

2015 Massachusetts Automobile Insurance Policy

Memorandum of Changes

This edition of the policy incorporates the provisions of the Massachusetts Mandatory Endorsement M-0099-S (Ed. 9-11), and, in addition, reflects the following changes. There are also word changes and deletions that have been made for simplification and clarification which are not listed as they are editorial changes and have no impact on Policy meaning.

Definitions

On Page 2, item 2 of the definition of You or Your is revised to include coverage for spouses while a household member. The sentence “This includes your spouse while a household member.” is added after the word “Page”. Since a spouse is included under You or Your, specific references to spouse have been removed from the rest of the Policy, except for provision 2 under Parts 3 and 12, and General Provision 4.

On Page 2, item 5B stipulated that the temporary substitute auto must be used with the consent of the owner.

On Page 2, item 5B of the definition of Your Auto is revised to include a motorcycle as a temporary substitute vehicle if the vehicle described on the Coverage Selections Page is a motorcycle.

On Page 3, item 6 of the definition of Trailer, added the sentence: “The trailer must be attached to your auto.” to clarify coverage.

Part 1. Bodily Injury To Others

On Page 4, after the 3rd sentence, added the sentence: “We will not pay for punitive or exemplary damages”, clarifying the policy intent.

On Page 4 added “or defend” after “We will not pay” to clearly state the company will not defend when one or more of the following exclusions apply to the Policy.

On Page 4, exclusion 3 deleted “Massachusetts” and benefits” and added “benefits under any workers’ compensation law or similar law for the same injury.” for clarification.

On Page 4, added exclusion 4, to exclude your auto being used as, or available for use as, public or livery conveyance, including a vehicle for hire through a ride-sharing program, car-sharing program, and transportation network service which operate under an agreement and for compensation. This does not apply to the use of your auto in a share-the-expense car pool in an expense reimbursement program either as a volunteer or at work. This does not apply to the use of your auto in providing volunteer transportation services at the direction of a charitable group.

This provision appears as exclusion under other coverages in the policy and is referenced in this Memorandum as the “public livery exclusion”.

Part 2, Personal Injury Protection

On Page 7, in exclusion 3 added “or similar law” after “workers’ compensation law”.

Added the public livery exclusion.

Added exclusion 5: “We will not pay under this Part for injuries which occur while an auto is being used in any racing, speed, stunting, or demolition contest or activity.” This provision appears as an exclusion under other coverages in the policy and is referenced in this Memorandum as the “racing exclusion.”

Part 3. Bodily Injury Caused By An Uninsured Auto Part 12. Bodily Injury Caused By An Underinsured Auto

On Page 8, in the second provision, added the words “your spouse” in the third sentence after the words “to or for”.

Deleted the references to “Massachusetts” throughout the coverage parts.

On Page 8, and 25, after exclusion 4, added an exception to regular use exclusion for the mandatory offer limits: “If you or a household member is using an auto which you or a household member owns or regularly uses and a premium for this Part is not shown for that auto on the Coverage Selections Page, the most that we will pay under this Part is \$35,000 per person and \$80,000 per accident provided additional coverage for this part is shown on the Coverage Selections Page. These are the limits we are required by law to offer.”

In Part 3, added the public livery exclusion. The public livery exclusion is also listed under “Optional Coverages” so it does not appear under Part 12.

In Part 3, page 9, added the racing exclusion. The racing exclusion is also listed under “Optional Coverages” so it does not appear under Part 12.

Deleted the limitation to 35/80 limits to the public livery, racing and non-consent exclusions.

On Page 10, the last paragraph, and in Part 12, page 26 the sentence: “Unless otherwise agreed, all monetary awards not paid within thirty days after the receipt of the award shall bear interest from the date of award at the rate allowed by statute.” has been added for clarification.

Part 4. Damage to Someone Else’s Property

On Page 11, the coverage grant has been clarified, deleting the word “damages” and adding “for damage or destruction of the tangible property of others caused by an accident and arising from the ownership, maintenance or use of your auto, including loading or unloading.” In the second

and fourth sentence “damages” has also been replaced by “the amount we will pay”. A sentence has been added to the end of the coverage grant: “The amount we will pay does not include compensation for damage to your auto or towing or recovery of your auto or any decreased value or intangible loss claimed to result from the property damage.”

Under exclusion 1 added the ride sharing exclusion.

On Page 12, exclusion 3, changed the exclusion to “While anyone is using an auto in the course of any business other than the business of selling, servicing, repairing, or parking autos. This exclusion does not apply to private passenger autos. It applies to pick-up trucks, vans, or similar vehicles used for the delivery or transportation of goods or materials unless such use is incidental to your business of installing, maintaining, or repairing furnishings or equipment.” This has been done for clarification.

Combined previous exclusions 4 and 5 into one exclusion.

Added the racing exclusion.

Deleted the \$5,000 limitation to the racing exclusion.

Optional Insurance

On Page 13, added “Limited Collision” to the third sentence of the second paragraph.

On Page 13, under exclusion 1, added the ride-sharing language to the pre-existing public livery exclusion.

On Page 14, the exclusion for racing is added for all optional coverages, Parts 5 through 12, and the reference is deleted from those individual coverage parts.

Part 5. Optional Bodily Injury to Others

On Page 14, at the end of the first sentence added the words “and such accident arises out of the ownership, maintenance, or use of an auto by you or the household member.”

Added the sentence: “We will not pay punitive or exemplary damages” at the end of the first paragraph.

On Page 14, after “we will not pay” “or defend” is added.

Exclusions 2 and 3 are combined, and the remaining exclusions are renumbered.

On Page 14, changed exclusion 4 to “While anyone is using an auto in the course of any business other than the business of selling, servicing, repairing, or parking autos. This exclusion does not apply to private passenger autos. It applies to pick-up trucks, vans, or similar vehicles used for the delivery or transportation of goods or materials unless such use is incidental to your business

of installing, maintaining, or repairing furnishings or equipment.” This has been done for clarification.

On Page 15, exclusion 5 is added: “For any liability assumed under any contract or agreement.”

On Page 16, the last sentence of Part 5, regarding the racing exclusion, has been deleted.

Part 6. Medical Payments

On Page 16, exclusions 5 and 6 have been combined.

Exclusion 6 is added: : “Any person who contributed to his or her injury while operating an auto (a) while under the influence of alcohol, marijuana, or a narcotic drug, (b) while committing a felony or seeking to avoid arrest by a police officer, or (c) with the specific intent of causing injury to himself, herself, or others.”

Exclusion 7 is added: “Anyone who is entitled to benefits under workers’ compensation law or similar law for the same injury.”

Text of Medical Payments Endorsement M-109-S has been added after the exclusions.

On Page 17, the last sentence of Part 6, regarding the racing exclusion, has been deleted.

Part 7 Collision

Part 8 Limited Collision

Part 9 Comprehensive

In the first paragraph, on pages 17, 19 and 21, at the end of the third sentence added the sentence: “We will not pay for any decrease in value claimed to result from the loss.”

On the same pages, a sixth and seventh sentence has been added to the first paragraph: “The cost to repair the auto is the competitive price, which we secure from a licensed repair facility under our direct payment plan. Unless you have purchased agreed amount coverage, actual cash value of the auto will be determined at the time of the loss. Actual Cash value may include an adjustment for depreciation and betterment and for the physical condition of the auto.” This clarifies what will be paid under these coverage parts.

On pages 18, 19 and 21, a sentence has been added: “The amount we will pay for towing, recovery and storage of your auto will be limited to the amounts, including all fees, established by law or by regulation of the Massachusetts Department of Public Utilities for the removal of motor vehicles by policy order or from private property.” This clarifies what will be paid for towing, recovery and storage under these coverage parts.

On Pages 18, 20 and 22, the sentence: “We will not pay for any liability assumed under any contract or agreement.” has been added to clarify the original intent of the policy.

Part 10. Substitute Transportation

On Page 23, the third paragraph of the coverage part has been deleted and a new sentence added: “Reimbursement for rental charges and transportation expenses will end the earliest of when your auto has been returned to you, repaired or replaced. We will pay only for a period of time which is reasonable for having your auto repaired or replaced. If your auto is deemed by us to be a total loss, reimbursement for rental charges and transportation expenses will end three business days after we offer to pay the actual cash value under Part 7, Part 8, or Part 9.” The intent is to specify the time span under which coverage will be paid.

The fifth and second to last paragraph have been edited for clarification.

Part 11. Towing and labor

Added the word “recovery” after “towing.”

Part 12. Bodily Injury Caused By An Underinsured Auto

Deleted “Massachusetts” throughout the coverage part.

On Page 25, deleted exclusions 2 and 3, as they are now listed under Optional Coverages and added the exception to the regular use exclusion referenced earlier.

On Page 26, in the second paragraph, added the sentence regarding monetary awards referenced earlier.

General Provisions And Exclusions

On Page 27, General Provision 3B., Additional Costs We Will Pay, the first sentence has been changed to: “Interest on that part of the judgment or arbitration award that is within our limits of liability which accrues after the judgment or award in any matter we defend.” This language has been added to specify when payment on interest starts.

On Page 28, General Provision 4, deleted “resident of your” and added “member” to change the reference to the defined term “household member.”

General Provision 5, the last sentence has been deleted corresponding to the folding in of the Medical Payments endorsement into the policy.

On Page 31, General Provision 16, Trailers, deleted the phrase “When a trailer is attached to an auto” and “the auto” and replaced it with “your auto.”

General Provision 18, False Information, in the last sentence deleted “Part 3 and Part 4 of this policy.” and replaced it with “the compulsory coverages of this policy.”

On Page 31, General Provision 20., Pre-Insurance Inspection, Changed the first sentence to: “Massachusetts law provides that we may inspect certain motor vehicles for providing coverage for Collision, Limited Collision, or Comprehensive (Parts 7, 8 or 9). Deleted the rest of the provision, as Pre-Insurance Inspection is no longer mandatory. General Provision 21, Actual Cash Value is added; this contains the content of the Massachusetts Mandatory Endorsement which is incorporated into the policy.

General Provision 22, Assignment is added to the policy; this informs the policyholder that the company will not be bound to an assignment of interest under the policy without its knowledge or consent.

Cancellation

On Page 33, Cancellation, the last sentence of the second paragraph has been edited for clarification.

Provisions 1, 3, and 4, allowing the company to cancel, have been edited to align the provisions with the statute on cancellation.

Added references to Limited Collision (Part 8) under the cancellation provisions.

Legal Notice Requirement

On Page 34, Legal Notice Requirement, in the 4th paragraph changed “we cancel” to “policy is cancelled” and edited other language referring to the short rate table.

When There Is An Accident Or Loss

On Page 35, under “First, Help Any Injured Person” add: “Where there is coverage provided by this policy” to the third sentence.