

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINNESOTA CHANGES

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

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.** The Common Policy Conditions are amended as follows:
- The **Examination Of Your Books And Records** Condition applies except that the time we have to examine your records after the policy period is changed from three years to one year.
- B.** The third paragraph of **A. Coverage in Section II – Covered Autos Liability Coverage** is replaced by the following:
- We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We will settle or defend, as we consider appropriate, any claim or "suit" asking for damages which are payable under the terms of this Coverage Form.
- C.** Paragraph **A.2.a. Coverage Extensions of Section II – Covered Autos Liability Coverage** is amended by the addition of the following:
- (7) Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- D.** Paragraph **C. Limit Of Insurance in Section II – Covered Autos Liability Coverage** is revised by the addition of the following:
- We will apply the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations to provide separate limits required by law for bodily injury liability and property damage liability. However, this provision will not change our total Limit of Insurance.
- E.** Paragraph **A.2. of Section III – Trailer Interchange Coverage** in the Motor Carrier Coverage Form is replaced by the following:
2. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any "loss" to which this insurance does not apply. We will settle or defend, as we consider appropriate, any claim or "suit" asking for damages which are payable under the terms of this Coverage Form.
- F.** Paragraph **A.3. Coverage Extensions of Section III – Trailer Interchange Coverage** in the Motor Carrier Coverage Form is revised by the addition of the following:
- f. Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- G.** The **Conditions** are amended as follows:
1. The **Appraisal For Physical Damage Loss** Condition is replaced by the following:
- 1. Appraisal For Physical Damage Loss**
- If you and we disagree on the amount of "loss", and the disputed amount is:
- a. \$10,000 or less, both parties must submit to appraisal; or
- b. More than \$10,000, either party may demand an appraisal of the "loss".

In the event of an appraisal, 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. A decision agreed to by any two will be binding. Each party will:

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

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

2. The lead-in wording of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

The following duties apply:

3. **Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following:

- a. Our rights under this condition with respect to all coverages other than Covered Autos Liability Coverage do not apply against a person who is 21 years of age or older who:

- (1) Had control over the premises and, being in a reasonable position to prevent the consumption of alcoholic beverages, knowingly or recklessly permitted the consumption of alcoholic beverages that caused the intoxication of a person under 21 years of age; or

- (2) Sold, bartered, furnished or gave to, or purchased alcoholic beverages for a person under 21 years of age that caused the intoxication of a person under 21 years of age;

and that intoxicated person caused the injury, "loss" or damage for which payment was made under this policy.

- b. Our rights are subject to any applicable limitations contained in the Minnesota statutes.

- c. With respect to Physical Damage, if you have received less than all of your deductible amount after a subrogation settlement or judgment, you will retain your right to recover the remaining portion of the deductible from parties liable for the "loss".

- d. Our rights do not apply against any person or organization insured under this or any other Coverage Form we issue with respect to the same "accident" or "loss".

4. Paragraph **B.1. Bankruptcy** is replaced by the following:

1. **Bankruptcy**

Bankruptcy, insolvency or dissolution of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

5. The **Concealment, Misrepresentation Or Fraud** Condition is amended as follows:

- a. With respect to Covered Autos Liability Coverage, the **Concealment, Misrepresentation Or Fraud Condition** does not apply.

- b. With respect to other than Covered Autos Liability Coverage, the **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following:

We will not pay for any "loss" or damage in any case of fraud by you at any time as it relates to this Coverage Form. We will not pay for any "loss" or damage if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- (1) This Coverage Form;
- (2) The covered "auto";
- (3) Your interest in the covered "auto"; or
- (4) A claim under this Coverage Form.