIONS

Item 1. Effective Period: from 12:01 a.m. **9-16-82** to 12:01 a.m. on the
9-16-83 (Month, Day, Year)
effective date of the cancellation or termination of the policy to which this endorsement is attached, standard time at the location of designated premises shown in the policy to which this endorsement is attached as to each of said dates, unless this endorsement is canceled or terminated as hereinafter provided or in any other manner.

Item 2.

Table of Limits of Liability

Insuring Agreement IA	Employee Dishonesty (Commercial Blanket) Coverage	\$ N/A
Insuring Agreement IB	Employee Dishonesty (Blanket Position) Coverage	\$ N/A
Insuring Agreement II	Loss Inside the Premises Coverage	\$ 1,000
Insuring Agreement III	Loss Outside the Premises Coverage	\$ 1,000
Insuring Agreement IV	Money Orders and Counterfeit Paper Currency Coverage	\$ N/A
Insuring Agreement V	Depositors Forgery Coverage	\$ N/A
If added by endorsement: Insuring Agreement		\$ N/A

Item 3. The liability of the Company is subject to the terms of the following endorsements attached hereto:

Item 4. The Insured by the acceptance of this endorsement gives notice to the Company terminating or cancelling prior bond(s) or policy(ies) No.(s) such termination or cancellation to be effective as of the time this endorsement becomes effective.

The Company, in consideration of the payment of the premium, and subject to the Declarations made a part hereof, the General Agreements, Conditions and Limitations and other terms of this endorsement, agrees with the Insured, in accordance with such of the Insuring Agreements hereof as are specifically designated by the insertion of an amount of insurance in the Table of Limits of Liability of this endorsement, to pay the Insured for:

INSURING AGREEMENTS

**EMPLOYEE DISHONESTY COMMERCIAL
BLANKET COVERAGE**

IA. Loss of Money, Securities and other property which the Insured shall sustain, to an amount not exceeding in the aggregate the amount stated in the Table of Limits of Liability applicable to this Insuring Agreement IA, resulting directly from one or more fraudulent or dishonest acts committed by an Employee, acting alone or in collusion with others.

Dishonest or fraudulent acts as used in this Insuring Agreement shall mean only dishonest or fraudulent acts committed by such Employee with the manifest intent:

- (a) to cause the Insured to sustain such loss; and
- (b) to obtain financial benefit for the Employee, or for any other person or organization intended by the Employee to receive such benefit, other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment.

**EMPLOYEE DISHONESTY BLANKET
POSITION COVERAGE**

IB. Loss of Money, Securities and other property which the Insured shall sustain resulting directly from one or more fraudulent or dishonest acts committed by an Employee, acting alone or in collusion with others, the amount of insurance on each of the Employees being the amount stated in the Table of Limits of Liability applicable to this Insuring Agreement IB.

Dishonest or fraudulent acts as used in this Insuring Agreement shall mean only dishonest or fraudulent acts committed by such Employee with the manifest intent:

- (a) to cause the Insured to sustain such loss; and

(b) to obtain financial benefit for the Employee, or for any other person or organization intended by the Employee to receive such benefit, other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment

LOSS INSIDE THE PREMISES COVERAGE

II. Loss of Money and Securities by the actual destruction, disappearance or wrongful abstraction thereof within the Premises or within any Banking Premises or similar recognized places of safe deposit.

Loss of (a) other property by Safe Burglary or Robbery within the Premises or attempt thereof, and (b) a locked cash drawer, cash box or cash register by felonious entry into such container within the Premises or attempt thereof or by felonious abstraction of such container from within the Premises or attempt thereof.

Damage to the Premises by such Safe Burglary, Robbery or felonious abstraction, or by or following burglarious entry into the Premises or attempt thereof, provided with respect to damage to the Premises the Insured is the owner thereof or is liable for such damage.

LOSS OUTSIDE THE PREMISES COVERAGE

III. Loss of Money and Securities by the actual destruction, disappearance or wrongful abstraction thereof outside the Premises while being conveyed by a Messenger or any armored motor vehicle company, or while within the living quarters in the home of any Messenger.

Loss of other property by Robbery or attempt thereof outside the Premises while being conveyed by a Messenger or any armored motor vehicle company, or by theft while within the living quarters in the home of any Messenger.

otherwise to the applicable limit of the Company's liability.

3. The Company shall not be liable under Insuring Agreement III on account of any loss, except to the extent such loss is in excess of **One Hundred** Dollars (\$ 100), with the insurance then applying to such excess only, subject otherwise to the applicable limit of the Company's liability.

4. In no event shall the Company be liable under any Insuring Agreement, as modified by this endorsement, for more than the amount specified in the Table of Limits of Liability as applicable to such Insuring Agreement subject, however, to Section 11.

5. Section 10 is deleted and the following inserted:

"Section 10. If the Insured shall sustain any loss covered by this endorsement to which a deductible amount applies and such loss exceeds the applicable amount of insurance hereunder plus such Deductible Amount, the Insured shall be entitled to all recoveries made after payment by the Company of loss covered by this endorsement (except from suretyship, insurance, reinsurance, security or indemnity taken by or for the benefit of the Company) by whomsoever made, less the actual cost of effecting such recoveries, until reimbursed for such excess loss; and any remainder, or, if there be no such excess loss, any such recoveries shall be applied first in reimbursement of the Company and thereafter in reimbursement of the Insured for that part of such loss within such Deductible Amount."

6. The Insured shall, within the time and in the manner prescribed in the said SMP Comprehensive Crime Coverage Endorsement, give the Company notice of any loss of the kind covered by Insuring Agreement IA whether or not the Company is liable therefor or for any part thereof, and upon the request of the Company shall file with it a brief statement giving the particulars concerning such loss.

This Endorsement must be attached to Change Endorsement when issued after the Policy is written.

MP 03 07 (Ed. 07 77)

CERTIFICATE OF MAILING

I hereby certify that I mailed a true and correct copy
of the foregoing, postage prepaid, this 6 day of November,
1986 to:

Lowell D. Smith, Esq.
HANSEN, DUNN, EPPERSON AND SMITH
650 Clark Leaming Office Center
175 South West Temple
Salt Lake City, Utah 84101

A handwritten signature in black ink, appearing to be 'LDS', written over a horizontal line.