

USA AUTOMOBILE TRAVEL POLICY

For Visiting Foreign Nationals to the U.S. and Canada



THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA

A CAPITAL STOCK COMPANY INCORPORATED 1794

Philadelphia, Pa.

70 Pine Street
New York, NY 10270

The Insurance Company of the State of Pennsylvania (A Stock Insurance Company, Herein Called the Company)

Agrees with the insured, named in the declarations made a part hereof, in consideration of the payment of the premium and of the statements contained in the declarations and subject to the limits of liability, exclusions, conditions and other terms of this policy:

INSURING AGREEMENTS

I. **Coverage A. Comprehensive — Excluding Collision or Upset:** To pay for any direct and accidental loss of or damage to the automobile, hereinafter called loss, except loss caused by collision of the automobile with another object or by upset of the automobile or by collision of the automobile with a vehicle to which it is attached. Breakage of glass and loss caused by missiles, falling objects, falling aircraft or parts thereof, fire, theft, explosion, earthquake, windstorm, tornado, cyclone, typhoon, hail, water, flood or vandalism shall not be deemed loss caused by collision or upset.

Coverage B. Collision or Upset: To pay for direct and accidental loss of or damage to the automobile, hereinafter called loss, caused by collision of the automobile with another object or by upset of the automobile.

Coverage C. Marine: To pay for direct and accidental loss of or damage to the automobile from an external cause, occurring while said automobile is in transit between the ports indicated in the application, from the time of delivery of the automobile into the custody of the Steamship Company or Port Authorities until the automobile is landed. This insurance includes the risks of War, Strikes and Riots as defined in American Institute Clauses at the time this policy is issued unless said risks are specifically indicated to be excluded on the declarations.

Coverage D. Bodily Injury Liability: To indemnify the insured for all sums which he shall become legally obligated to pay as damages because of bodily injury, including death at any time resulting therefrom, sustained by any person, caused by accident and arising out of the ownership, maintenance or use of the automobile. The words "bodily injury," and the word "injury" when referring to bodily injury, shall be deemed to include "sickness or disease."

Coverage E. Property Damage Liability: To indemnify the insured for all sums which he shall become legally obligated to pay as damages because of injury to or destruction of property, including the loss of use thereof, caused by accident and arising out of the ownership, maintenance or use of the automobile.

Coverage F. Medical Payments: To pay all reasonable expenses incurred within one year from the date of accident for necessary medical, surgical, ambulance, hospital, professional nursing and funeral services, to or for each person who sustains bodily injury, sickness or disease, caused by accident, while in or upon, entering or alighting from the automobile if the automobile is being used by the named insured or with his permission.

II. **Defense, Settlement, Supplementary Payments:** As respects the insurance afforded by the other terms of this policy under coverages D and E the company shall:

- (a) defend in his name and behalf any suit against the insured alleging such injury or destruction and seeking damages on account thereof, even if such suit is groundless, false or fraudulent, but the company may make such investigation, negotiation and settlement of any claim or suit as it deems expedient;
- (b) pay all premiums on bonds to release attachments for an amount not in excess of the applicable limit of liability of this policy, all premiums on appeal bonds required in any such defended suit, the cost of bail bonds required of the insured in the event of accident or traffic law violation during the policy period, not to exceed the usual charges of surety companies nor \$500 per bail bond, but without any obligation to apply for or furnish any such bonds;
- (c) pay all expenses incurred by the company, all costs taxed against the insured in any such suit and all interest accruing after entry of judgment until the company has paid, tendered or deposited in court such part of such judgment as does not exceed the limit of the company's liability thereon;
- (d) pay expenses incurred by the insured for such immediate medical and surgical relief to others as shall be imperative at the time of the accident;
- (e) reimburse the insured for all reasonable expenses, other than loss of earnings, incurred at the company's request.

The company shall not be obligated under this insuring agreement to pay the costs of bonds or the expenses of investigation, settlement or defense arising out of any criminal action against the insured.

The amounts incurred under this insuring agreement, except settlements of claims and suits, are payable by the company in addition to the applicable limit of liability of this policy.

III. **Definition of Insured:** With respect to the insurance for bodily injury liability and for property damage liability the unqualified word "insured" includes the named insured and resident relatives legally responsible for the use thereof, provided the actual use of the automobile is by the named insured or with his permission. The insurance with respect to any person or organization other than the named insured does not apply:

- (a) to any person or organization, or to any agent or employee thereof, operating an automobile repair shop, public garage, sales agency, service station or public parking place, with respect to any accident arising out of the operation thereof;
- (b) to any employee with respect to injury to or sickness, disease or death of another employee of the same employer injured in the course of such employment in an accident arising out of the maintenance or use of the automobile in the business of such employer.

IV. Automobile Except where stated to the contrary, the word "Automobile" means:

- (1) **Described Automobile** — the motor vehicle or trailer described in this policy;
- (2) **Trailer** — under coverages D, E and F, a trailer not so described, if designed for use with a private passenger automobile if not being used with another type automobile and if not a home, office, store, display or passenger trailer;
- (3) **Temporary Substitute Automobile** — under coverages D, E and F, an automobile not owned by the named insured while temporarily used as the substitute for the described automobile while withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction;
- (4) **Newly Acquired Automobile** — an automobile, ownership of which is acquired by the named insured who is the owner of the described automobile, if the named insured notifies the company within thirty days following the date of its delivery to him, and if it replaces an automobile described in this policy; but the insurance with respect to the newly acquired automobile does not apply to any loss against which the named insured has other valid and collectible insurance. The named insured shall pay any additional premium required because of the application of the insurance to such newly acquired automobile;

The word "Automobile" also includes, under coverages A and B, its equipment and other equipment permanently attached thereto unless excluded elsewhere in the policy.

V. Use of Other Automobiles — If the named insured is an individual who owns the automobile or husband and wife either or both of whom own said automobile, such insurance as is afforded by this policy for bodily injury liability, for property damage liability and for medical payments with respect to the automobile described in the declarations applies with respect to any other automobile subject to the following provisions:

- (a) with respect to the insurance for bodily injury liability and for property damage liability the unqualified word "insured" includes (1) such named insured, (2) the spouse of such individual if a resident of the same household.
- (b) this insuring agreement does not apply:
 - (1) to any automobile owned by, hired as part of a frequent use of hired automobiles by, or furnished for regular use to the named insured or a member of his household other than a private chauffeur or domestic servant of the named insured or spouse;
 - (2) to any automobile while used in the business or occupation of the named insured or spouse;
 - (3) to any accident arising out of the operation of an automobile repair shop, public garage, sales agency, service station or public parking place;
 - (4) under Coverage F, unless the injury results from the operation of such other automobile by such named insured or spouse or on behalf of either by such chauffeur or servant, or from the occupancy of said automobile by such named insured or spouse;
 - (5) under Coverage D, to injury or death of any person who is a named insured.

VI. General Average and Salvage Charges: The company with respect to such transportation insurance as is afforded by this policy, shall pay any general average and salvage charges for which the named insured becomes legally liable.

VII. Policy Period, Territory: The insurance hereunder applies only to accidents which occur and are direct and accidental losses to the automobile which are sustained, during the policy period, while the automobile is owned, maintained and used for "Pleasure" as defined under VIII below, (except in respect to Coverage C) within the United States of America and Canada (Excluding U.S. Virgin Islands, Puerto Rico and Mexico).

VIII. Purpose of Use: "Pleasure" The term "Pleasure" is defined as personal pleasure and family use.

EXCLUSIONS

This Policy Does Not Apply:

I. Under any of the Coverages,

- (a) while the automobile is used as a public or livery conveyance,
- (b) to any accident or to any loss directly or indirectly arising from or occasioned by or in consequence of war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), mutiny, civil war, rebellion, revolution, insurrection or military or usurped power. This exclusion does not apply, however, to coverage C unless it is indicated specifically on the declarations that war risks are excluded.
- (c) while the automobile is used for commercial traveling, racing, pacemaking, speed-testing or the carriage of goods or samples in connection with any trade or business and use for any purpose in connection with the Motor Trade;
- (d) if the insured or resident relative does not hold a valid driver's license or permit;
- (e) to any claims or liability arising directly or indirectly from Nuclear Fission, Nuclear Fusion or Radioactive Contamination.
- (f) to drivers, owners or operators under 25 years of age.
- (g) to drivers, owners or operators who are citizens of the United States of America, Dominion of Canada, Commonwealth of Puerto Rico or the U.S. Virgin Islands.

II. Under Coverages A, B and C.

- (a) under coverages A and B only, to tires unless damaged by fire or stolen or unless such loss be coincident with other loss covered by this policy;
- (b) to any damage to the automobile which is due and confined to wear and tear, freezing, mechanical or electrical breakdown or failure, unless such damage is the result of other loss covered by this policy;
- (c) to personal property or personal effects;
- (d) to loss or damage due to confiscation, nationalization or requisition by or under the order of any government or public or local authority or to loss or damage which occurs subsequent to abandonment or to relinquishment of possession of the automobile, made necessary by order of such authority;
- (e) while the automobile is subject to any bailment lease, conditional sale, mortgage or other encumbrance not specifically declared and described in this policy;
- (f) under coverages A and B only, to loss or damage caused by riot, strike, riot attending a strike, or civil commotion.
- (g) under coverages A and B only, to loss or damage arising while the automobile is being transported by water or is being loaded on, or unloaded from, any ship, lighter or connecting vessel. This exclusion shall not apply while the automobile is in transit (1) on inland waterways or (2) by sea, on a voyage not exceeding 65 hours duration under normal conditions.

III. Under Coverages A and C,

- (a) to loss due to conversion, embezzlement or secretion by any person in lawful possession of the automobile under a bailment lease, conditional sale, mortgage or other encumbrance.

(Attach Endorsements Here)

IV. Under Coverages D, E and F,

- (a) to liability assumed by the insured under any contract or agreement.

V. Under Coverages D and E,

- (a) while the automobile is used for the towing of any trailer owned or hired by the named insured and not covered by like insurance in the company; or while any trailer covered by this policy is used with any automobile owned or hired by the named insured and not covered by like insurance in the company.
(b) to bodily injury or death sustained by a passenger in, on, upon, under or alighting from an insured vehicle.

VI. Under Coverages D and F,

- (a) to bodily injury to or death of any employee of the insured while engaged in the employment, other than domestic, of the insured or in domestic employment if benefits therefor are either payable or required to be provided under any Workmen's Compensation law, plan or scheme.

VII. Under Coverage D,

- (a) to any obligation for which the insured or any company as his insurer may be held liable under any Workers' Compensation law, plan or scheme;
(b) (1) to bodily injury to or death of any member of the insured's family residing with the insured; (2) to bodily injury to or death of the named insured.

VIII. Under Coverage E,

- (a) to injury to or destruction of property owned by, rented to, in charge of or transported by the insured.

IX. Under Coverage F,

- (a) to bodily injury to or death of any person if benefits therefor are payable under any Workmen's Compensation law, plan or scheme.

X. Under Coverages A, B, and F,

- (a) while the automobile is used in any illicit trade or transportation.

XI. Under Coverages A and B,

- (a) to loss or damage to any sound receiving or sound receiving and transmitting equipment designed for use as a citizen's band radio, two-way mobile radio, telephone, facsimile or topography device or scanning monitor receiver, including any accessories and antennas.

CONDITIONS

1. Named Insured's Duties When Loss Occurs — Coverages A, B and C: When loss occurs, the named insured shall:

- (a) protect the automobile, whether or not the loss is covered by this policy, and any further loss due to the named insured's failure to protect shall not be recoverable under this policy; reasonable expense incurred in affording such protection shall be deemed incurred at the company's request;
(b) give notice thereof as soon as practicable to the company or to any of its authorized representatives and also, in the event of theft, larceny, robbery or pilferage, to the police but shall not, except at his own cost, offer to pay any reward for recovery of the automobile;
(c) file proof of loss with the company within sixty days after the occurrence of loss, unless such time is extended in writing by the company, in the form of a sworn statement of the named insured setting forth the interest of the named insured and all others in the property affected, any encumbrances thereon, the actual cash value thereof at time of loss, the amount, place, time and cause of such loss and the descriptions and amounts of all other insurance covering such property.

Upon the company's request, the named insured shall exhibit the damaged property to the company and submit to examinations under oath by anyone designated by the company, subscribe the same and produce for the company's examination all pertinent records and sales invoices, or certified copies if originals be lost, permitting copies thereof to be made, all at such reasonable times and places as the company shall designate.

2. Notice of Accident — Coverages D, E and F: When an accident occurs written notice shall be given by or on behalf of the insured to the company or to any of its authorized representatives as soon as practicable. Such notice shall contain particulars sufficient to identify the insured and also reasonably obtainable information regarding the time, place and circumstances of the accident, the names and addresses of the injured and of available witnesses.

3. Notice of Claim or Suit — Coverages D and E: If claim is made or suit is brought against the insured, shall immediately forward to the company every demand, notice, summons or other process received by him or his representative.

4. (a) Limit of Liability; Settlement Options; No Abandonment — Coverages A, B and C: The limit of the company's liability for loss shall not exceed the actual cash value of the automobile, or, if the loss is part thereof, the actual cash value of such part at time of loss, nor what it would then cost to repair or replace the automobile or such part thereof with other of like kind and quality, with deduction for depreciation, nor the applicable limit of liability stated in the declarations.

The company may pay for the loss in money or may repair or replace the automobile or such part thereof, as aforesaid, or may return any stolen property with payment for any resultant damage thereto at any time before the loss is paid or the property is so replaced subject, however, to such deductions represented by the amount deductible stated in the declarations, if any, as may be applicable thereto, or may take all or such part of the automobile at the agreed or appraised value but there shall be no abandonment to the company.

(b) **Limit of Liability; F.P.A. Clause — Coverage C:** If the automobile is shipped on deck, this insurance is subject to the following provision: "warranted free of particular average unless caused by the stranding, sinking, burning and/or collision of the vessel; but to pay the insured value of the automobile jettisoned and/or washed overboard, irrespective of percentage."

5. Limits of Liability — Coverage D: The limit of bodily injury liability stated in the declaration as applicable to "each person" is the limit of the company's liability for all damages, including damages for care and loss of services, arising out of bodily injury, including death at any time resulting therefrom, sustained by one person in any one accident; the limit of such liability stated in the declarations as applicable to "each accident" is, subject to the above provision respecting each person, the total limit of the company's liability for all damages, including damages for care and loss of services, arising out of bodily injury, including death at any time resulting therefrom, sustained by two or more persons in any one accident.

6. **Limits of Liability — Coverage E:** The limit of property damage liability stated in the declarations as applicable to "each accident" is the total limit of the Company's liability for all damages arising out of injury to or destruction of all property of one or more persons or organizations, including the loss of use thereof, as the result of any one accident.
7. **Limits of Liability — Coverage F:** The limit of liability for medical payments stated in the declarations as applicable to "each person" is the limit of the company's liability for all expenses incurred by or on behalf of each person who sustains bodily injury, including death resulting therefrom, in any one accident.
8. **Limits of Liability — Coverages D, E and F:** The inclusion herein of more than one insured shall not operate to increase the limits of the company's liability.
9. **Assault and Battery — Coverages D and E:** Assault and battery shall be deemed an accident unless committed by or at the direction of the insured.
10. **Appraisal, Repair, Replacement — Coverages A, B and C:** If the named insured and the company fail to agree as to the amount of loss, each shall, on the written demand of either, made within sixty days after receipt of proof of loss by the company, select a competent and disinterested appraiser and the appraisal shall be made at a reasonable time and place. The appraisers shall first select a competent and disinterested umpire. The appraisers shall then appraise the loss, stating separately the actual cash value at the time of loss and the amount of loss, and failing to agree shall submit their differences to the umpire. An award in writing of any two shall determine the amount of loss. The named insured and the company shall each pay his or its chosen appraiser and shall bear equally the other expenses of the appraisal and umpire.

The company shall not be held to have waived any of its rights by any act relating to appraisal.

11. **Assistance and Cooperation of the Insured — Coverages A, B, C, D and E:** The insured shall cooperate with the company and, upon the company's request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits. The insured shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense other than for such immediate medical and surgical relief to others as shall be imperative at the time of accident.
12. **Medical Reports; Proof and Payment of Claim — Coverage F:** As soon as practicable the injured person or someone on his behalf shall give to the company written proof of claim, under oath if required and shall, after each request from the company, execute authorization to enable the company to obtain medical reports and copies of records. The injured person shall submit to physical examination by physicians selected by the company when and as often as the company may reasonably require.
13. **Payment for Loss; Action Against the Company — Coverages A, B and C:** Payment for loss may not be required nor shall action lie against the company unless, as a condition precedent thereto, the named insured shall have fully complied with all the terms of this policy, nor until thirty days after proof of loss is filed and the amount of loss is determined as provided in this policy.
14. **Action Against the Company — Coverages D and E:** No action shall lie against the company unless, as a condition precedent thereto, the insured shall have fully complied with all the terms of this policy, nor until the amount of the insured's obligation to pay shall have been finally determined either by judgment against the insured after actual trial or by written agreement of the insured, the claimant and the company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. Nothing contained in this policy shall give any person or organization any right to join the company as a co-defendant in any action against the insured to determine the insured's liability.

Bankruptcy or insolvency of the insured or of the insured's estate shall not relieve the company of any of its obligations hereunder.

15. **Action Against the Company — Coverage F:** No action shall lie against the company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this policy, nor until thirty days after the required proofs of claim have been filed with the company.
16. **No Benefits to Bailee — Coverages A, B and C:** The insurance afforded by this policy shall not inure directly or indirectly to the benefit of any carrier or bailee liable for loss to the automobile.
17. **Subrogation — Coverages A, B, C, D and E:** In event of any payment under this policy, the company shall be subrogated to all the insured's rights of recovery therefor against any person or organization and the insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The insured shall do nothing after loss to prejudice such rights.
18. **Other Insurance:** Except under coverage F, if the insured has other insurance against a loss covered by this policy the company shall not be liable under this policy for a greater proportion of such loss than the applicable limit of liability stated in the declarations bears to the total applicable limit of liability of all valid and collectible insurance against such loss; provided, however, the insurance with respect to temporary substitute automobiles under Insuring Agreement IV or other automobiles under Insuring Agreement V shall be excess insurance over any other valid and collectible insurance available to the insured, either as an insured under a policy applicable with respect to said automobiles or otherwise. Under coverage F, the insurance afforded with respect to other automobiles under Insuring Agreement V shall be excess insurance over any other valid and collectible medical payments insurance applicable thereto.

If, in order to comply with local statutory requirements, a policy is issued to the named insured providing valid and collectible insurance against a loss covered by this policy, the insurance under this policy shall be excess insurance over such other insurance and the limits of liability under this policy shall be reduced by an amount equal to the limits of liability afforded under such other policy.

19. **Changes:** Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy of estop the company from asserting any right under the terms of this policy, nor shall the terms of this policy be waived or changed.
20. **Assignment, Endorsement, Extension and Cancellation; This Policy is Non-assignable, Non-endorsable and Non-Renewable:** If, however, the named insured shall die or be adjudged bankrupt or insolvent within the policy period, this policy may be canceled pro rata as of the date of such death or adjudication, provided written notice is given to the company by the named insured's legal representative within sixty days after the date of death or adjudication. Return of this policy to the company shall, however, be a prerequisite to delivery of the return premium check to the named insured's legal representative.
22. **Terms of Policy Conformed to Statute:** If under the provision of the motor vehicle financial responsibility law, compulsory insurance law, "no-fault" law, or any similar law of any governmental jurisdiction with the territorial limits of this policy, a non-resident is required to maintain certain insurance and such insurance requirements are greater than the insurance provided by this policy, the limits of the company's liability and the kinds of coverages afforded by this policy shall be as set forth in such law in lieu of the insurance otherwise provided by this policy, but only to the extent required by such law, and only with respect to the operation or use of a motor vehicle in such jurisdiction; provided, that the insurance under this provision shall be reduced to the extent that there is other valid and collectible insurance under this or any other motor vehicle liability insurance policy.
23. **Declaration:** By acceptance of this policy, the named insured agrees that the statements in the declarations are his agreements and representations, that this policy is issued in reliance upon the truth of such representations and this policy embodies all agreements existing between himself and the company or any of its agents relating to this insurance.

In Witness Whereof, the Company has caused this policy to be signed by its President and a Secretary; but this policy shall not be valid unless countersigned on the Declarations page by a duly authorized representative to the Company.


Secretary


President

This Endorsement Changes The Policy

Please Read It Carefully

It is hereby understood and agreed that **Condition 20**. is deleted and replaced by the following:

20. Assignment, Endorsement, Extension and Cancellation: This policy is Non-assignable and Non-renewable. However, the policy may be canceled:

A. Flat, by the named insured shown in the Declarations prior to coverage going into effect, by returning the policy to us and giving us advance written notice of their desire to cancel the policy in its entirety. Once the coverage has become effective, premiums are fully earned and may not be refunded unless the named insured shall die or be adjudged bankrupt or insolvent within the policy period (See part D below).

B. We may cancel by mailing notice to the named insured shown in the Declarations at the address shown in this policy at least ten (10) days prior to the cancellation date if cancellation is for nonpayment of premium, driver's license suspension or revocation of any driver covered by this policy or for any material misrepresentation or fraud.

C. If the policy has been in effect for less than sixty (60) days, we may cancel by mailing notice to the named insured shown in the Declarations at the address shown in this policy at least ten (10) days prior to the cancellation date for any underwriting reason.

D. If the named insured shall die or be adjudged bankrupt or insolvent within the policy period, this policy may be canceled pro rata as of the date of such death or adjudication, provided written notice is given to the company by the named insured's legal representative within sixty (60) days after the date of death or adjudication. Return of this policy to the company shall, however, be a prerequisite to delivery of the return premium check to the named insured's legal representative.

Proof of mailing of any notice shall be sufficient proof of notice. The effective date of cancellation stated in the notice shall become the end of the policy period.

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of the policy except as hereinabove set forth.

Form 108 - T (4/15/94)