

NATIONAL UNITY
Insurance Company

San Antonio, Texas

A STOCK COMPANY



NON-RESIDENT TEXAS AUTO POLICY

THIS POLICY JACKET WITH THE DECLARATIONS PAGE AND ENDORSEMENTS,
IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETES THIS POLICY.

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call the company's toll-free telephone number for information or to make a complaint at

1-800-554-3498

IN CASE OF ACCIDENT IN
CALIFORNIA, PLEASE CALL TO
CRAWFORD & COMPANY AT (619) 292-6210
IN ANY OTHER STATE CALL TO
MISSION CLAIMS SERVICE AT 1-800-299-5813
OR (210) 342-5813.

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at

1-800-252-3439

You may write the Texas Department of Insurance
P.O. Box 149104
Austin, TX 78714-9104
FAX # (512) 475-1771

PREMIUM OR CLAIM DISPUTES:
Should you have a dispute concerning your premium or about a claim you should contact the agent or the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de la compania para informacion o para someter una queja al

1-800-554-3498

EN CASO DE ACCIDENTE EN
CALIFORNIA, FAVOR DE REPORTARLO A
CRAWFORD & COMPANY AL (619) 292-6210
EN CUALQUIER OTRO ESTADO LLAMAR A
MISSION CLAIMS SERVICE AL 1-800-299-5813
O AL (210) 342-5813.

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas
P.O. Box 149104
Austin, TX 78714-9104
FAX # (512) 475-1771

DISPUTAS SOBRE PRIMAS O RECLAMOS: Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente o la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

NON-RESIDENT TEXAS AUTO POLICY

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the word "you" and "your" refer to the Named Insured shown in the Declarations or in any certificate of insurance issued as part of this policy. The words "we", "us" and "our" refer to the Company providing this insurance.

Words and phrases that appear in bold face have special meaning. Refer to SECTION IV — DEFINITIONS.

SECTION I — COVERED AUTOS

A. DESCRIPTION OF COVERED AUTO

ITEM THREE of the Declarations or certificate of insurance issued as part of this policy shows the **autos** that are covered **autos** for each of your coverages. Only those **autos** described in ITEM THREE of the Declarations or on any certificate of insurance issued as part of this policy for which a premium charge is shown and any **trailers** you don't own while attached to any power unit described in ITEM THREE are covered **autos**.

B. CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS

If Liability Coverage is provided by this insurance, the following types of vehicles are also covered **autos** for Liability Coverage:

1. **Trailers** with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. **Mobile equipment** while being carried or towed by a covered **auto**.
3. Any **auto** you do not own while used with the permission of its owner as a temporary substitute for a covered **auto** you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. **Loss**; or
 - e. Destruction.

SECTION II—LIABILITY COVERAGE

A. COVERAGE

We will pay all sums an **insured** legally must pay as damages because of **bodily injury** or **property damage** to which this insurance applies, caused by an **accident** and resulting from the ownership, maintenance or use of a covered **auto**.

We have the right and duty to defend any **suit** asking for these damages. However, we have no duty to defend **suits** for **bodily injury** or **property damage** not covered by this insurance. We may investigate and settle any claim or **suit** as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. WHO IS AN INSURED

The following are **insureds**:

- a. You for any covered **auto**.
- b. Anyone else while using with your permission a covered **auto** you own, hire or borrow except:

- (1) The owner of a covered **auto** you hire or borrow from one of your employees or a member of his or her household.

- (2) Anyone other than your employees, partners, a lessee or borrower or any of their employees, while moving property to or from a covered **auto**.

- (3) A partner of yours for a covered **auto** owned by him or her or a member of his or her household.

- c. Anyone liable for the conduct of an **insured** described above but only to the extent of that liability. However, the owner or anyone else from whom you hire or borrow a covered **auto** is an **insured** only if that **auto** is a **trailer** connected to a covered **auto** you own.

2. COVERAGE EXTENSIONS

- a. Supplementary Payments. In addition to the Limit of Insurance, we will pay for the **insured**:

- (1) All expenses we incur.

- (2) Up to \$100 for cost of bail bonds (including bonds for related traffic law violations) required because of an **accident** we cover. We do not have to furnish these bonds.

- (3) The cost of bonds to release attachments in any **suit** we defend, but only for bond amounts within our Limit of Insurance.

- (4) All reasonable expenses incurred by the **insured** at our request, other than loss of earnings.

- (5) All costs taxed against the **insured** in any **suit** we defend.

- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any **suit** we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

- b. Other State Coverage Extensions.

While a covered **auto** is in use in any state of the United States or in any province of Canada we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limit or limits specified by a compulsory or financial responsibility law in the jurisdiction where the covered **auto** is being used.

- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered **auto** is being used.

We will not pay anyone more than once for the same elements of **loss** because of these extensions.

B. EXCLUSIONS

This insurance does not apply to any of the following:

1. EXPECTED OR INTENDED INJURY

Bodily injury or **property damage** expected or intended from the standpoint of the **insured**.

2. CONTRACTUAL

Liability assumed under any contract or agreement.

3. WORKERS COMPENSATION

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

4. EMPLOYEE INDEMNIFICATION AND EMPLOYER'S LIABILITY

Bodily injury to:

- a. An employee of the **insured** arising out of and in the course of employment by the **insured**; or
- b. The spouse, child, parent, brother or sister of that employee as a consequence of paragraph a. above.

This exclusion applies:

- (1) Whether the **insured** may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to **bodily injury** to domestic employees not entitled to workers compensation benefits.

5. FELLOW EMPLOYEE

Bodily injury to any fellow employee of the **insured** arising out of and in the course of the fellow employee's employment.

6. CARE, CUSTODY OR CONTROL

Property damage to property owned or transported by the **insured** or in the **insured's** care, custody or control.

7. HANDLING OF PROPERTY

Bodily injury or **property damage** resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the **insured** for movement into or onto the covered **auto**; or
- b. After it is moved from the covered **auto** to the place where it is finally delivered by the **insured**.

8. MOVEMENT OF PROPERTY BY MECHANICAL DEVICE

Bodily injury or **property damage** resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered **auto**.

9. OPERATIONS

Bodily injury or **property damage** arising out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of **mobile equipment**.

10. COMPLETED OPERATIONS

Bodily injury or **property damage** arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. POLLUTION

a. **Bodily injury** or **property damage** arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants:

- (1) That are, or that are contained in any property that is:
 - (a) Being transported or towed by, or handled for movement into, onto or from, the covered **auto**;
 - (b) Otherwise in the course of transit; or
 - (c) Being stored, disposed of, treated or processed in or upon the covered **auto**;
- (2) Before the pollutants or any property in which the pollutants are contained are moved from the place where they are accepted by the **insured** for movement into or onto the covered **auto**; or
- (3) After the pollutants or any property in which the pollutants are contained are moved from the covered **auto** to the place where they are finally delivered, disposed of or abandoned by the **insured**.

Paragraph a.(1) (c) does not apply to fuels, lubricants, fluids, exhaust gases or other similar pollutants that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered **auto** or its parts, if:

- (1) The pollutants escape or are discharged, dispersed or released directly from an **auto** part designed by its manufacturer to hold, store, receive or dispose of such pollutants; and
- (2) The **bodily injury** or **property damage** does not arise out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of **mobile equipment**.

Paragraphs a.(2) and a.(3) of this exclusion do not apply if:

- (1) The pollutants or any property in which the pollutants are contained are upset, overturned or damaged as a result of the maintenance or use of a covered **auto**; and
- (2) The discharge, dispersal, release or escape of the pollutants is caused directly by such upset, overturn or damage.

b. Any loss, cost or expense rising out of any governmental direction or request that you test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

12. WAR

Bodily injury or **property damage** due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

13. FAMILY MEMBERS

Bodily injury to you or any **family member**.

C. LIMIT OF INSURANCE

Regardless of the number of covered **autos**, **insureds**, premiums paid, claims made or vehicles involved in the **accident**, the limit of insurance is as follows:

1. The most we will pay for all damages resulting from **bodily injury** to any one person caused by any one **accident** is the limit of Bodily Injury Liability shown in the Schedule or in the Declarations for each person.
2. Subject to the limit for each person, the most we will pay for all damages resulting from **bodily injury** caused by any one **accident** is the limit of Bodily Injury Liability shown in the Schedule or in the Declarations for each **accident**.
3. The most we will pay for all damages resulting from **property damage** caused by any one **accident** is the limit of Property Damage Liability shown in the Schedule or in the Declarations.

Regardless of the number of covered **autos**, **insureds**, premiums paid, claims made or vehicles involved in the **accident**, the most we will pay for all damages resulting from any one **accident** is the Limit of Insurance for Liability Coverage shown in the Declarations.

All **bodily injury** and **property damage** resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one **accident**.

SECTION III — CONDITIONS

The following conditions apply to this insurance:

A. LOSS CONDITIONS

1. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

- a. In the event of **accident**, claim, **suit** or **loss**, you must give us or our authorized representative

prompt notice of the **accident** or **loss**. Such notice must include:

- (1) How, when and where the **accident** or **loss** occurred;
- (2) The **insured's** name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

b. Additionally, you and any other involved **insured** must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the **insured's** own cost.
- (2) Immediately send us copies of any demand, notice, summons or legal paper received concerning the claim or **suit**.
- (3) Cooperate with us in the investigation, settlement or defense of the claim or **suit**.
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. Within 15 days after we receive your written notice of claim, we must:

- (1) acknowledge receipt of the claim.

If our acknowledgement of the claim is not in writing, we will keep a record of the date, method and content of our acknowledgement.

- (2) begin any investigation of the claim.

- (3) specify the information you must provide in accordance with paragraph b. above.

We may request more information, if during the investigation of the claim such additional information is necessary.

d. After we receive the information we request, we must notify you in writing whether the claim will be paid or has been denied or whether more information is needed:

- (1) within 15 **business days**; or
- (2) within 30 days if we have reason to believe the **loss** resulted from arson.

e. If we do not approve payment of your claim or require more time for processing your claim, we must:

- (1) give the reasons for denying your claim, or
- (2) give the reasons we require more time to process your claim. But, we must either approve or deny your claim within 45 days after our requesting more time.

f. In the event of a weather-related catastrophe or major natural disaster, as defined by the Texas Department of Insurance, the claim-handling deadlines as stated above are extended for an additional 15 days.

g. Loss Payment

- (1) If we notify you that we will pay your claim, or part of your claim, we must pay within 5 **business days** after we notify you.