

The Texas Personal Auto Policy, effective January 1, 2020, establishes the terms under which the insurance company provides coverage in exchange for premium payments. It defines key terms, identifying "you" and "your" as the named insured and their spouse, while "we," "us," and "our" refer to the insurer. Coverage includes liability for bodily injury and property damage from auto accidents, with exclusions for intentional harm, damage to owned property, and injuries to employees during work. Liability coverage does not extend to certain vehicles, such as those with fewer than four wheels or those owned by family members, and the policy specifies maximum payouts for bodily injury and property damage per accident. Supplementary payments for bail bonds, appeal bonds, and lost earnings due to attendance at hearings are included. Out-of-state coverage provisions ensure compliance with local financial responsibility laws, providing higher limits if required. The policy outlines the insured's duties after an accident, including reporting requirements and cooperation with the insurer.

The policy also addresses financial responsibility, personal injury protection (PIP), and uninsured/underinsured motorist coverage. It certifies compliance with legal financial responsibility requirements, stating that if other applicable liability insurance exists, the insurer will only pay its share of the loss based on its liability limit. Coverage for vehicles not owned by the insured is considered excess, except for temporary vehicles, which are covered on a primary basis. PIP benefits cover medical expenses, lost income (80% for income producers), and reasonable expenses for services normally performed by the covered person, limited to losses incurred within three years of the accident. Exclusions apply for injuries from intentional acts, felonies, or while occupying vehicles owned by the insured or family members, with liability limits capped as specified in the Declarations.

Uninsured/underinsured motorist coverage pays damages a covered person is legally entitled to recover from the owner or operator of an uninsured vehicle, including hit-and-run vehicles. Exclusions apply for injuries sustained while occupying uninsured vehicles owned by the insured or

family members, and for claims settled without the insurer's consent. Benefits are payable no more frequently than every two weeks and within 30 days after satisfactory proof of claim is received, with medical expenses assignable to healthcare providers with written consent. The insured must promptly notify the insurer after an accident, cooperate in investigations, and submit necessary documentation. The insurer must acknowledge claims within 15 days and provide a decision within 30 days, with extensions allowed in cases of natural disasters, and payment must be made within five business days if a claim is approved.

The policy stipulates that in the event of an accident involving an uninsured or underinsured motorist, the insured must send copies of any legal papers if a suit is initiated, take reasonable steps to protect damaged property from further loss at the insurer's expense, and allow the insurer to inspect and appraise the damaged property before repairs. Bankruptcy or insolvency of the covered person does not relieve the insurer of its obligations. Changes to the policy can only be made through an endorsement issued by the insurer, and premium adjustments due to changes in insured vehicles, operators, or coverage will be effective as of the change date. The policy will automatically provide additional coverage if the form is revised to include more coverage without an additional premium charge.

Legal action against the insurer cannot commence until all policy terms have been complied with, and under Liability Coverage, until the insurer agrees in writing that there is an obligation to pay or the obligation amount is determined by a judgment. The insurer retains the right to recover damages from another party if a payment is made under the policy, and the insured must assist in this process. The policy applies only to accidents and losses occurring during the policy period and within the specified territory, which includes the United States, Puerto Rico, and Canada.

Cancellation of the policy can occur if the named insured returns the policy or provides written notice. The insurer may cancel the policy with at least 10 days' notice for reasons such as

ineligibility for insurance, loss of reinsurance, fraud, failure to pay premiums, or if the insured cannot be located for underwriting purposes. Automatic termination occurs if the insured obtains other insurance on the covered auto. Non-renewal will happen if the insured is ineligible for coverage or if the assignment to the insurer ends, with notice provided at least 30 days before the policy period ends. Rights and duties under the policy cannot be assigned without written consent from the insurer, except in the case of the death of a named insured, where coverage extends to the surviving spouse or legal representative until the end of the policy period. If multiple auto policies apply to the same accident, the maximum liability will not exceed the highest limit under one policy.