

AXIS INSURANCE COMPANY  
411 S. STATE ST, SUITE 1A  
NEWTOWN, PA 18940

EDWARD & KATHLEEN MARKER  
T/A ED'S TICKET SERVICE  
700 BLACK HORSE PIKE SUITE A  
GLEN DORA, NJ 08029

AXIS INSURANCE COMPANY  
411 S. STATE ST, SUITE 1A  
NEWTOWN, PA 18940

GMAC  
PO BOX 674  
MINNEAPOLIS, MN 55440

AXIS INSURANCE COMPANY  
411 S. STATE ST, SUITE 1A  
NEWTOWN, PA 18940

WEST LAKE FINANCIAL  
PO BOX 54807  
LOS ANGELES, CA 90054-0807

AXIS INSURANCE COMPANY  
411 S. STATE ST, SUITE 1A  
NEWTOWN, PA 18940

GM FINANCIAL  
PO BOX 1510  
COCKEYSVILLE, MD 21030

**AXIS INSURANCE COMPANY**  
**411 S. STATE ST, SUITE 1A NEWTOWN, PA 18940**

**COMMERCIAL AUTO - STANDARD POLICY DECLARATIONS**

Policy Number  
**AXCA19899 - DB - PH**

**Renewal of Number: AXCA19899**

**1. Named Insured and Mailing Address**

EDWARD & KATHLEEN MARKER  
T/A ED'S TICKET SERVICE  
700 BLACK HORSE PIKE SUITE A  
GLENDAORA, NJ 08029

**PRODUCER - 142**

EHLY-COSENZA INSURANCE  
151 EAST EVESHAM ROAD  
PO BOX 318  
RUNNEMEDE, NJ 08078  
(856) 939-1313

**Policy Term:** From 01/11/2018 to 01/11/2019 12:01 A.M. Standard Time at your mailing address shown above.

**You are a:** Individual

**Your Business/Operation:** TICKET AGENCY

IN RETURN FOR THE PAYMENT OF PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,  
WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY. THERE ARE EXCLUSIONS,  
CONDITIONS AND LIMITATIONS CONTAINED IN THE POLICY FORMS AND ENDORSEMENTS

**2. SCHEDULE OF COVERAGES AND COVERED AUTOS**

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "Autos" shown as Covered "Autos". "Autos" are shown as covered "Autos" for a particular coverage by entry of one or more of the symbols from the Covered Auto Section of the Commercial Auto Coverage Form next to the name of the coverage.

<b>Coverages</b>	<b>Covered Auto Symbols</b>	<b>Limit</b> (The most we will pay for any one accident or loss)	<b>Premium</b>
A. Liability Insurance	7,8,9	\$ 500,000 each accident	\$ 1,904
B. Medical Payments	Not Covered	\$0 each person	Not Covered
C. Personal Injury Protection (or equivalent No-Fault Coverage)	5	Separately stated in each PIP endorsement minus the deductible of \$ 250 for each covered auto per accident	\$ 68
D. Additional Personal Injury Protection	Not Covered	Separately stated in each PIP endorsement	Not Covered
E. Uninsured And Underinsured Motorist	6	\$ 500,000 each accident	\$ 159

## SCHEDULE OF COVERAGES AND COVERED AUTOS (Continued)

Coverages Provided	Covered Auto Symbols	Limit (The most we will pay for any one accident or loss)	Premium
F. Comprehensive	7	Actual Cash Value or cost of repair, whichever is less, for each covered auto minus the deductible. But no deductible applies for loss caused by fire or lightning. <b>See Item Four</b> for hired or borrowed autos.	\$ 670
G. Collision	7	Actual Cash Value or cost of repair, whichever is less, minus the deductible for each covered auto. See <b>Item Four</b> for hired or borrowed autos	\$ 1,016
H. Towing & Labor	Not Covered	\$0 each disablement of Private Passenger Auto	Not Covered

Premium for Endorsements	Not Applicable
Total Annual Premium	\$ 3,817
Surcharge NJ-PLIGA	\$ 23
Total Premium	\$ 3,840

### 3. SCHEDULE OF COVERED AUTOS YOU OWN

Vehicle 20	Vehicle Description		Original Cost New
Year	Make	Model	\$ 62,000
2016	CHEVY	TAHOE	

  

Vehicle Identification Number	Garaging City	State	Rate Terr	Class Code
1GNSKBCXGR117619	Gloucester County	NJ	14	7391

#### Coverages Purchased for Vehicle 20

	<u>Premiums</u>
A. Liability	\$ 1,784
C. Personal Injury Protection \$250	\$ 68
E. Uninsured & Underinsured Motorist	\$ 159
F. Comprehensive - \$1000 Deductible	\$ 670
G. Collision - \$1000 Deductible	\$ 1,016
H. Towing	\$ 0
<b>Total Premium - Vehicle 20</b>	<b>\$ 3,697</b>

### 4. Hired Or Borrowed Automobiles Coverage

Cost of hire means the total amount you incur for the hire of "autos" you do not own (not including "autos" you borrow or rent from your partners or employees or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

Coverage:	Liability
State:	NJ
Estimated Cost of Hire:	If any
Rate Per \$100 Cost of hire:	2.779
Coverage Premium:	\$60
<b>Total Estimated Premium:</b>	<b>\$60 MP</b>

Comprehensive Deductible	Collision Deductible
--------------------------	----------------------

### 5. Non-Owned Automobile Coverage

Coverage:	Liability
Number Of Employees:	4
Coverage Premium:	\$60
<b>Total Estimated Premium:</b>	<b>\$60</b>

**Policy Number: AXCA19899**

**Loss Payee for Vehicle # 4**

Name GMAC  
PO BOX 674  
MINNEAPOLIS, MN 55440

**Loss Payee for Vehicle # 5**

Name WEST LAKE FINANCIAL  
PO BOX 54807  
LOS ANGELES, CA 90054-0807

**Loss Payee for Vehicle # 20**

Name GM FINANCIAL  
PO BOX 1510  
COCKEYSVILLE, MD 21030

**7.** The following Forms and Endorsements are applicable to the Commercial Automobile Coverage Declaration:

<u>Forms Number &amp; Edition</u>	<u>Form Title</u>
MCA 010*(11/2014)	Commercial Auto Form
MCA 419*(02/2006)	Terrorism Exclusions
MCA 820*(04/2016)	Mandatory Endorsement - New Jersey
MCA 823*(01/2015)	Uninsured & Underinsured Motorists Coverage - New Jersey
MCA 825 (04/2016)	Supplemental Declarations - NJ PIP

\* Mandatory Endorsement

02/25/2019

Countersignature Date



Representative

**AXIS INSURANCE COMPANY**  
**411 S. STATE ST, SUITE 1A NEWTOWN, PA 18940**

**COMMERCIAL AUTO - STANDARD POLICY DECLARATIONS**

---

Policy Number: **AXCA19899**

Inception Date: 01/11/18

Expiration Date: 01/11/19

**INSURED AND MAILING ADDRESS:**

EDWARD & KATHLEEN MARKER  
T/A ED'S TICKET SERVICE  
700 BLACK HORSE PIKE SUITE A  
GLENDAORA, NJ 08029

**PRODUCER NAME AND ADDRESS:**

EHLY-COSENZA INSURANCE  
151 EAST EVESHAM ROAD  
PO BOX 318  
RUNNEMEDE, NJ 08078  
(856) 939-1313

<b>DRIVERS NAME:</b>	<b>DRIVERS D.O.B.</b>	<b>DRIVERS LICENSE #:</b>	<b>STATE</b>
1 EDWARD MARKER	09/02/1982	M06121927109824	NJ
2 ANGELO FLAGIELLO	03/23/1977	F50350437103772	NJ

**TERRORISM EXCLUSIONS**

*This endorsement extends the policy to exclude certain loss arising out of terrorism.*

**The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.**

**Except as provided below, all other provisions in this policy are unchanged.**

---

**1. COVERAGE MODIFICATION — LIABILITY**

The following exclusion is added to the PART II C — LIABILITY NOT INSURED:

**TERRORISM EXCLUSION**

We do not insure *bodily injury or property damage* arising directly or indirectly out of *terrorism*, including any action taken in hindering or defending against an actual or expected incident of *terrorism*.

However this exclusion only applies if one or more of the following are attributable to an incident of *terrorism*:

- A. The *terrorism* is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction or radiation or radioactive contamination; or
- B. Radioactive material is released, and it appears that one purpose of the *terrorism* was to release such material; or
- C. The *terrorism* is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- D. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the *terrorism* was to release such materials; or
- E. The total of *insured damage* to all types of property sustained by all persons and entities affected by the *terrorism* (and including loss of Business Income and Extra Expense sustained by owners or occupants of such damaged property), exceeds \$25,000,000; or
- F. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
  - 1. Physical injury that involves a substantial risk of death; or
  - 2. Protracted and obvious physical disfigurement; or
  - 3. Protracted loss of or impairment of the function of a bodily member or organ.

Paragraphs E and F above describe the thresholds used to measure the magnitude of an incident of *terrorism* and the circumstances in which the threshold will apply for the purpose of determining whether the *Terrorism Exclusion* will apply to that incident. When the *Terrorism Exclusion* applies to an incident of *terrorism*, there is no coverage under this insurance.

In the event of any incident of *terrorism* that is not subject to the *Terrorism Exclusion*, coverage does not apply to any loss or damage that is otherwise excluded under this insurance.

Multiple incidents of *terrorism* which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident of *terrorism*.

**2. COVERAGE MODIFICATION — PHYSICAL DAMAGE**

A. The following exclusion is added to the PART III C — EXCLUSIONS:

**TERRORISM EXCLUSION**

- 1. We do not provide insurance for any *loss* or damage directly or indirectly arising out of or resulting from *terrorism*, including any action taken in hindering or defending against an actual or expected incident of *terrorism*. Such *loss* or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the *loss*.
- 2. Regardless of the amount of damage and *losses*, this *Terrorism Exclusion* applies to any incident of *terrorism*:
  - a. That is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction or radiation or radioactive contamination; or
  - b. In which radioactive material is released, and it appears that one purpose of the *terrorism* was to release such material; or
  - c. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
  - d. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the *terrorism* was to release such materials.

In incidents of *terrorism* other than those described in Paragraphs 2.a, 2.b, 2.c, and 2.d above, the *Terrorism Exclusion* will not apply unless the *insured damage* to all types of property (in the United States, its territories and possessions, the District of Columbia, Puerto Rico and Canada), sustained by all persons and entities affected by the *terrorism* (and including *loss* of Business Income and Extra Expense sustained by owners or occupants of such damaged property), exceeds a total of \$25,000,000. Multiple incidents of *terrorism* which occur within a seventy-two hour period and appear to be carried out in concert or to have a related



purpose or common leadership will be deemed to be one incident of *terrorism*.

The preceding paragraph describes the threshold used to measure the magnitude of an incident of *terrorism* and the circumstances in which the threshold will apply, for the purpose of determining whether the *Terrorism Exclusion* will apply to that incident. When the *Terrorism Exclusion* applies to an incident of *terrorism*, there is no coverage under this insurance.

In the event of any incident of *terrorism* that is not subject to the *Terrorism Exclusion*, coverage does not apply to any element of *loss* or damage that is otherwise excluded under this insurance.

3. However, with respect to any activity that also comes within the terms of the Governmental / Legal / War Exclusion, that exclusion supersedes this *Terrorism Exclusion*.

In the event of an incident of *terrorism* that involves nuclear reaction or radiation, or radioactive contamination, this *Terrorism Exclusion* supersedes the Nuclear / Radioactive *Loss Exclusion*.

- B. The Part III — GOVERNMENTAL / LEGAL / WAR COMMON EXCLUSION is replaced by the following:

#### **GOVERNMENTAL / LEGAL / WAR**

- Any act or condition of: war (declared or not), civil war, invasion, insurrection, rebellion, revolution, or seizure of power, including acts done to defend against any such. With respect to any action that comes within the terms of this exclusion and involves nuclear reaction or radiation, or radioactive contamination, this exclusion supersedes the Nuclear / Radioactive *Loss Exclusion*.
- Knowing violation of penal law or ordinance committed by, or with the consent of, an *insured*. Statutory fines or liability. Exemplary or punitive damages.
- Confiscation, *loss*, or seizure under customs, drug enforcement, or quarantine legislation or regulations. *Loss* to property that is contraband or in the course of illegal transportation or trade.

*Insured damage* means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions.

*Terrorism* means activities against persons, organizations or property of any nature:

- A. That involve the following or preparation for the following:
  1. Use or threat of force or violence;
  2. Commission or threat of a dangerous act; or
  3. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
- B. When one or both of the following applies:
  1. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
  2. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

### **3. ADDITIONAL DEFINITIONS**

The following definitions apply under this endorsement:

**MANDATORY ENDORSEMENT - NEW JERSEY**

For a covered auto licensed or principally garaged in New Jersey, this endorsement amends the policy in conformance with New Jersey laws with regard to: our rights to cancel or nonrenew as provided under N.J.A.C. 11:1-20 et al; physical damage inspection; No-Fault requirements; Uninsured and Underinsured Motorists Coverage; and also modifies other policy provisions.

The information required to complete the option selection and coverage limits is shown in the separate Schedule / Supplemental Declarations.

Except as provided below, all other provisions in this policy are unchanged.

---

**ADDITIONAL CONDITIONS****1. The CANCELLATION / TERMINATION COMMON CONDITION is supplemented as follows:****B. Our Right to Cancel / Terminate****1. Cancellation / Termination for Nonpayment of Premium**

- a. If the *first named insured* fails to pay, when due, any premium or installment for this policy, it may be cancelled by *us* by mailing or delivering notice of cancellation to the *first named insured* not less than 10 days prior to the effective date of cancellation.
- b. This policy terminates automatically on the expiration date of the expiring policy term if the *first named insured* does not pay when due any renewal premium, or installment payment, for this policy. Notice of the amount of renewal premium must be mailed or delivered by *us* to the *first named insured* not less than 30 days but not more than 120 days prior to the premium due date.

**2. Cancellation / Termination for Causes Other Than Nonpayment of Premium**

- a. We may cancel or nonrenew for reasons other than nonpayment of premium by mailing notice to the *first named insured* not less than 30 days (except for reasons of moral hazard which require only 10 days' notice) but not more than 120 days prior to the effective date of cancellation or termination.
- b. This policy cannot be cancelled or terminated for any underwriting reason or guideline that is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to the *first named insured*. The underwriting reasons or guidelines that *we* can use to cancel or terminate this policy are maintained on file by *us*. We will furnish such to *you/your* lawful representative upon written request.
- c. This provision does not apply to any policy that has been in effect for less than 60 days at the time notice of cancellation is mailed or delivered, unless the policy is a renewal policy.

**3. We mail or deliver our notice of cancellation or termination to the *first named insured's* last mailing address known to *us*. We also agree to mail**

or deliver such notice to any other person entitled to such notice under this policy.

**2. PART III D - SPECIAL PHYSICAL DAMAGE CONDITIONS is amended by adding the following:****A. If this policy covers a *private passenger auto* under Part III, the following provisions apply:****Mandatory Inspection for Physical Damage Coverage**

- 1. We have the right to inspect any *private passenger auto*, including a nonowned *private passenger auto*, insured or intended to be insured under this policy, before any Physical Damage Coverage will become effective.
- 2. During the term of the policy, coverage for an additional or replacement *private passenger auto* will not become effective until the *insured* notifies *us* and requests coverage for such *private passenger auto*. However, if the *insured* replaces a *private passenger auto* which was insured with *us* for at least 12 months before the replacement date with a *private passenger auto* acquired during the policy period, we will provide the same coverage which applied to the replaced *private passenger auto* for 3 days beginning on the date the *insured* acquires the replacement *private passenger auto*. We will also provide an additional day of coverage for each Saturday, Sunday or New Jersey State holiday falling within the 3 days. After 3 days, coverage will not apply until the *insured* notifies *us* and requests coverage for such *private passenger auto*.
- 3. When an inspection is required by *us*, the *insured* shall cooperate and make the *private passenger auto* available for inspection.

As used in this Condition, the definition of *private passenger auto* is replaced by the following:

*Private passenger auto* means an *auto* of the private passenger or station wagon type that is owned or hired and is neither used as a public or livery conveyance for passengers nor rented to others with a driver; and a motor vehicle with a pickup body, a delivery sedan, a van, or a panel truck or camper-type vehicle used for recreational purposes owned by an individual or by a husband and wife who are residents of the same household, not customarily used in the business, occupation or profession of the *insured* other than farming or ranching. An *auto* owned by a farm family



co-partnership or corporation, which is principally garaged on a farm or ranch and otherwise meets this definition, shall be considered a *private passenger auto* owned by two or more relatives resident in the same household.

**B. The HOW LOSSES ARE SETTLED Condition is amended as follows:**

When we pay the cost necessary to repair or restore the damaged or stolen property, *you* have the option of using either an *auto* repair facility with which *we* have an arrangement or an *auto* repair facility of *your* choice. If *you* choose to use an *auto* repair facility other than one with which *we* have an arrangement, *we* will pay *you* according to the conditions, cost and terms provided by the *auto* repair facility with which *we* have an arrangement.

## COVERAGE MODIFICATIONS

**1. PART II A – MAIN LIABILITY COVERAGES**

Paragraph 2.e of Who is an *Insured* – Coverage A is replaced by the following:

- e. Anyone while moving property to or from a covered *auto* is not an *insured*. But this exception does not apply to *your employees* or partners, or to a lessee or borrower or any employee of such lessee or borrower.

However, this paragraph does not apply for coverage up to the minimum financial responsibility limits specified in N.J.S.A. 39:6B-1.

**2. PART II C – LIABILITY NOT INSURED is amended as follows:**

The POLLUTION / ENVIRONMENTAL DAMAGE EXCLUSION does not apply for damages up to the minimum financial responsibility limits specified in N.J.S.A. 39:6B-1.

**3. The last paragraph of The DUTIES Conditions under Part II D and Part III D is replaced by the following:**

Failure to comply with these conditions can alter or void *our* obligation under this policy with respect to the claim or suit.

**4. The CONCEALMENT / MISREPRESENTATION / FRAUD Common Condition does not apply for damages up to the minimum financial responsibility limits specified in N.J.S.A. 39:6B-1.**

**5. Additional Policy Provision**

Throughout this policy, the term "spouse" also includes a person with whom *you* have entered into a civil union as recognized under the New Jersey Civil Union Act, and the term "marriage" also includes such a civil union.

## PERSONAL INJURY PROTECTION COVERAGE

This endorsement provides coverage as required under the New Jersey Automobile Reparation Reform Act, commonly referred to as the "New Jersey No-Fault Law," as follows:

**A. COVERAGE**

**1. PERSONAL INJURY PROTECTION**

We will pay personal injury protection benefits for *bodily injury* sustained by an *eligible injured person* or an *insured person* caused by an *accident* occurring anywhere in the world during the policy term and arising out of the maintenance, ownership, or use, including loading or unloading, of a *private passenger auto* as an *auto*.

These Personal Injury Protection Benefits consist of:

**a. Medical Expense Benefits**

An amount not exceeding \$250,000 per person per *accident* for reasonable and necessary expenses incurred for medical, surgical, rehabilitative and diagnostic treatments and services, hospital expenses, ambulance or transportation services, medication and nonmedical expenses that are prescribed by a treating *health care provider* for a permanent or significant brain, spinal cord or disfiguring injury.

Nonmedical expense means charges for products and devices, not exclusively used for medical purposes or as durable medical equipment, such as vehicles, durable goods, equipment, appurtenances, improvements to real or personal property, fixtures and services and activities such as recreational activities, trips and leisure activities.

All medical expenses must be rendered by a *health care provider*, be *clinically supported* and consistent with the symptoms, diagnosis or indications of the *insured*. They must also be consistent with the most appropriate level of services that is in accordance with the standards of good practice and standard professional treatment protocols, including care paths for an *identified injury*. They must not be rendered primarily for the convenience of the *insured* or *health care provider* nor may they involve unnecessary testing or treatment.

However, medical expenses include any nonmedical remedial treatment rendered in accordance with recognized religious methods of healing.

**b. Income Continuation Benefits**

An amount not exceeding a limit of \$100 per week and a total limit of \$5,200 payable for the loss of *income* of an *income producer* during his or her lifetime, as a result of *bodily injury* disability, not to exceed net *income* normally earned during the period in which benefits are payable.

**c. Essential Services Benefits**

An amount not exceeding a limit of \$12 per day and a total limit of \$4,380 payable to an *eligible injured person* as reimbursement for payments made to others, for substitute essential services of

the type actually rendered during his or her lifetime and which he or she would ordinarily have performed not for *income* but for the care and maintenance of himself or herself and persons related to the *eligible injured person* by blood, marriage or adoption (including a ward or foster child) who are residents of the same household as the *eligible injured person*.

**d. Death Benefits**

The amount or amounts payable in the event of the death of an *eligible injured person* as determined in the following paragraphs:

1. If the *eligible injured person* was an *income producer* at the time of the *accident*, an amount equal to the difference between \$5,200 and all basic *income* continuation benefits paid for any loss of *income* resulting from his or her injury prior to his or her death;
2. If the *eligible injured person* ordinarily performed essential services for the care and maintenance of himself or herself, his or her family or family household, an amount equal to the difference between \$4,380 and all basic essential services benefits paid with respect to his or her injury prior to death.

**e. Funeral Expense Benefits**

An amount not exceeding \$1,000 for reasonable funeral, burial and cremation expenses incurred.

**2. EXTENDED MEDICAL EXPENSE BENEFITS**

We will pay extended medical expense benefits for *bodily injury* sustained by an *insured person* caused by an *accident* occurring anywhere in the world during the policy term and arising out of the maintenance, ownership, or use including loading or unloading, of a *highway vehicle* not owned by or furnished or available for the regular use of the *named insured* or any *family member*.

Subject to the limits shown in the Schedule or Supplemental Declarations, Extended Medical Expense Benefits consist of:

**a. Medical Expense Benefits**

Reasonable and necessary expenses incurred for medical, surgical, rehabilitative and diagnostic treatments and services, hospital expenses, ambulance or transportation services, medication and nonmedical expenses that are prescribed by a treating *health care provider* for a permanent or significant brain, spinal cord or disfiguring injury.

Nonmedical expense means charges for products and devices, not exclusively used for medical purposes or as durable medical equipment, such as vehicles, durable goods, equipment, appurtenances, improvements to real or personal property, fixtures and services and activities such as recreational activities, trips and leisure activities.

All medical expenses must be rendered by a *health care provider*, be *clinically supported* and

consistent with the symptoms, diagnosis or indications of the *insured*. They must also be consistent with the most appropriate level of services that is in accordance with the standards of good practice and standard professional treatment protocols, including care paths for an *identified injury*. They must not be rendered primarily for the convenience of the *insured* or *health care provider* nor may they involve unnecessary testing or treatment.

However, medical expenses include any nonmedical remedial treatment rendered in accordance with recognized religious methods of healing.

**b. Funeral Expense Benefits**

An amount not exceeding \$1,000 for reasonable funeral, burial and cremation expenses incurred.

**3. PEDESTRIAN PERSONAL INJURY PROTECTION**

This coverage applies to *pedestrians* and only to *accidents* which occur during the policy term in New Jersey. With respect to an *insured motor vehicle* as described for this coverage, *Pedestrian Personal Injury Protection* coverage is the only personal injury protection coverage for that vehicle.

We will pay *Pedestrian Personal Injury Protection* benefits to an *eligible injured person*. These *Pedestrian Personal Injury Protection* benefits consist of:

**a. Medical Expense Benefits**

An amount not exceeding \$250,000 per person per *accident* for reasonable and necessary expenses incurred for medical, surgical, rehabilitative and diagnostic treatments and services, hospital expenses, ambulance or transportation services, medications and nonmedical expenses that are prescribed by a treating *health care provider* for a permanent or significant brain, spinal cord or disfiguring injury.

Nonmedical expense means charges for products and devices, not exclusively used for medical purposes or as durable medical equipment, such as vehicles, durable goods, equipment, appurtenances, improvements to real or personal property, fixtures and services and activities such as recreational activities, trips and leisure activities.

All medical expenses must be rendered by a *health care provider*, be *clinically supported* and consistent with the symptoms, diagnosis or indications of the *insured*. They must also be consistent with the most appropriate level of services that is in accordance with the standards of good practice and standard professional treatment protocols, including care paths for an *identified injury*. They must not be rendered primarily for the convenience of the *insured* or *health care provider* nor may they involve unnecessary testing or treatment.

However, medical expenses include any nonmedical remedial treatment rendered in accordance with recognized religious methods of healing.

**b. Income Continuation Benefits**

An amount not exceeding a limit of \$100 per week and a total limit of \$5,200 payable for the loss of *income* of an *income producer* during his or her lifetime, as a result of *bodily injury* disability, not to exceed net *income* normally earned during the period in which benefits are payable.

**c. Essential Services Benefits**

An amount not exceeding a limit of \$12 per day and a total limit of \$4,380 payable to an *eligible injured person* as reimbursement for payments made to others, for substitute essential services of the type actually rendered during his or her lifetime and which he or she would ordinarily have performed not for *income* but for the care and maintenance of himself or herself and persons related to the *eligible injured person* by blood, marriage or adoption (including a ward or foster child) who are residents of the same household as the *eligible injured person*.

**d. Death Benefits**

The amount or amounts payable in the event of the death of an *eligible injured person* as determined below:

1. If the *eligible injured person* was an *income producer* at the time of the *accident*, an amount equal to the difference between \$5,200 and all basic *income* continuation benefits paid for any loss of *income* resulting from his or her injury prior to his or her death;
2. If the *eligible injured person* ordinarily performed essential services for the care and maintenance of himself or herself, his or her family or family household, an amount equal to the difference between \$4,380 and all basic essential services benefits paid with respect to his or her injury prior to death.

**e. Funeral Expense Benefits**

An amount not exceeding \$1,000 for reasonable funeral, burial and cremation expenses incurred.

**B. EXCLUSIONS**

**1. PERSONAL INJURY PROTECTION**

We will not pay Personal Injury Protection benefits for *bodily injury*:

- a. To a person whose conduct contributed to the *bodily injury* in any of the following ways:
  1. While committing a high misdemeanor or felony or seeking to avoid lawful apprehension or arrest by a police officer; or
  2. While acting with specific intent to cause injury or damage to himself or herself or others;

- b. To any person who, at the time of the *accident*, was the owner or registrant of a *private passenger auto* registered or principally garaged in New Jersey that was being operated without personal injury protection coverage;
- c. To any person, other than the *named insured* or any *family member* or a resident of New Jersey, if the *accident* occurs outside of New Jersey;
- d. Arising out of the maintenance, ownership or use, including loading or unloading, of any vehicle while located for use as a residence or premises other than for transitory recreational purposes;
- e. 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;
- f. Resulting from the radioactive, toxic, explosive or other hazardous properties of nuclear material;
- g. To any person, other than the *named insured* or any *family member*, if such person is entitled to New Jersey personal injury protection coverage as a *named insured* or *family member* under the terms of any other policy with respect to such coverage;
- h. To any *family member*, if such person is entitled to New Jersey personal injury protection coverage as a *named insured* under the terms of another policy;
- i. To any person operating or *occupying a private passenger auto* without the permission of the owner or the *named insured* under the policy insuring that *auto*;
- j. For the following *diagnostic tests*:
  1. Brain mapping, when not done in conjunction with appropriate neurodiagnostic testing;
  2. Iridology;
  3. Mandibular tracking and simulation;
  4. Reflexology;
  5. Spinal diagnostic ultrasound;
  6. Surface electromyography (surface EMG);
  7. Surrogate arm mentoring; or
  8. Any other *diagnostic test* that is determined to be ineligible for coverages under personal injury protection coverage by New Jersey law or regulation.
- k. For the following *diagnostic tests* when used to treat temporomandibular joint disorder (TMJ/D):
  1. Doppler ultrasound;
  2. Electroencephalogram (EEG);
  3. Needle electromyography (needle EMG);
  4. Sonography;
  5. Thermograms / thermographs;
  6. Videofluoroscopy.

## **2. EXTENDED MEDICAL EXPENSE BENEFITS**

The exclusions that apply to Personal Injury Protection also apply to Extended Medical Expense Benefits except Exclusion 1.c, which does not apply to Extended Medical Expense Benefits. In addition, the following exclusions are added to Extended Medical Expense Benefits.

- a. We will not pay Extended Medical Expense Benefits for *bodily injury* to any *insured* who is entitled to benefits for the *bodily injury* under:
  1. Personal Injury Protection Coverage; or
  2. Any:
    - (a) Workers' compensation law; or
    - (b) Medicare provided under federal law.
- b. We will not pay Extended Medical Expense Benefits for *bodily injury* to any *insured* who would be entitled to benefits for the *bodily injury* under Personal Injury Protection Coverage, except for the application of a:
  1. Deductible;
  2. Co-payment; or
  3. Medical fee schedule promulgated by the New Jersey Department of Banking and Insurance.

## **3. PEDESTRIAN PERSONAL INJURY PROTECTION**

The exclusions that apply to Personal Injury Protection also apply to *Pedestrian Personal Injury Protection*, except Exclusions b and c, which do not apply to *Pedestrian Personal Injury Protection* Coverage.

## **C. LIMIT OF INSURANCE**

1. Any amount payable by *us* as Personal Injury Protection benefits for *bodily injury* shall be reduced by:
  - a. All amounts paid, payable, or required to be provided under any workers' compensation or employees' temporary disability law.
  - b. Medicare provided under federal law.
  - c. Benefits actually collected that are provided under federal law to active and retired military personnel.
2. Any amount payable by *us* as medical expense benefits will be limited by medical fee schedules, as promulgated by the New Jersey Department of Banking and Insurance for specific injuries or services, or the usual, customary, and reasonable fee, whichever is less.
3. Any amounts payable for medical expense benefits as the result of any one *accident* shall be:
  - a. Reduced by the applicable deductible indicated in the Schedule or in the Supplemental Declarations; and
  - b. Subject to the co-payment of 20% for the amount between the applicable deductible and \$5,000.
4. The applicable limit of *income* continuation benefits applies separately to each full regular and customary work week of an *eligible injured person*. If this

disability from work or employment consists of or includes only a part of such a week, we shall be liable only for that proportion of such weekly limit that the number of days lost from work or employment during the partial week bears to the number of days in his or her full work week.

5. If the Schedule or Supplemental Declarations indicates that the *named insured* has elected the Medical Expense Benefits As Secondary option, the following provisions apply to medical expense benefits:

### **a. Priority of Benefits**

1. The health benefits plan under which the *named insured* and any *family member* are insured shall provide primary coverage for *allowable expenses* incurred by the *named insured* and any *family member* before any medical expense benefits are paid by *us*.
2. This insurance shall provide secondary coverage for medical expense benefits for *allowable expenses*, which remain uncovered.
3. The total benefits paid by the health benefits plans and this insurance shall not exceed the total amount of *allowable expenses*.

### **b. Determination of Medical Expense Benefits Payable**

1. To calculate the amount of *actual benefits* to be paid by *us*, we will first determine the amount of *eligible expenses* which would have been paid by *us*, after application of the deductible and co-payment indicated in the Schedule or Supplemental Declarations, had the *named insured* not elected the Medical Expense Benefits As Secondary Coverage option.
2. If the remaining *allowable expenses* are:
  - a. Less than the benefits calculated in the preceding Paragraph 1, we will pay *actual benefits* equal to the remaining *allowable expenses*, without reducing the remaining *allowable expenses* by the deductible or co-payment.
  - b. Greater than the benefits calculated in the preceding Paragraph 1, we will pay *actual benefits* equal to the benefits calculated in the preceding Paragraph 1, without reducing the remaining *allowable expenses* by the deductible or co-payment.
3. We will not reduce the *actual benefits* determined in the preceding Paragraph 2:
  - a. By any deductibles or co-payments of the health benefits plans which have provided primary coverage for medical expense benefits; or
  - b. For any *allowable expense* remaining uncovered which otherwise would not be an *eligible expense* under personal injury

protection coverage, except as set forth in the following Paragraph 4.

4. In determining remaining uncovered *allowable expenses*, we shall not consider any amount for items of expense which exceed the dollar or percent amounts recognized by the medical fee schedules promulgated by the New Jersey Department of Banking and Insurance.
5. The total amount of medical expense benefits for the *named insured* or any *family member* per *accident* shall not exceed the maximum amount payable for medical expense benefits under this policy.

c. **Health Benefits Plan Ineligibility**

1. If, after the *named insured* has elected the Medical Expense Benefits As Secondary Coverage option, it is determined that the *named insured* or any *family member* did not have a health benefits plan in effect at the time an *accident* occurred which resulted in *bodily injury* to the *named insured* or any *family member*, medical expense benefits shall be provided to the *named insured* or any *family member*, subject to the following:

- a. Only Paragraph 1 of the Limit of Insurance provision will apply with respect to medical expense benefits.
- b. Any amount payable for medical expense benefits for the *named insured* and any *family member* as a result of any one accident shall:
  - (i) Be reduced by a deductible equal to the sum of \$750 plus the applicable deductible indicated in the Schedule or in the Supplemental Declarations; and
  - (ii) Be subject to co-payment of 20% for the amounts less than \$5,000 after the deductible has been applied.
  - (iii) Be determined:
    - By the medical fee schedules promulgated by the New Jersey Department of Banking and Insurance; or
    - By *us*, on a reasonable basis, considering the medical fee schedules for similar services or equipment in the region where the service or equipment was provided, if an item of expense is not included on the medical fee schedules.
  - (iv) Not exceed the maximum amount payable for medical expense benefits under this policy.

2. All items of medical expense incurred by the *named insured* or any *family member* for the treatment of *bodily injury* shall be *eligible expenses* to the extent the treatment or procedure from which the expenses arose:

- a. Is recognized on the medical fee schedules promulgated by the New Jersey Department of Banking and Insurance; or
- b. Are reasonable expenses in accordance with Section 4 of the New Jersey Reparation Reform Act.

3. We shall be entitled to recover the difference between:

- a. The reduced premium paid under this policy for the Medical Expense Benefits As Secondary option; and
- b. The premium which would have been paid under this policy had the *named insured* not elected such option.

We will not provide any premium reduction for the Medical Expense Benefits As Secondary option for the remainder of the policy period.

6. The limit of insurance shown in the Schedule or Supplemental Declarations for weekly *income* continuation benefits shall be prorated for any period of *bodily injury* disability less than one week.

**D. CHANGES IN CONDITIONS**

1. The DUTIES OF INSUREDS – WHAT TO DO IN CASE OF ACCIDENT, CLAIM, INJURY OR SUIT Condition is amended by the addition of the following:

- a. If an *eligible injured person*, *insured person* or the legal representative or survivors of either institutes legal action to recover damages for injury against a person or organization who is or may be liable in tort therefor, he or she must immediately give *us* a copy of the summons and complaint or other process served in connection with the legal action.
- b. The *eligible injured person*, *insured person* or someone on their behalf must immediately give *us* written proof of claim including:
  1. Full particulars of the nature and extent of the *bodily injuries*; and
  2. Such other information that will help *us* determine the amount due and payable.
- c. The *eligible injured person* or *insured person* must submit to physical examination by physicians when and as often as *we* reasonably require and a copy of the medical report will be forwarded to such *eligible injured person* or *insured person* if requested.
- d. If the notice, proof of claim or other reasonably obtainable information regarding the *accident* is received by *us* more than 30 days after the *accident*, *we* may impose an additional Medical

Expense benefits co-payment in accordance with New Jersey law or regulation. This co-payment will be in addition to:

1. Any medical expense benefits deductible or co-payment; or
  2. Any penalty imposed in accordance with *our* Decision Point Review Plan.
2. For Extended Medical Expense Benefits, the Two or More Policies Issued By *Us* Common Condition does not apply. However, no one will be entitled to receive duplicate payments for the same elements of loss.
3. The following Conditions are added:

a. **Reimbursement and Trust**

Subject to any applicable limitations set forth in the New Jersey Automobile Reparation Reform Act, if *we* make any payment to any *eligible injured person* or *insured person* under this coverage and that person recovers from another party, he or she shall hold the proceeds in trust for *us* and pay *us* back the amount *we* have paid. *We* will have a lien against such payment, and may give notice of the lien to the person or organization causing *bodily injury*, his or her agent or insurer or a court having jurisdiction in the matter.

b. **Payment of Personal Injury Protection Benefits**

1. Medical expense benefits and essential services benefits may be paid at *our* option to the *eligible injured person*, *insured person* or the person or organization furnishing the products or services for which such benefits are due. These benefits shall not be assignable except to providers of service benefits. Any such assignment is not enforceable unless the provider of service benefits agrees to be subject to the requirements of *our* Decision Point Review Plan. In the event of the death of an *eligible injured person* or *insured person* any amounts payable, but unpaid prior to death, for medical expense benefits are payable to the *eligible injured person's* or *insured person's* estate.
2. Benefits payable under Paragraph A.1.d.1. of the description of death benefits are payable to the *eligible injured person's* surviving spouse, to his or her surviving children, or if there is not a surviving spouse or any surviving children, to the *eligible injured person's* estate.
3. Benefits payable under Paragraph A.1.d.2. of the description of death benefits are payable to the person who has incurred the expense of providing essential services.
4. Funeral expense benefits are payable to the *eligible injured person's* or *insured person's* estate.

c. **Deletion of Benefits Other Than Medical Expense Option**

When the Schedule or the Supplemental Declarations indicates that the Deletion of Benefits Other Than Medical Expenses option applies, *we* will pay personal injury protection benefits consisting of only medical expense benefits for the *named insured* and *family members*.

d. **Employee Benefits Reimbursement**

If the *eligible injured person* or *insured person* fails to apply for workers' compensation benefits or employees' temporary disability benefits for which that person is eligible, *we* may immediately apply to the provider of these benefits for reimbursement of any personal injury protection benefits that *we* have paid.

e. **Proof of Health Benefits Plan Coverage**

If the *named insured* has elected the Medical Expense Benefits As Secondary option, the *named insured* shall provide proof that the *named insured* and *family members* are insured by health insurance coverage or benefits in a manner and to an extent approved by the New Jersey Department of Banking and Insurance.

f. **Special Requirements For Medical Expenses**

1. **Care Paths For Identified Injuries (Medical Protocols)**

- a. The New Jersey Department of Banking and Insurance has established by regulation the standard courses of medically necessary diagnosis and treatment for *identified injuries*. These courses of diagnosis and treatments are known as care paths.

The care paths do not apply to treatment administered during *emergency care*.

- b. Upon notification to *us* of a *bodily injury* covered under this policy, *we* will advise the *insured* of the care path requirements established by the New Jersey Department of Banking and Insurance.

- c. Where the care paths indicate a decision point, further treatment or the administration of a *diagnostic test* is subject to *our* Decision Point Review Plan.

A decision point means the juncture in treatment where a determination must be made about the continuation or choice of further treatment of an *identified injury*.

2. **Coverage For Diagnostic Tests**

- a. In addition to the care path requirements for an *identified injury*, the administration of any of the following *diagnostics tests* is

- also subject to the requirements of *our* Decision Point Review Plan:
- (i) Brain audio evoked potential (BAEP);
  - (ii) Brain evoked potential (BEP);
  - (iii) Computer assisted tomographic studies (CT, CAT Scan);
  - (iv) Dynatron/Cyber station/Cybex;
  - (v) H-reflex Study;
  - (vi) Magnetic resonance imaging (MRI);
  - (vii) Nerve conductive velocity (NCV);
  - (viii) Somatosensory evoked potential (SSEP);
  - (ix) Sonogram/ultrasound;
  - (x) Visual evoked potential (VEP).
  - (xi) Any of the following *diagnostic tests* when not otherwise excluded under Exclusion 1.j:
    - Brain mapping;
    - Doppler ultrasound;
    - Electroencephalogram (EEG);
    - Needle electromyography (needle EMG);
    - Sonography;
    - Thermograms / thermographs;
    - Videofluoroscopy; or
  - (xii) Any other *diagnostic tests* that are subject to requirements of *our* Decision Point Review Plan by New Jersey law or regulation.
- b. The *diagnostic tests* listed under the preceding Paragraph 2.a must be administered in accordance with New Jersey Department of Banking and Insurance regulations which set forth the requirements for the use of *diagnostic tests* in evaluating injuries sustained in *auto accidents*.
- However, those requirements do not apply to *diagnostic tests* administered during *emergency care*.
- c. We will pay for other *diagnostic tests* that are:
- (i) Not subject to *our* Decision Point Review Plan; and
  - (ii) Not specifically excluded under Exclusion 1.j;

only if administered in accordance with the criteria for medical expenses as provided in this endorsement.

### 3. Decision Point Review Plan

- a. Coverage for certain medical expenses under this endorsement is subject to *our* Decision Point Review Plan, which provides appropriate notice and procedural requirements that must be adhered to in accordance with New Jersey law or regulation. *We* will provide a copy of this plan upon request, or in the event of any claim for medical expenses under this coverage.
- b. *Our* Decision Point Review Plan includes the following minimum requirements as prescribed by New Jersey law or regulation:
  - (i) The requirements of the Decision Point Review Plan only apply after the tenth day following the *accident*.
  - (ii) *We* must be provided prior notice as indicated in *our* plan, with appropriate *clinically supported* findings, that additional treatment for an *identified injury*, the administration of a *diagnostic test* listed under the preceding Paragraph 2.a, or the use of durable medical equipment is required.

The notice and *clinically supported* findings may include a comprehensive treatment plan for additional treatment.
- c. Once *we* receive such notice with the appropriate *clinically supported* findings, *we* will in accordance with *our* plan:
  - (i) Promptly review such notice and supporting materials; and
  - (ii) If required as part of *our* review, request any additional medical records or schedule a physical examination.
- d. *We* will then determine and notify the *eligible injured person* or the *insured person* whether *we* will provide coverage for the additional treatment, *diagnostic test*, or the use of durable medical equipment as indicated in *our* plan. Any determination *we* make will be based on the determination of a *health care provider*.

The notification of the decision whether to provide coverage for the additional treatment or tests requested will be made within three business days of receipt of

the request or additional information. In the case of an independent medical exam, the notification of the decision will be made within three business days after the exam. If a report is made, a copy of the report is available upon request.

- e. Any physical examination of an *eligible injured person* or *insured person* scheduled by *us* will be conducted in accordance with *our* plan.
- f. We may deny reimbursement of further treatment, testing or use of durable medical equipment for repeated unexcused failure of an *eligible injured person* or *insured person* to appear for a physical examination required by *us* in accordance with *our* plan.
- g. A penalty will be imposed in accordance with *our* plan if:
  - (i) We do not receive proper notice and *clinically supported* findings for further treatment, *diagnostic tests* or the use of durable medical equipment in accordance with the requirements of *our* plan; or
  - (ii) Any *eligible injured person* or *insured person* fails to use an approved network in accordance with N.J.A.C. 11:3-4.8.

No penalty will apply if the required notice was received but we failed to act in accordance with *our* plan to request further information, or to modify or deny reimbursement of additional treatment, *diagnostic test* or the use of durable medical equipment.

**g. Dispute Resolution**

If we and any person seeking personal injury protection coverage do not agree as to the recovery of personal injury protection coverage under this policy, then the matter may be submitted to dispute resolution, on the initiative of any party to the dispute, in accordance with N.J.A.C. 11:3-5.6.

However, prior to submitting such matter to dispute resolution, providers who are assigned service benefits by an *eligible injured person* or *insured person*, or have a power of attorney from such person, are subject to *our* internal appeals process.

Any request for dispute resolution may include a request for review by a medical review organization.

**4. The following Condition is added for Personal Injury Protection and Pedestrian Personal Injury Protection:**

**Coordination and Non-Duplication**

- a. Regardless of the number of *autos* insured for basic personal injury protection coverage pursuant to Section 4 of the New Jersey Automobile Reparation Reform Act or the number of insurers or policies providing such coverage, there shall be no duplication of payment of basic personal injury protection benefits and the aggregate maximum amount payable under this and all applicable policies with respect to *bodily injury* to any one person as the result of any one *accident* shall not exceed the applicable amounts or limits specified in Section 4 of said Act.
- b. If an *eligible injured person* under this coverage is also an *eligible injured person* under other complying policies, the insurer paying benefits to such person shall be entitled to recover from each of the other insurers an equitable pro rata share of the benefits paid. The pro rata share is the proportion that the insurer's liability bears to the total of all applicable limits. Complying Policy means a policy of automobile liability insurance maintained pursuant to the requirements of Section 3 of the New Jersey Automobile Reparation Reform Act and providing basic personal injury protection coverage as approved by the Commissioner of Banking and Insurance.

**5. The following Condition is added for Personal Injury Protection and Extended Medical Expense Benefits:**

**Medical Payments Deletion**

In consideration of the Coverage provided for Personal Injury Protection and Extended Medical Expense Benefits in Paragraphs A.1 and A.2 of this endorsement, and the adjustment of applicable rates because of *bodily injury* to an *eligible injured person*, any *auto* medical payments coverage provided under the policy is deleted with respect to an *auto* which is a covered *auto*.

**E. ADDITIONAL DEFINITIONS**

- 1. The definition of *bodily injury* in the COMMON GLOSSARY is replaced by the following:

*Bodily injury* means bodily harm, sickness or disease, including an *identified injury* or death that result from such.
- 2. The following are added to the COMMON GLOSSARY for Personal Injury Protection, Extended Medical Expense Benefits and *Pedestrian* Personal Injury Protection:
  - a. *Actual benefits* means those benefits determined to be payable for *allowable expenses*.
  - b. *Allowable expense* means a medically necessary, reasonable and customary item of expense covered as benefits by the *named insured's* or *family member's* health benefits plan or personal injury protection benefits as an *eligible expense*, at least in part. When benefits provided are in the form of services, the reasonable monetary value of each

- such service shall be considered as both an *allowable expense* and a paid benefit.
- c. *Clinically supported* means that a *health care provider*, prior to selecting, performing or ordering the administration of a treatment or *diagnostics test*, has:
1. Physically examined the *eligible injured person* or *insured person* to ensure that the proper medical indications exist to justify ordering the treatment or test;
  2. Made an assessment of any current and/or historical subjective complaints, observations, objective findings, neurologic indications, and physical tests;
  3. Considered any and all previously performed tests that relate to the injury and the results and which are relevant to the proposed treatment or test; and
  4. Recorded and documented these observations, positive and negative findings and conclusions on the *insured's* medical records.
- d. *Diagnostic test(s)* means a medical service or procedure utilizing any means other than bioanalysis, intended to assist in establishing a:
1. Medical;
  2. Dental;
  3. Physical therapy;
  4. Chiropractic; or
  5. Psychological diagnosis; for the purpose of recommending or developing a course of treatment for the tested patient to be implemented by the treating practitioner or by the consultant.
- e. *Eligible expense* means:
1. In the case of health benefit plans, that portion of the medical expenses incurred for the treatment of *bodily injury* which is covered under the terms and conditions of the plan, without application of the deductible(s) and co-payment(s), if any.
  2. In the case of personal injury protection benefits, that portion of the medical expenses incurred for the treatment of *bodily injury* which, without considering any deductible and co-payment, shall not exceed:
    - a. The percent or dollar amounts specified on the medical fee schedules, as promulgated by the New Jersey Department of Banking and Insurance, or the actual billed expense, whichever is less; or
    - b. The reasonable amount, as determined by us, considering the medical fee schedules or similar services or equipment in the region where the service or equipment was provided, when an incurred medical expense is not included on the medical fee schedules.
- f. *Emergency care* means all treatment of a *bodily injury* which manifests itself by acute symptoms of sufficient severity such that absence of immediate attention could reasonably be expected to result in death, serious impairment to bodily functions or serious dysfunction to a bodily organ or part. Such *emergency care* shall include all medically necessary care immediately following an *accident*, including but not limited to, immediate pre-hospitalization care, transportation to a hospital or trauma center, emergency room care, surgery, critical and acute care. *Emergency care* extends during the period of initial hospitalization until the patient is discharged from acute care by the attending physician. *Emergency care* shall be presumed when medical care is initiated at a hospital within 120 hours of the *accident*.
- g. *Family member* means a person related to the *named insured* by blood, marriage or adoption (including a ward or foster child) who is a resident of the same household as the *named insured*.
- h. *Health care provider* means those persons licensed or certified to perform health care treatment or services compensable as medical expenses and shall include, but not be limited to:
1. Hospital or health care facilities that are maintained by a state or any of its political subdivisions or licensed by the Department of Health and Senior Services;
  2. Other hospitals or health care facilities designated by the Department of Health and Senior Services to provide health care services, or other facilities, including facilities for radiology and diagnostic testing, free-standing emergency clinics or offices, and private treatment centers;
  3. A non-profit voluntary visiting nurse organization providing health care services other than in a hospital;
  4. Hospitals or other health care facilities or treatment centers located in other states or nations;
  5. Physicians licensed to practice medicine and surgery;
  6. Licensed chiropractors, dentists, optometrists, pharmacists, chiropodists (podiatrists), psychologists, physical therapists, health maintenance organizations, orthotists and prosthetists, professional nurses, occupational therapists, speech language pathologists, audiologists, physician assistants, physical

- therapists assistants and occupational therapy assistants;
7. Registered bio-analytical laboratories;
  8. Certified nurse-midwives and nurse practitioners/clinical nurse-specialists; or
  9. Providers of other health care services or suppliers including durable medical goods.
- i. *Identified injury* means the following *bodily injuries* for which the New Jersey Department of Banking and Insurance has established standard courses of medically necessary diagnosis and treatment;
1. Cervical Spine: Soft Tissue Injury;
  2. Cervical Spine: Herniated Disc / Radiculopathy;
  3. Thoracic Spine: Soft Tissue Injury;
  4. Thoracic Spine: Herniated Disc / Radiculopathy;
  5. Lumbar-Sacral Spine: Soft Tissue Injury;
  6. Lumbar-Sacral Spine: Herniated Disc / Radiculopathy; and
  7. Any other *bodily injury* for which the New Jersey Department of Banking and Insurance has established standard courses of appropriate diagnosis and treatment.
- j. *Income* means salary, wages, tips, commissions, fees and other earnings derived from work or employment.
- k. *Income producer* means a person who, at the time of the *accident*, was in an occupational status, earning or producing income.
- l. *Named insured* means the person or organization named in Item One of the Declarations and, if an individual, includes his or her spouse if the spouse is a resident of the household of the *named insured*, except that if the spouse ceases to be a resident of the same household, the spouse shall be a *named insured* for the full term of the policy in effect at the time of cessation of residency. If the covered *auto* is owned by a farm family co-partnership or corporation, the term *named insured* also includes the head of the household of each family designated in the policy as having a working interest in the farm.
- m. *Pedestrian* means any person who is not *occupying* or using a vehicle propelled by other than muscular power and designed primarily for use on highways, roads, rails, or tracks.
- n. *Private passenger auto* means a self-propelled vehicle designed for use principally on public roads and which is one of the following types:
1. A private passenger or station wagon type *auto*;
  2. A van, pickup or panel truck or delivery sedan; or
  3. A utility *auto* designed for personal use as a camper or motor home or for family recreational purposes.
- A *private passenger auto* does not include:
- a. A Motorcycle;
  - b. An *auto* used as a public or livery conveyance for passengers;
  - c. A van, pickup or panel truck, delivery sedan or utility *auto* customarily used in the occupation, profession or business of an *insured* other than farming or ranching; or
  - d. A utility *auto* customarily used for the transportation of passengers other than members of the user's family or their guests.
3. The following definition is added to the COMMON GLOSSARY for Personal Injury Protection:
- Eligible injured person* means:
- a. The *named insured* and, if the *named insured* is an individual, any *family member*, if the *named insured* or *family member* sustains *bodily injury*:
    1. As a result of any *accident* while *occupying* or using a *private passenger auto*; or
    2. While a *pedestrian*, caused by a *private passenger auto* or by an object propelled by or from a *private passenger auto*.  - b. Any other person who sustains *bodily injury*:
    1. While, with *your* permission, that person is *occupying* or using the covered *auto*; or
    2. While a *pedestrian*, caused by a *private passenger auto* or by an object propelled by or from a *private passenger auto*.

4. The following are added to the COMMON GLOSSARY for Extended Medical Expense Benefits:

a. *Highway vehicle* means a land motor vehicle or trailer other than:

    1. A *private passenger auto*;
    2. A farm type tractor or other equipment designed for use principally off public roads, while not upon public roads;
    3. A vehicle operated on rails or crawler treads; or
    4. A vehicle while located for use as a residence or premises.

b. *Insured person* means:

    1. The *named insured*, or, if the *named insured* is an individual, any *family member* of the *named insured*, if the *named insured* or *family member* sustains *bodily injury*:
    - a. While *occupying* or using a *highway vehicle*; or

- b. While a *pedestrian*, caused by a *highway vehicle*.
  2. Any other person who sustains *bodily injury* while *occupying a highway vehicle* (other than a motorcycle or a vehicle while being used as a public or livery conveyance) if such *highway vehicle* is being operated by the *named insured*, or if the *named insured* is an individual, a *family member*, or any other person using such *highway vehicle* with the permission of the *named insured*; or
  3. Any other person who sustains *bodily injury* while *occupying* a covered *auto* if the covered *auto* is being operated by the *named insured* or, if the *named insured* is an individual, a *family member*, or any other person using the covered *auto* with the permission of the *named insured*.
5. The following are added to the COMMON GLOSSARY for *Pedestrian Personal Injury Protection*:
    - a. *Eligible insured person* means a person who sustains *bodily injury* while a *pedestrian*, caused by an *insured motor vehicle* or as a result of being struck by an object propelled by or from the *insured motor vehicle*.
    - b. *Insured motor vehicle* means a self-propelled motor vehicle designed for use principally on public roads, which is not a *private passenger auto* and to which the liability coverage of this policy applies.

**UNINSURED AND UNDERINSURED MOTORISTS COVERAGE – NEW JERSEY**

*For a covered auto licensed or principally garaged in New Jersey this endorsement provides uninsured and underinsured motorists coverage.*

**The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.**

**Except as provided below, all other provisions in this policy are unchanged.**

---

**This endorsement provides coverage as required under New Jersey law as follows:**

**A. COVERAGE E – UNINSURED / UNDERINSURED MOTORISTS**

1. We will pay all the sums the *insured* is legally entitled to recover as compensatory damages from the owner or driver of an *uninsured motor vehicle* or an *underinsured motor vehicle*. The damages must result from *bodily injury* sustained by the *insured*, or *property damage* caused by an *accident*. The owner's or driver's liability for these damages must result from the maintenance, ownership, or use of an *uninsured motor vehicle* or an *underinsured motor vehicle*.
2. With respect to damages resulting from an *accident* with an *underinsured motor vehicle*, we will pay under this coverage only if the following Paragraphs a or b applies:
  - a. The limit of the applicable liability bonds or policies have been exhausted by judgments or payments; or
  - b. A tentative settlement has been made between an *insured* and the insurer of an *underinsured motor vehicle* and we:
    1. Have been given prompt written notice of such tentative settlement; and
    2. Advance payment to the *insured* in an amount equal to the tentative settlement within 30 days after receipt of notification.
3. Any judgment for damages arising out of a suit brought without *our* written consent is not binding on *us*.

**B. Who Is An Insured – Coverage E**

1. The *named insured*.
2. If the *named insured* is an individual, *you* and any *family member*.
3. Anyone else *occupying* a covered *auto* or a temporary substitute for a covered *auto*. The covered *auto* must be out of service because of loss to it or its breakdown, repair, servicing, or destruction.
4. Anyone for damages such person is entitled to recover because of *bodily injury* sustained by another *insured*.

**C. Exclusions – Liability Not Insured**

*We do not provide insurance for any of the following:*

1. With respect to an *uninsured motor vehicle*, any claim settled without *our* consent.
2. Damages for pain, suffering and inconvenience resulting from *bodily injury* caused by an *accident* involving an *uninsured motor vehicle* or an *underinsured motor vehicle* unless the injured person has a legal right to recover

damages for such pain, suffering and inconvenience under the New Jersey Automobile Reparation Reform Act. The injured person's legal right to recover damages for pain, suffering and inconvenience under the New Jersey Automobile Reparation Reform Act will be determined by the liability tort limitation, if any, applicable to that person.

3. The direct or indirect benefit of any insurer or self-insurer under a disability benefits, unemployment compensation, workers' compensation, or similar law.
4. The direct or indirect benefit of any insurer of property.
5. Any person while using a vehicle without a reasonable belief that such person is permitted to use such vehicle.
6. *Property Damage* for which the *insured* has been or is entitled to be compensated by other property or physical damage insurance.
7. The first \$500 of the amount of *property damage* to the property of each *insured* as the result of any one *accident*.
8. *Property Damage* caused by a hit-and-run vehicle.
9. Exemplary or punitive damages.
10. *Bodily injury* or *property damage* sustained by any *insured* who is an owner of a motor vehicle that is:
  - a. Insured under a basic automobile insurance policy issued in accordance with New Jersey law or regulation; or
  - b. Required to be insured in accordance with New Jersey law or regulation, but is not insured for this coverage or any similar coverage.

However, this exclusion does not apply to an individual *named insured*, and such *named insured*'s spouse, unless the individual *named insured* or such *named insured*'s spouse are *occupying*, at the time of an *accident*, a motor vehicle described in the preceding Paragraphs 10.a or b.

**D. Limit of Liability**

1. Regardless of the number of claims made, covered *autos*, *insureds*, premiums paid, or vehicles involved in the *accident*, the Limit of Liability shown in the Schedule or Declarations for Uninsured Motorists Coverage and Underinsured Motorists Coverage is the most we will pay for all damages resulting from any one *accident* with an *uninsured motor vehicle* or an *underinsured motor vehicle*.
  - a. However, subject to *our* maximum Limit of Liability for this coverage, if:
    1. An *insured* is not an *employee* nor the individual



*named insured* under this policy;

2. That *insured* is an individual *named insured* under one or more other policies providing similar coverage; and
3. All such other policies have a limit of liability for similar coverage which is less than the Limit of Liability for this coverage;

then the most *we* will pay for all damages for that *insured* resulting from any one *accident* with an *uninsured motor vehicle* or an *underinsured motor vehicle* will not exceed the highest applicable limit of liability under any coverage form or policy providing coverage to that *insured* as an individual *named insured*.

- b. However, subject to *our* maximum Limit of Liability for this coverage, if:

1. An *insured* is not an *employee* nor the individual *named insured* under this policy or any other policy;
2. That *insured* is insured as a *family member* under one or more other policies providing similar coverage; and
3. All such other policies have a limit of liability for similar coverage which is less than the Limit of Liability for this coverage;

then the most *we* will pay for all damages for that *insured* resulting from any one *accident* with an *uninsured motor vehicle* or an *underinsured motor vehicle* will not exceed the highest applicable limit of liability under any coverage form or policy providing coverage to that *insured* as a *family member*.

- c. However, subject to *our* maximum Limit of Liability for this coverage, if:

1. An *insured* is not an *employee* nor the individual *named insured* under this policy or any other policy; and
2. That *insured* is not insured as a *family member* under this policy or any other policy;

then the most *we* will pay for all damages for that *insured* resulting from any one *accident* with an *uninsured motor vehicle* or an *underinsured motor vehicle* is the minimum financial responsibility limits specified in N.J.S.A. 39:6B-1.

2. With respect to damages resulting from an *accident* involving an *uninsured motor vehicle*, *we* will not make a duplicate payment under this Coverage for any element of loss for which payment has been made by or for anyone who is legally responsible.
3. With respect to damages resulting from an *accident* involving an *underinsured motor vehicle*, the Limit of Liability will be reduced by all sums paid by or for anyone who may be legally responsible, including all sums paid under this policy's Liability Coverage.

4. No one will be entitled to receive duplicate payments for the same elements of loss under this Coverage and any Liability Coverage included in this policy.

*We* will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any personal injury protection benefits.

#### E. Additional Conditions

The Conditions are amended for Uninsured and Underinsured Motorists Coverage as follows:

1. THE OTHER INSURANCE COMMON CONDITION is replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.

However, if an *insured* is:

1. An individual *named insured* under one or more policies providing similar coverage; and
2. Not *occupying* a vehicle owned by that individual *named insured*;

then any recovery for damages for *bodily injury* or *property damage* for that *insured* may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage to that *insured* as an individual *named insured*.

However, if an *insured* is:

1. Insured as a *family member* under one or more policies providing similar coverage; and
2. Not an individual *named insured* under this or any other policy;

then any recovery for damages for *bodily injury* or *property damage* for that *insured* may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage to that *insured* as a *family member*.

- b. For any vehicle the *named insured* does not own, this insurance is excess over any other collectible uninsured motorists or underinsured motorists insurance providing coverage on a primary basis.

- c. If the coverage under this policy is provided:

1. On a primary basis, *we* will pay only *our* share of the loss that must be paid under insurance providing coverage on a primary basis. *Our* share is the proportion that *our* limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

2. On an excess basis, *we* will pay only *our* share of the loss that must be paid under insurance providing coverage on an excess basis. *Our* share is the proportion that *our* limit of liability

- bears to the total of all applicable limits of liability for coverage on an excess basis.
2. The DUTIES OF INSUREDS – WHAT TO DO IN CASE OF ACCIDENT, CLAIM, INJURY, OR SUIT Condition is amended by adding the following:
- Immediately notify the police if a hit-and-run driver is involved; and
  - Immediately send *us* copies of the legal papers if a suit is brought.
  - A person seeking coverage under this endorsement must also immediately notify *us*, in writing, of a tentative settlement between the *insured* and the insurer of an *underinsured motor vehicle*, and allow *us* 30 days to advance payment to that *insured* in an amount equal to the tentative settlement to preserve *our* rights against the insurer, owner or operator of such *underinsured motor vehicle*.
3. The RECOVERY FROM OTHERS COMMON CONDITION is amended by adding the following:
- If *we* make any payment and the *insured* recovers from another party, the *insured* shall hold the proceeds in trust for *us* and pay *us* back the amount *we* have paid.
- Our* rights do not apply under this provision with respect to damages caused by an *accident* with an *underinsured motor vehicle* if *we*:
- Have been given notice in writing of a tentative settlement between an *insured* and the insurer of an *underinsured motor vehicle*, as provided in the preceding Paragraph 2.c; and
  - Fail to advance payment to the *insured* in an amount equal to the tentative settlement within 30 days after receipt of notification.
- If *we* advance payment to the *insured* in an amount equal to the tentative settlement within 30 days after receipt of notification:
- That payment will be separate from any amount the *insured* is entitled to recover under the provisions of this endorsement; and
  - We* also have a right to recover the advanced payment.
4. The following Condition is added:
- ARBITRATION**
- If *we* and an *insured* disagree whether the *insured* is legally entitled to recover damages from the owner or driver of an *uninsured motor vehicle* or an *underinsured motor vehicle* or do not agree as to the amount of damages that are recoverable by that *insured*, then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
  - Unless both parties agree otherwise, arbitration will take place in the county in which the *insured* lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to whether the *insured* is legally entitled to recover damages and the amount of damages.
- However, this applies only if the amount of damages does not exceed the minimum financial responsibility limits specified in N.J.S.A. 39:6B-1. If the amount of damages exceeds such limits, then either *we* or the *insured* may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, then the arbitrators' decision will be binding.
- F. Glossary**
- As used in this endorsement, the definition of *property damage* is replaced by the following:
- Property damage* means damage to a covered *auto*, or to any property of an *insured* while contained in a covered *auto*.
- The following definitions are added:
- Uninsured motor vehicle* means a land motor vehicle or trailer:
    - For which no liability bond or policy applies at the time of an *accident*;
    - For which an insuring or bonding company denies coverage or is or becomes insolvent;
    - That, with respect to damages for *bodily injury* only, is a hit-and-run vehicle whose operator or owner cannot be identified and that hits, or causes an *accident* resulting in *bodily injury* without hitting:
      - An individual *named insured* or any *family member*;
      - A vehicle that the *named insured* or any *family member*, if the *named insured* is an individual, are *occupying*;
      - A covered *auto*; or
    - Insured under a special automobile insurance policy issued in accordance with New Jersey law or regulation.
- However, an *uninsured motor vehicle* does not include any vehicle:
- Owned by, or available or finished for the regular use of the *named insured* or, if the *named insured* is an individual, any *family member*;
  - Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
  - Owned by any governmental unit or agency;

- d. Insured under a basic automobile insurance policy issued in accordance with New Jersey law or regulation;
  - e. Operated on rails or crawler treads;
  - f. Designed for use mainly off public roads while not on public roads; or
  - g. While located for use as a residence or premises.
2. *Underinsured motor vehicle* means the following:
- a. With respect to an *insured* who:
    1. Is not the individual *named insured* under this policy; and
    2. Is an individual *named insured* under one or more other policies providing similar coverage, *underinsured motor vehicle* means a land motor vehicle or *trailer* of any type to which a liability bond or policy applies at the time of an *accident* but its limit of liability is less than the highest applicable limit of liability under any coverage form or policy providing coverage to that *insured* as an individual *named insured*.
  - b. With respect to an *insured* who:
    1. Is not the individual *named insured* under this policy or any other policy; and
    2. Is insured as a *family member* under one or more other policies providing similar coverage, *underinsured motor vehicle* means a land motor vehicle or *trailer* of any type to which a liability

bond or policy applies at the time of an *accident* but its limit for liability is less than the highest applicable limit of liability under any coverage form or policy providing coverage to that *insured* as a *family member*.

- c. With respect to any other *insured* who is not described in the preceding Paragraphs a or b, *underinsured motor vehicle* means a land motor vehicle or *trailer* of any type to which a liability bond or policy applies at the time of an *accident* but its limit of liability is less than the Limit of Liability for this coverage.

However, an *underinsured motor vehicle* does not include any vehicle:

- 1. Owned or operated by a self-insurer under any applicable motor vehicle law;
- 2. Owned by any governmental unit or agency;
- 3. Owned by, or available or finished for the regular use of the *named insured* or, if the *named insured* is an individual, any *family member*;
- 4. Operated on rails or crawler treads;
- 5. Designed for use mainly off public roads while not on public roads; or
- 6. While located for use as a residence or premises.

**SUPPLEMENTAL DECLARATIONS - NEW JERS PERSONAL INJUY PROTECTIOONN**

This Supplemental Declarations provides the schedule for showing the various coverage options available in the New Jersey Personal Injury Protection coverage provisions of endorsement MCA 820 and the lawsuit option.

**Except as provided below, all other provisions in the policy are unchanged.**

---

Policy # 19899

**SCHEDULE****Item 1. EXTENDED MEDICAL EXPENSE BENEFITS**

Benefits:	Limit of Insurance:	Premium:
Medical Expenses	\$ 1,000 Per person, per accident	\$ 0
Funeral Expenses	\$ 1,000	

**Item 2. PEDESTRIAN PERSONAL INJURY PROTECTION**

Coverage ONLY is provided for the following vehicles designed for use principally on public roads which are not *private passenger automobiles* and to which the liability coverage of this policy applies.

Covered Vehicle	Premium

**Item 3. MEDICAL EXPENSE BENEFITS DEDUCTIBLE**

A deductible of \$250 is applicable to medical expense benefits on a per *accident* basis.

If a deductible higher than \$250 is chosen in Item 4 below, the higher deductible applies to the *named insured*, and if the *named insured* is an individual, any *family members*, on a per *accident* basis.

**Item 4.** In consideration of a reduction in premium, the following options apply as indicated below:

**OPTIONAL MEDICAL EXPENSE BENEFITS DEDUCTIBLE**

Any deductible indicated below for medical expense benefits applies only for the *named insured* and, if the *named insured* is an individual, any *family members*, on a per *accident* basis.

In addition to the applicable deductible, medical expense benefits shall be reduced by a co-payment of 20% for amounts payable between the applicable deductible and \$5,000 - Refer to Limit of Insurance.

**DELETION OF BENEFITS OTHER THAN MEDICAL EXPENSE OPTION**

- All Personal Injury Protection benefits other than medical expense benefits are deleted with respect to the *named insured* and, if the *named insured* is an individual, any *family members*, when indicated by an 'X' in the box to the left. Refer to the DELETION OF BENEFITS OTHER THAN MEDICAL EXPENSES provision.

**MEDICAL EXPENSE BENEFITS AS SECONDARY OPTION**

- If the *named insured* is an individual, medical expense benefits with respect to the *named insured* and *family members*, are secondary to the health plans under which the *named insured* and *family members* are insured, when indicated by an 'X' in the box to the left.

**Item 5. LAWSUIT OPTIONS**

- Limitation on Lawsuit Option
- No Limitation on Lawsuit Option