

The Texas Auto Policy from Progressive County Mutual Insurance Company offers comprehensive coverage for various auto-related incidents, contingent upon premium payments and adherence to the policy's terms. It includes liability coverage for bodily injury and property damage for which an insured person is legally responsible due to an accident, with the insurer agreeing to settle or defend claims until the liability limit is exhausted. Key definitions include "insured person," which encompasses the policyholder, relatives, and others using a covered auto with permission, and "covered auto," referring to vehicles listed on the declarations page, additional autos, and replacement vehicles. Significant exclusions include bodily injury or property damage arising from the use of vehicles for compensation, use in auto businesses, organized racing activities, injuries to employees during employment, intentional acts, and damage to property owned or used by the insured. The policy outlines additional payments for expenses incurred in claims, including legal fees and bail bonds, but excludes certain costs if the insurer was not notified of a lawsuit.

The policy details conditions for medical payments, personal injury protection, uninsured/underinsured motorist coverage, and vehicle damage, including collision and comprehensive coverage. It specifies obligations for the policyholder, such as reporting changes and accidents, and outlines claims settlement procedures. The policy can be canceled or non-renewed under specific conditions, with provisions for premium payment and potential refunds upon cancellation. Exclusions and limits of liability for coverage related to bodily injury and property damage are also outlined, including damages from unauthorized vehicle use, punitive damages, injuries from criminal acts, and property damage due to vehicle seizures by law enforcement. The limits of liability specified on the declarations page represent the maximum payout regardless of the number of claims, insured persons, or vehicles involved, with specific limits for split limits and combined single limits.

Part II(A) covers medical payments for reasonable expenses incurred within three years of an accident for insured persons, with exclusions for injuries sustained while using a covered auto for

compensation or during racing activities. Part II(B) provides personal injury protection benefits for bodily injuries from motor vehicle accidents, covering medical expenses, lost income, and essential services, with exclusions for intentional acts and felonies. The policy specifies that any insurance for an auto not owned by the insured will be excess over any other collectible Personal Injury Protection insurance, and loss payments are made no more frequently than every two weeks after satisfactory proof of claim is received.

Part III addresses Uninsured/Underinsured Motorist Coverage, which includes bodily injury and property damage coverage for damages an insured person is legally entitled to recover from the owner or operator of an uninsured motor vehicle, with specific exclusions. The limits of liability for this coverage are determined by the declarations page, and damages recoverable will be reduced by any sums paid under other applicable insurance or laws.

Part IV covers Damage to a Vehicle, detailing Collision and Comprehensive Coverage, with specific limits and conditions for reimbursement. It includes provisions for Additional Custom Parts or Equipment Coverage, Rental Reimbursement Coverage, and Loan/Lease Payoff Coverage, applicable only if both Comprehensive and Collision Coverage are purchased. Exclusions to this coverage include losses from the use of an auto for compensation, racing activities, and losses due to wear and tear. The policy also provides Pet Injury Coverage if Collision coverage is purchased for at least one covered auto.

Part V introduces Roadside Assistance Coverage, which provides towing and labor services for a covered disabled auto during emergencies, with limitations on the number of emergencies covered and exclusions for certain situations. The policyholder must promptly report incidents, provide detailed information, and cooperate with the insurer in the claims process, including notifying the police in cases of theft or vandalism.

The policy is valid for accidents occurring during the specified period and within designated territories, including limited coverage in Mexico. Changes to the policy can only be made through endorsements, and the policyholder must report any changes affecting coverage or premiums. The insurer has specific duties regarding claims, including timely acknowledgment and payment. The rights and duties under the policy cannot be transferred without written consent from the insurer, and the policy may be voided for false information or fraudulent conduct.

Cancellation can be initiated by either party, with specific notice requirements. The insurer may cancel for reasons such as nonpayment of premium or fraudulent claims, particularly within the first 59 days. After this period, cancellation is limited to specific reasons, including loss of driving privileges. The policy outlines provisions for cancellation, nonrenewal, legal actions, and rights of recovery, including the requirement for claims to be filed within three years of the incident. The insurer retains rights to recover payments made to insured persons from third parties, and bankruptcy of an insured does not relieve the insurer of its obligations. The insured is recognized as a member of the Progressive County Mutual Insurance Company, entitled to one vote in company meetings, and the policy is nonassessable, meaning there is no contingent liability. The policyholder may participate in dividend distributions as determined by the Board of Directors.