

The State Farm Texas Personal Auto Policy establishes the terms and conditions of coverage for the insured, referred to as "you" or "your," and the insurance provider, referred to as "we," "us," or "our." It provides liability coverage for bodily injury or property damage for which a covered person is legally responsible due to an auto accident, including loss of use of damaged property and prejudgment interest. Coverage extends to the named insured, their spouse, family members, and any person using the covered auto. Supplementary payments include bail bonds, appeal bonds, interest on judgments, loss of earnings due to attendance at hearings, and other reasonable expenses incurred at the insurer's request. Exclusions to liability coverage encompass intentional acts causing injury or damage, damage to property owned or transported by the insured, bodily injury to employees during employment, and liability arising from the use of vehicles for hire or in business activities. Coverage does not apply to vehicles with fewer than four wheels, vehicles owned or regularly used by the insured or family members, or bodily injury to the insured or family members themselves. The limits of liability are specified in the Declarations, with separate limits for bodily injury and property damage, and total liability is capped regardless of the number of claims or vehicles involved.

In the event of an accident outside the state where the covered auto is primarily garaged, the policy will adapt to comply with local financial responsibility laws. It also provides guidance for disputes regarding premiums or claims, advising policyholders to first contact their agent and, if unresolved, to reach out to the Texas Department of Insurance. The policy outlines various coverage types, including mandatory insurance requirements for nonresidents using vehicles in specific states or provinces, ensuring at least the minimum required coverage. Duplicate payments for the same loss elements are not permitted, and the policy serves as proof of financial responsibility as required by law. In cases of other applicable liability insurance, the insurer will only pay its share based on the proportion of its liability limit to the total applicable limits.

Part B1 covers Medical Payments, providing payment for reasonable medical and funeral expenses

incurred due to bodily injury from an accident sustained by a covered person within three years of the incident. Covered persons include the policyholder, family members, and others occupying the covered auto, with exclusions for injuries sustained while occupying vehicles with fewer than four wheels, using the covered auto for hire, or while employed if workers' compensation is available. The limit of liability is defined in the Declarations, and payments can be assigned directly to healthcare providers with written consent. Part B2 details Personal Injury Protection (PIP) benefits for bodily injuries from motor vehicle accidents, covering medical expenses, lost income, and necessary services for household maintenance, with exclusions for injuries from intentional acts, felonies, or while occupying vehicles owned by the insured or family members.

Part C addresses Uninsured/Underinsured Motorists Coverage, which pays damages a covered person is legally entitled to recover from the owner or operator of an uninsured vehicle due to bodily injury or property damage. Covered persons include the policyholder, family members, and others in the covered auto, with exclusions for injuries sustained while occupying uninsured vehicles owned by the insured or family members, or if claims are settled without the insurer's consent. The limit of liability for bodily injury and property damage is specified in the Declarations.

The policy outlines coverage limits and conditions for liability and property damage related to motor vehicle accidents, with the maximum liability for property damage specified in the Declarations. The insurer will pay the lesser of the difference between a covered person's damages and any amounts already paid by responsible parties, or the applicable limit of liability. Payments will not exceed actual damages sustained and will reduce any amounts recoverable under the policy's Liability Coverage. In cases of other applicable insurance, the insurer will only pay its share of the loss, proportionate to its liability limit. Coverage for damage to the insured auto includes direct and accidental loss, with exclusions such as wear and tear, mechanical breakdown, and loss due to war or civil unrest. Coverage for theft includes transportation expenses up to \$600, starting 48 hours after the theft.

The policy specifies that certain losses, such as those related to custom equipment or temporary substitutes for vehicles, are excluded unless reported and included in the premium. The limit of liability for loss is the lesser of the actual cash value, repair costs, or the amount stated in the Declarations, with specific limits for certain types of equipment. In the event of a loss, the insured must promptly notify the insurer and cooperate in the investigation and settlement of claims. Additional duties apply for uninsured/underinsured motorist coverage, including notifying the police in hit-and-run cases. The policy stipulates that bankruptcy of the insured does not relieve the insurer of its obligations, and any changes to the policy must be made through an endorsement. Legal action against the insurer can only be initiated after full compliance with policy terms and after the obligation to pay has been established.

The policy outlines the rights and obligations of both the insurer and the insured regarding coverage, claims, and termination. If the insurer makes a payment under the policy, they are entitled to recover that amount from any third party responsible for the loss, and the insured must assist in this process. The policy applies only to accidents occurring during the specified policy period and within the defined territory, which includes the United States, Puerto Rico, and Canada. Cancellation can occur by either party, with the insured able to cancel by returning the policy or providing written notice. The insurer can cancel with a 10-day notice under certain conditions, such as fraudulent claims or nonpayment of premiums. Nonrenewal requires a 30-day notice before the policy period ends, and automatic termination occurs if the insured obtains other insurance for the covered auto. The policy includes provisions for premium refunds upon cancellation and specifies that rights and duties under the policy cannot be assigned without written consent, except in the event of the named insured's death, where coverage extends to the surviving spouse or legal representative.

Additional coverages include towing and labor costs, rental reimbursement for substitute vehicles, and a modified loss payable clause for loss payees. Coverage for accidents in Mexico is limited and

subject to Mexican laws, with exclusions for vehicles not primarily garaged in the U.S. or for persons not residing in the U.S. The policyholder is a member of the State Farm Mutual Automobile Insurance Company and entitled to vote at company meetings. The endorsement for auto death indemnity and total disability provides specific coverage limits and conditions for death or disability resulting from auto-related accidents, with exclusions for injuries sustained during occupational duties related to vehicle operation or repair. The policy also excludes coverage for pus-forming infections resulting from bodily injury, suicide (regardless of mental state), and injuries or deaths caused by war, civil unrest, or related conditions. The general duties under "Duties After an Accident or Loss" and certain general provisions remain applicable. In the event of the death of the insured person, coverage continues for any surviving individuals while the policy is active, with death indemnity payments directed to the spouse residing in the same household at the time of the accident. The insurer retains the right to conduct an autopsy unless prohibited by law, and the consent of the beneficiary is not required for policy changes, including cancellation or assignment. The policy includes an endorsement for recreational trailers, mobile homes, or motorhomes, providing coverage for direct and accidental loss, subject to a deductible, and specifies that the insured vehicle is primarily garaged at the insured's address unless stated otherwise. Coverage limits and deductibles are detailed in the declarations page, with specific amounts for collision, comprehensive, and specified causes of loss, and losses under uninsured/underinsured motorists coverage are subject to a \$250 deductible for property damage. The policy consists of the declarations page, endorsements, and the specified policy booklet.