

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## KANSAS CHANGES

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Kansas, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### A. Changes In Covered Autos Liability Coverage

1. The paragraph within **Supplementary Payments** relating to court costs taxed against the "insured" is replaced by the following:

All costs taxed against the "insured" in any "suit" against the "insured" we defend.

2. Paragraph **2.b.(4)** of the **Who Is An Insured** provision of the Auto Dealers Coverage Form does not apply.
3. For coverage and limits required by the Kansas Financial Responsibility law, **Exclusions** is changed as follows:

- a. The **Workers' Compensation** Exclusion is replaced by the following:

#### **Workers' Compensation**

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or any similar law.

- b. The **Employee Indemnification And Employers' Liability** Exclusion is replaced by the following:

#### **Employee Indemnification And Employers' Liability**

This coverage does not apply to "bodily injury" to any "employee" of the "insured" arising out of and in the course of the "employee's" employment by the "insured" or while performing duties related to the conduct of the "insured's" business if benefits are required or available for the "employee" under any workers' compensation or disability benefits law or under any similar law. This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

- c. The **Fellow Employee** Exclusion is replaced by the following:

#### **Fellow Employee**

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

- d. The **Care, Custody Or Control** Exclusion is replaced by the following:

#### **Care, Custody Or Control**

This coverage does not apply to "property damage" to property owned by, rented to, or in charge of or transported by an "insured". However, this exclusion does not apply to "property damage" to a rented residence or private garage or to liability assumed by the "insured" under a sidetrack agreement.

- e. The following is added to the **War** Exclusion:

This exclusion applies only to the extent that the limit of insurance for this coverage in this policy exceeds the limit required by the Kansas Automobile Injury Reparations Act.

- f. The **Racing** Exclusion does not apply.

- g. The exclusion relating to "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants does not apply if the discharge, dispersal, release or escape is sudden and accidental.

4. Our Limit of Insurance applies except that we will apply the limit shown in the Declarations to first provide the separate limits required by Kansas law as follows:

- a. \$25,000 for "bodily injury" to any one person caused by any one "accident";
- b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident"; and
- c. \$10,000 for "property damage" caused by any one "accident".

This provision will not change our limit of insurance.

#### **B. Changes In Physical Damage Coverage**

1. The "Diminution In Value" Exclusion does not apply.
2. The Limits Of Insurance provision with respect to repair or replacement resulting in better than like kind or quality in any coverage form or endorsement does not apply.

#### **C. Changes In Conditions**

1. The following is added to the **Loss Payment – Physical Damage Coverages** Condition:

An "auto" shall be deemed a total "loss" when such "auto" is required to be registered in this state and has been directly and accidentally wrecked or damaged to the extent that the total cost of repair is 75% or more of the fair market value, in accordance with KAN. STAT. ANN. § 8-197(b)(2).

2. The **Concealment, Misrepresentation Or Fraud** General Condition is replaced by the following:

##### **Concealment, Misrepresentation Or Fraud**

We will not pay under this coverage form if you or any other "insured" in relation to an insurance application, rating, claim or coverage under this policy knowingly and with intent to defraud:

- a. Presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement which such person knows to contain materially false information concerning any material fact; or

- b. Conceals information concerning any material fact for the purpose of misleading.

3. The **Appraisal For Physical Damage Loss** Condition is replaced by the following:

##### **Appraisal For Physical Damage Loss**

If, after a claim has been made, a dispute arises because you and we disagree on the amount of the "loss", either party may make a written request for an appraisal of the "loss". **However, an appraisal will be made only if both you and we agree, voluntarily, to have the loss appraised.** If so agreed, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraiser and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

**An appraisal decision will be binding.**