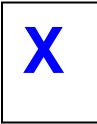


Family Auto Insurance Policy



WHERE TO LOOK IN YOUR POLICY

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Thank you for choosing Erie Insurance for your auto insurance needs. This policy contains many Xtra Protection Features. Wherever an "X" appears in the margin of this policy, you receive Xtra Protection that is not included in most other auto policies. The protection provided by this policy is in keeping with the single purpose of our Founders which is, "To provide YOU with as near PERFECT PROTECTION, as near PERFECT SERVICE, as is humanly possible, and to do so at the LOWEST POSSIBLE COST."

AGREEMENT

ERIE INSURANCE EXCHANGE

In return for "your" timely premium payment, "your" compliance with all of the provisions of this policy, and "your" signing of a "Subscriber's Agreement" with Erie Indemnity Company and other "Subscribers," "we" agree to provide the coverages "you" have purchased. "Your" coverages and limits of protection are shown on the "Declarations," which are part of this policy.

"Your" signing the "Subscriber's Agreement," which includes a limited power-of-attorney, permits Erie Indemnity Company, as Attorney-in-Fact, to make reciprocal insurance contracts between "you" and other Subscribers and otherwise manage the business of the Erie Insurance Exchange. This power-of-attorney applies only to "your" insurance business at the Exchange and is limited to the purposes described in the "Subscriber's Agreement."

"Your" responsibility as a "Subscriber" is determined by this policy and the "Subscriber's Agreement." "You" are liable for just the policy premiums charged and are not subject to any other premium liability under this policy.

This agreement is made in reliance on the information "you" have given "us" and is subject to all the terms of this policy.

This policy, with coverage agreements, limitations, exclusions and conditions, the "Declarations," applicable endorsements and waivers, and the "Subscriber's Agreement" constitute the entire agreement between "you" and "us."

ERIE INSURANCE COMPANY AND ERIE INSURANCE PROPERTY & CASUALTY COMPANY

In return for "your" timely premium payment and "your" compliance with all of the provisions of this policy, "we" agree to provide the coverages "you" have purchased. "Your" coverages and limits of protection are shown on the "Declarations," which are part of this policy.

This agreement is made in reliance on the information "you" have given "us" and is subject to all the terms of this policy.

This policy, with coverage agreements, limitations, exclusions and conditions, the "Declarations" and applicable endorsements and waivers, constitute the entire agreement between "you" and "us."

GENERAL POLICY DEFINITIONS

Throughout this policy and its endorsements, the following words and phrases have a special meaning when they appear in bold type and quotations.

• "Additional auto" or "additional trailer:"

1. "Additional auto" means any "private passenger auto" other than a "replacement auto" that "you" acquire, purchase or lease during the policy period. For coverage to apply, "we" must insure all "private passenger autos" "you" own on the date "you" acquire, purchase or lease an "additional auto."
2. "Additional trailer" means any "trailer" other than a "replacement trailer" that "you" acquire, purchase or lease during the policy period. For coverage to apply, "we" must insure all "trailers" "you" own on the date "you" acquire, purchase or lease an "additional trailer."

"Additional auto" or "additional trailer" does not include any "auto" or "trailer" that "you" acquire, purchase or lease with anyone other than a "relative." Coverage does not apply to an "additional auto" or an "additional trailer" registered to a corporation or other business entity.

"You" must notify "us" during the policy period of "your" intention to have this policy apply to an "additional auto" or an "additional trailer." If "you" obtain an "additional auto" or an "additional trailer" within 30 days prior to the end of the policy period, "you" have 60 days after acquisition to notify "us." X

Should a loss occur involving an "additional auto" or "additional trailer" prior to "your" notifying "us," the additional vehicle will have the broadest coverage "you" have purchased for any one vehicle listed on the "Declarations." X

If "you" do not have:

1. Comprehensive Coverage on any vehicle listed on the "Declarations," then Comprehensive Coverage will apply, subject to a \$500 deductible. However, Comprehensive Coverage will end seven days after "you" acquire, purchase or lease the vehicle or when "you" report the additional vehicle to "us," whichever occurs first. X
2. Collision Coverage on any vehicle listed on the "Declarations," then Collision Coverage will apply, subject to a \$500 deductible. However, Collision Coverage will end seven days after "you" acquire, purchase or lease the ve- X

hicle or when "you" report the additional vehicle to "us," whichever occurs first.

- "**Anyone we protect**" is defined separately under the LIABILITY PROTECTION Section, RIGHTS AND DUTIES - GENERAL POLICY CONDITIONS Section or any applicable coverage. Refer to each of these sections or the applicable endorsement for the definition of "**anyone we protect**" as it applies to each coverage.

- "**Auto**" means any land "**motor vehicle**" with at least four wheels except a:

1. vehicle designed for use principally off public roads;
2. vehicle operated on rails or crawler treads;
3. vehicle located for use as a residence; or
4. "**miscellaneous vehicle.**"

- "**Auto business**" means the business of selling, leasing, renting, repairing, servicing, cleaning, painting, storing or parking "**autos,**" "**trailers**" or "**miscellaneous vehicles.**"

- "**Auto we insure**" means:

1. "**owned auto we insure;**"
2. "**temporary substitute;**" or
3. "**nonowned auto.**" "**Nonowned auto**" is defined separately under the LIABILITY PROTECTION Section, the PHYSICAL DAMAGE COVERAGE Section or any applicable coverage. Refer to each of these sections or the applicable endorsement for the definition of "**nonowned auto**" as it applies to each coverage.

- "**Declarations**" means "**our**" form which shows "**your**" coverages, limits of protection, "**owned auto we insure,**" premium charges and other information.

This form is part of this policy. "**Declarations**" include forms titled Amended Declarations, Revised Declarations, Duplicate Declarations, New Declarations, Reinstatement of Coverage, or Continuation Notice.

- "**Fungi**" means any type or form of fungus, including, but not limited to, molds, mildews, smuts, mushrooms, yeasts and any mycotoxin, spores, scents, vapors, gases or byproducts produced, arising out of or released by any type or form of fungus.

- "**Miscellaneous vehicle**" means a motorcycle (including a motorcycle with a sidecar), moped, snowmobile, golf cart, all terrain vehicle and any similar recreational vehicle. It does not include a lawn and garden tractor or mower or similar vehicle.

- "**Motor vehicle**" means any vehicle that is self-propelled and is required to be registered under the laws of the state in which "**you**" reside at the time this policy is issued. "**Motor vehicle**" does not include a vehicle:

1. propelled solely by human power;
2. propelled by electric power obtained from overhead wires;
3. operated on rails or crawler treads;
4. located for use as a residence or premises; or
5. which is a lawn and garden tractor or mower or similar vehicle.

- "**Moving van**" means a four or six wheel "**motor vehicle,**" such as a compact van or step van, designed mainly to transport household goods. It must be borrowed or rented and driven by "**you**" or a "**relative**" for personal use.

- "**Occupying**" means in, upon, getting into or getting out of.

- "**Owned auto we insure**" means any:

1. "**auto**" or "**trailer**" described on the "**Declarations**" for the coverages "**you**" have purchased;
2. "**additional auto,**" or "**additional trailer;**" or
3. "**replacement auto,**" or "**replacement trailer.**"

- "**Private passenger auto**" means a four wheel land "**motor vehicle**" designed mainly to transport people on public roads. It includes station wagons and the following types of vehicles, even with dual rear wheels, when not used for business purposes, except farming or ranching:

1. motor homes;
2. pickups; and
3. vans.

- "**Relative**" means a "**resident**" of "**your**" household who is a:

1. person related to "**you**" by blood, marriage or adoption; or
2. ward or any other person under 21 years old in "**your**" care.

- "**Replacement auto**" or "**replacement trailer:**"

1. "**Replacement auto**" means any "**private passenger auto**" that "**you**" acquire, purchase or lease within the policy period to replace an "**auto**" described on the "**Declarations.**"
2. "**Replacement trailer**" means any "**trailer**" that "**you**" acquire, purchase or lease within the policy period to replace a "**trailer**" described on the "**Declarations.**"

"**Replacement auto**" or "**replacement trailer**" does not include any "**auto**" or "**trailer**" that "**you**" acquire, purchase or lease with anyone other than a "**relative.**" Coverage does not apply to "**replacement autos**" or "**replacement trailers**" registered to a corporation or other business entity.

"**You**" must notify "**us**" during the policy period of "**your**" intention to have this policy apply to a "**replacement auto**" or "**replacement trailer.**" If "**you**" obtain a "**replacement auto**" or "**replacement trailer**" within 30 days prior to the end of the policy period, "**you**" have 60 days after acquisition to notify "**us.**"

Should a loss occur involving a "**replacement auto**" or "**replacement trailer**" prior to "**your**" notifying "**us,**" the replacement vehicle will have the broadest coverage "**you**" have purchased for any one vehicle listed on the "**Declarations.**"

If "**you**" do not have:

1. Comprehensive Coverage on any vehicle listed on the "**Declarations,**" then Comprehensive Coverage will apply, subject to a \$500 deductible. However, Comprehensive Coverage will end seven days after "**you**" acquire, purchase or lease the vehicle or when "**you**" report the replacement vehicle to "**us,**" whichever occurs first.

X

2. Collision Coverage on any vehicle listed on the "**Declarations**," then Collision Coverage will apply, subject to a \$500 deductible. However, Collision Coverage will end seven days after "**you**" acquire, purchase or lease the vehicle or when "**you**" report the replacement vehicle to "**us**," whichever occurs first.

- "**Resident**" means a person who physically lives with "**you**" in "**your**" household on a regular basis. "**Your**" unmarried, unemancipated children attending school full time, living away from home, will be considered "**residents**" of "**your**" household.
- "**Suit**" means a civil proceeding in which damages are alleged because of bodily injury or property damage to which this insurance applies. "**Suit**" includes:
 1. an arbitration proceeding; or
 2. any other alternative dispute resolution proceeding,
 to which "**anyone we protect**" must submit or submit with "**our**" consent alleging such damages.
- "**Temporary substitute**" means any "**auto**" or "**trailer**" which is a substitute for an "**owned auto we insure**." The "**owned auto we insure**" must be withdrawn from normal use because of its breakdown, destruction, loss, repair or servicing. The "**temporary substitute**" cannot be owned by "**you**" and must be used with the permission of the owner.
- "**Trailer**" means a vehicle designed to be pulled by a "**private passenger auto**," if not being used for business purposes except with a "**private passenger auto**." In the LIABILITY PROTECTION Section of this policy, "**trailer**" includes a farm wagon or farm implement while used with a "**private passenger auto**."

ADDITIONAL ERIE INSURANCE EXCHANGE DEFINITIONS

The following words and phrases have a special meaning in policies issued by Erie Insurance Exchange when they appear in bold type and quotations.

- "**Subscriber**" means the person(s) who signed the "**Subscriber's Agreement**."
- "**Subscriber's Agreement**" means the agreement, including a limited power-of-attorney, among the Subscribers and the Erie Indemnity Company, as Attorney-in-Fact. See the RIGHTS AND DUTIES - GENERAL POLICY CONDITIONS Section, SUBSCRIBER'S AGREEMENT.
- "**We**," "**us**" or "**our**" means the Subscribers at Erie Insurance Exchange as represented by their common Attorney-in-Fact, Erie Indemnity Company.
- "**You**," "**your**" or "**Named Insured**" means the "**Subscriber**" named in Item 1. on the "**Declarations**" and others named in Item 1. on the "**Declarations**." Except under the RIGHTS AND DUTIES - GENERAL POLICY CONDITIONS Section, these words include the spouse of the "**Subscriber**" named in Item 1. on the "**Declarations**," provided the spouse is a "**resident**."

ADDITIONAL ERIE INSURANCE COMPANY AND ERIE INSURANCE PROPERTY & CASUALTY COMPANY DEFINITIONS

The following words and phrases have a special meaning in policies issued by Erie Insurance Company or Erie Insurance Property & Casualty Company when they appear in bold type and quotations.

- "**We**," "**us**" or "**our**" means the Erie Insurance Company or the Erie Insurance Property & Casualty Company, whichever is stated on the "**Declarations**."
- "**You**," "**your**" or "**Named Insured**" means the person(s) named in Item 1. on the "**Declarations**." Except in the RIGHTS AND DUTIES - GENERAL POLICY CONDITIONS Section, these words include the spouse of the person(s) named in Item 1. on the "**Declarations**," provided the spouse is a "**resident**."

LIABILITY PROTECTION

DEFINITIONS

The following words and phrases have a special meaning when they appear in bold type and quotations in the LIABILITY PROTECTION Section.

- "**Anyone we protect**" means:
 1. "**you**" or any "**relative**" using an "**auto we insure**;"
 2. any person using, or any person or organization legally responsible for the use of, an "**owned auto we insure**." This use must be with "**your**" permission unless the use is by a "**relative**;" and
 3. any person or organization legally responsible for the use, by "**you**" or a "**relative**," of any "**nonowned auto**." This protection applies only if the person or organization does not own or hire the vehicle being used.
- "**Nonowned auto**" means:
 1. while "**you**" are using it, any "**auto**," "**moving van**," "**trailer**" or "**temporary substitute**" not owned or leased by "**you**;" or

2. while a "**relative**" is using it, any "**private passenger auto**," "**moving van**," "**trailer**" or "**temporary substitute**" not owned or leased by "**you**" or a "**relative**."

The operation or other use by "**you**" or a "**relative**" must be with the permission of the owner or "**you**" or the "**relative**" must reasonably believe the permission of the owner exists.

OUR PROMISE

Bodily Injury Liability Coverage

Property Damage Liability Coverage

If these coverages are indicated on the "**Declarations**," "**we**" will pay all sums that "**anyone we protect**" legally must pay as damages caused by an accident covered by this policy. The accident must arise out of the ownership, maintenance, use, loading or unloading of an "**auto we insure**."

Damages must involve:

1. bodily injury, meaning physical harm, sickness, disease, or resultant death to a person; or

X

2. property damage meaning:
 - a. physical injury to or destruction of tangible property, including loss of its use; or
 - b. loss of use of tangible property which is not physically injured or destroyed.

"We" may investigate or settle any claim or "suit" for damages against "anyone we protect," at "our" expense. If "anyone we protect" is sued for damages covered by this policy, "we" will defend, with a lawyer "we" choose, even if the allegations are not true. "Our" obligation to pay any claim or judgment or defend any "suit" ends when "we" have used up "your" limit of protection by paying judgments or settlements or making a deposit in court.

ADDITIONAL PAYMENTS

Payment for the following is in addition to the limit of protection shown on the "Declarations."

Claim Expenses

"We" will pay:

1. court costs to defend or settle, as "we" believe proper, any claim or "suit" against "anyone we protect," for damages covered under this section. "Our" payment of the limit of protection for a settlement, judgment or deposit in court ends "our" duty to pay under this item.
2. expenses incurred to investigate and defend or settle, as "we" believe proper, any claim or "suit" against "anyone we protect" for damages covered under this section. "Our" payment of the limit of protection for a settlement, judgment or deposit in court ends "our" duty to pay under this item.
3. post-judgment interest, but only that portion of the post-judgment interest which accrues on that part of the judgment that does not exceed the limit of protection on a "suit" "we" defend. "Our" payment, offer in writing, or deposit in court of that part of the judgment that does not exceed the limit of protection ends "our" duty to pay any post-judgment interest that accrues after the date of "our" payment, written offer or deposit.
- X 4. prejudgment interest or delay damages awarded on that part of any judgment that does not exceed the limit of protection. If "we" offer in writing to pay the applicable limit of protection, "we" will not pay any prejudgment interest or delay damages for the period of time after the offer.
5. reasonable expenses "anyone we protect" may incur at "our" request to help "us" investigate or defend a claim or "suit." This includes up to \$300 a day for actual loss of earnings, limited to those days "anyone we protect" attends hearings or trials at "our" request.
- X 6. premiums on the following types of bonds, but not for bond amounts greater than the limit of protection:
 - a. appeal bond in a "suit" "we" defend;
 - X b. up to \$500 for a bail bond premium required because of an accident or related traffic violation involving an "auto we insure;" and
 - c. attachment bond to release property of "anyone we protect" due to an accident or related traffic violation involving an "auto we insure."

"We" have no duty to apply for or furnish such bonds.

7. reasonable lawyers' fees up to \$50 which "anyone we protect" incurs because of arrest, resulting from an accident involving an "auto we insure."

First Aid Expenses

"We" will pay reasonable expenses for first aid to other persons and animals at the time of an accident involving an "auto we insure."

EXTRA PROTECTION WHEN TEMPORARILY OUT OF STATE

If "anyone we protect:"

1. travels to another state, the District of Columbia, a territory or possession of the United States of America, Puerto Rico or Canada; and
2. as a nonresident becomes subject to a motor vehicle financial responsibility law, compulsory insurance law, or other similar law that imposes insurance requirements which are greater than the insurance provided by this policy,

then, the Liability Protection under this policy will be increased to the minimum amount of liability coverage required by law. Coverage provided to meet the minimum limits will be in lieu of the insurance otherwise provided by this policy.

The insurance under this provision will be reduced to the extent that there is other valid and collectible insurance under this or any motor vehicle insurance policy. In no event will any person be entitled to receive duplicate payments for the same elements of loss.

EXCLUSIONS - What We Do Not Cover

"We" do not cover:

1. damage caused by "anyone we protect" to property they own or are transporting.
2. damage caused by "anyone we protect" to property rented to them or in their charge. This exclusion does not apply to household goods or household premises. X
3. damages caused intentionally by or at the direction of "anyone we protect."
4. an "owned auto we insure" while being used in the "auto business." This exclusion does not apply if the "owned auto we insure" is being used by:
 - a. "you" or a "resident" of "your" household; or
 - b. any partner, agent, or employee of "you" or a "resident" of "your" household.
5. an "owned auto we insure" or a "nonowned auto" while used in the business of the United States Government where the United States Government is responsible under the Federal Tort Claims Act. (28USCA§ 1346, 2671-2680).
6. a "nonowned auto:"
 - a. while used by "anyone we protect" while employed or otherwise engaged in the "auto business;"
 - b. while used in connection with any other business or occupation of "anyone we protect." This exclusion does not apply to a "private passenger auto" or "trailer;"

- c. while being operated by someone other than **"you"** or a **"relative"** even if the **"nonowned auto"** is in the custody or control of **"anyone we protect;"**
- d. furnished or available for the regular use of a **"relative"** while a **"relative"** is using it. This exclusion does not apply if the vehicle is furnished or available for **"your"** regular use; or
- e. furnished or available by a governmental agency or unit:
 1. for **"your"** use while **"you"** or a **"relative"** are using it; or
 2. for a **"relative's"** use unless, being used by **"you."**
7. bodily injury to employees of **"anyone we protect"** occurring in the course of employment. **"We"** will provide coverage for such an injury to a domestic employee not covered and not required to be covered by a workers compensation law.
8. a vehicle **"you"** acquire during the policy period or any **"temporary substitute"** for it if there is other applicable insurance.
9. an **"auto we insure"** while hired by or rented to others for a fee or while available for hire by the public. **"We"** will protect **"you"** or a **"relative"** held responsible for damages while **"occupying"** but not driving such a vehicle, if it is a **"nonowned auto."** Fee does not include payment received in a car pool or for trips for nonprofit social, educational, or charitable agencies.
10. damages for which there is insurance under a nuclear energy liability insurance policy, even if the limits of protection under that policy have been used up.
11. an **"auto we insure"** while being used in any prearranged or organized racing, speed or demolition contest, stunting activity or similar activities, or in practice for any such activities.
12. punitive or exemplary damages and related defense costs.
13. bodily injury or property damage arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of or presence of any **"fungi,"** wet or dry rot, or bacteria.
14. bodily injury or property damage arising out of the ownership, maintenance, use, loading or unloading of a **"miscellaneous vehicle."**

LIMIT OF PROTECTION

"We" will pay no more than the limit(s) shown on the **"Declarations"** for one **"auto"** in any one accident as explained below. It makes no difference how many persons **"we"** protect, **"autos we insure,"** claims are made or **"autos"** are involved in the accident.

An **"auto"** and attached **"trailer"** are considered one **"auto"** under this coverage.

DEFINITIONS

The following words and phrases have a special meaning when they appear in bold type and quotations in the PHYSICAL DAMAGE COVERAGES Section.

- **"Loss"** means direct and accidental damage or direct and accidental loss.

If coverage is purchased on a **"Split Limits"** basis, the **"Declarations"** will show a PER PERSON and PER ACCIDENT limit for Bodily Injury Liability and a PER ACCIDENT limit for Property Damage Liability. The PER PERSON limit for Bodily Injury Liability is the most **"we"** will pay for all damages arising out of bodily injury to one person in any one accident. The PER ACCIDENT limit for Bodily Injury Liability is the most **"we"** will pay for all damages arising out of bodily injury to all persons resulting from any one accident, subject to the PER PERSON limit. The PER ACCIDENT limit for Property Damage Liability is the most **"we"** will pay for all property damage caused by any one accident.

If coverage is purchased on a **"Single Limit"** basis, the **"Declarations"** will show a PER ACCIDENT limit for Bodily Injury Liability and Property Damage Liability. This is the most **"we"** will pay for all damages arising out of bodily injury and property damage caused by any one accident.

If an individual's damages derive from, arise out of or otherwise result from bodily injury to another person injured in the accident or the death of another person killed in the accident, **"we"** will pay only for such damages within the PER PERSON limit available to the person injured or killed in the accident.

OTHER INSURANCE

This policy provides primary insurance for any **"auto we insure"** except a **"nonowned auto."** The policy's coverage is excess over any other collectible insurance on a **"nonowned auto,"** up to the limit(s) of protection for one **"auto."**

"We" will, however, provide primary insurance for a motor vehicle **"you"** do not own if it is insured under a policy issued to a business engaged in selling, leasing, repairing, servicing, delivering, testing, road testing, parking or storing motor vehicles. This applies only if **"you"** or a **"relative"** are operating the motor vehicle and are not the owner, operator, employee or agent of that business.

This insurance will be excess to that of a business engaged in storing, parking, servicing or repairing motor vehicles if an accident occurs while **"your"** **"owned auto we insure"** is under control of the owner, operator, employee or agent of that business.

If other insurance, collectible or not, covers an **"auto"** rented or leased for less than one year and it states that coverage is void if there is other available insurance, then coverages under this section are void.

When there is other insurance applicable to the accident on the same basis, **"we"** will pay **"our"** share. **"Our"** share is the proportion that **"our"** limit of protection bears to the total of all applicable limits.

"We" will never pay more than the limit of protection.

PHYSICAL DAMAGE COVERAGES

- **"Nonowned auto"** means, while **"you"** or a **"relative"** are using it, any **"private passenger auto," "moving van," "trailer"** or **"temporary substitute"** not owned or leased by **"you"** or a **"relative."** The operation or other use by **"you"** or a **"relative"** must be with the permission of the owner or **"you"** or the **"relative"** must reasonably believe the permission of the owner exists. X

OUR PROMISE - Comprehensive Coverage

If Comprehensive Coverage is indicated on the "Declarations," "we" will pay for "loss" to an "auto we insure" and its equipment not caused by collision or upset. If the "loss" is to an "owned auto we insure," "we" will only pay if "you" purchased Comprehensive Coverage for the "owned auto we insure." "We" will pay for "loss" less the deductible shown on the "Declarations." Comprehensive Coverage includes glass breakage, contact with persons, animals, birds, missiles or falling objects. Should only "your" windshield be damaged, "we" will not apply the deductible if the windshield is repaired rather than replaced.

OUR PROMISE - Collision Coverage

If Collision Coverage is indicated on the "Declarations," "we" will pay for "loss" to an "auto we insure" and its equipment caused by collision or upset. If the "loss" is to an "owned auto we insure," "we" will only pay if "you" purchased Collision Coverage for the "owned auto we insure." "We" will pay for "loss" less the deductible shown on the "Declarations."

"We" will not subtract the deductible if the accident is between an "auto we insure" and another "auto:"

1. insured by the Erie Insurance Group.
2. not insured by the Erie Insurance Group, if:
 - a. the "loss" to the "auto we insure" is greater than the deductible amount;
 - b. the owner of the other "auto" has been identified;
 - c. the owner or operator of the other "auto" is solely liable for the "loss;" and
 - d. there is adequate property damage liability insurance which protects anyone responsible for the "loss."

OUR PROMISE - Road Service (No Deductible Or Waiting Period Applies)

If Road Service Coverage is indicated on the "Declarations," "we" will reimburse "you" for reasonable towing and labor costs required because an "auto we insure" is disabled. Labor must be done at the site of the disablement. "We" will only pay for "loss" to an "owned auto we insure" on which "you" have purchased Road Service Coverage.

OUR PROMISE - Transportation Expenses (No Deductible Or Waiting Period Applies)

If Transportation Expenses - Collision Coverage is indicated on the "Declarations," "we" will reimburse "you" for transportation expenses that result from a Collision "loss" to an "owned auto we insure" that has a premium shown on the "Declarations" for this coverage.

If Comprehensive Coverage is indicated on the "Declarations," "we" will reimburse "you" for transportation expenses that result from a Comprehensive "loss" to an "owned auto we insure" that has a premium shown on the "Declarations" for this coverage.

Auto rental, bus, or taxi fares are examples of covered Transportation Expenses. Payment may start on the day of the "loss" if the "auto" cannot be driven. If drivable, payment may start the day "you" leave the "auto" at the garage for repairs.

Payment ends on the day "we" offer settlement or on the day the "auto:"

1. is replaced;
2. is returned to "you" in usable condition; or
3. could reasonably be expected to be repaired,

whichever comes first.

Transportation Expenses apply whether or not "we" pay for damages under Comprehensive or Collision Coverage.

Transportation Expenses are provided for loss of use to a "nonowned auto" if:

1. "you" or a "relative" are legally liable for damages to the "nonowned auto;" and
2. "we" are provided with actual proof of loss of income.

Total payment under Transportation Expenses, including loss of use, will not exceed:

1. Transportation Expenses - Comprehensive Coverage, \$20 per day nor total more than \$900 per loss unless a higher limit is shown on the "Declarations."
2. Transportation Expenses - Collision Coverage, the limit shown on the "Declarations."

ADDITIONAL PAYMENTS (No Deductible Applies To These Additional Payments)

If Comprehensive Coverage and/or Collision Coverage are purchased, "we" will:

1. pay all reasonable expenses necessary to return "your" stolen "auto we insure."
2. reimburse "you" for travel costs, including meals and lodging, paid by anyone because "you" were unable to reach "your" destination after "loss" to an "auto we insure." Payment will not exceed \$75 per person for each "loss."
3. pay for "loss" to personal effects, including clothes and luggage, that are normally carried by a person, while the personal effects are in or upon an "auto we insure." The following restrictions apply:
 - a. Personal effects must be owned by "you" or a "relative."
 - b. Money, professional or occupational tools or machines, sales samples, and merchandise for sale, delivery or exhibition are not considered personal effects.
 - c. Theft losses are covered only if the entire vehicle is stolen.
 - d. When "loss" results from a collision, there must be enough damage to the "auto we insure" to require a Collision "loss" payment by "us."
 - e. Payment for "loss" to personal effects will not exceed \$350. "We" will only pay for "loss" not covered by other insurance.
4. pay all expenses necessary to replace a deployed airbag.
5. reimburse "you" up to \$50 for the cost incurred for locksmith services if keys are accidentally locked in an "auto we insure."

EXCLUSIONS - What We Do Not Cover

"We" will not pay for "loss:"

1. confined to or resulting from wear and tear, freezing, mechanical or electrical breakdown or failure. "We" will pay for such damage resulting from a covered "loss." A covered "loss" does not include a "loss" confined to mechanical or

electrical failure or body defects caused by or resulting from faulty workmanship or negligence by "you" or others.

2. caused intentionally by or at the direction of "you" or a "relative."
3. to any:
 - a. tape players;
 - b. compact disc players or recorders;
 - c. digital video disc players or recorders;
 - d. video cassette players or recorders;
 - e. electronic navigational systems;
 - f. radios;
 - g. two-way mobile radios or telephones;
 - h. scanners;
 - i. televisions; and
 - j. any other similar equipment that records, receives or transmits audio, visual or data signals.

This exclusion does not apply to such equipment, its accessories, attachments and antennas if it is permanently installed.

Payment for "loss" to permanently installed equipment will be limited to \$1,000. This limit will not apply if the equipment is permanently installed:

- a. in the opening of the dash, console, or overhead console, normally used by the auto manufacturer to install such equipment; or
- b. by the auto manufacturer in other locations of the "auto."

Payment for "loss" to tapes, digital video discs or compact discs will be limited to no more than ten tapes, digital video discs or compact discs in any one "loss." Coverage for theft of tapes, digital video discs or compact discs will be provided only if the sound equipment is stolen or the entire "auto" is stolen.

4. to fax machines, personal computers and peripheral equipment and similar electronic equipment.
5. to a vehicle "you" acquire during the policy period or any "temporary substitute" for it, if there is other applicable insurance.
6. to a "nonowned auto":
 - a. while used in connection with the "auto business;"
 - b. while used in connection with any other business or occupation. This exclusion does not apply to a "private passenger auto" or "trailer;"
 - c. while being used by someone other than "you" or a "relative" even if the "nonowned auto" is in the custody or control of "you" or a "relative;" or
 - d. furnished or available for the regular use of "you" or a "relative." A "private passenger auto," "moving van" or "trailer" (not including a "temporary substitute") rented or leased to "you" for a period of more than 45 consecutive days will be considered as furnished or available for the regular use of "you" or a "relative."
7. to any "trailer" used as a residence, office, store, display or passenger "trailer."
8. to any "auto we insure" while hired by or rented to others for a fee, or while available for hire by the public. Fee does not include payment received in a car pool or for trips for nonprofit social, educational or charitable agencies.

9. due to any act or condition of war, including discharge of any nuclear weapon (even if accidental). War (declared or undeclared) means a state of armed hostile conflict between states or nations, civil war, insurrection, rebellion or revolution.
10. due to radioactive contamination.
11. to camper bodies unless described on the "Declarations" or replacing one described there. A camper body is a unit designed and equipped for use as living quarters to be mounted on an "auto" with a separate cab.
12. to radar detectors and other equipment designed to give advance warning of the operation of a speed-measuring device.
13. to tires caused by road damage, such as a blow out or puncture, unless it results from another "loss" covered by this policy.
14. to an "auto we insure" because of destruction or confiscation by governmental or civil authorities if "you," a "relative" or a person using an "auto we insure" with "your" permission was involved in illegal activities.
15. to an "auto we insure" while being used in any prearranged or organized racing, speed or demolition contest, stunting activity or similar activities, or in practice for any such activities.
16. resulting directly or indirectly from "fungi," wet or dry rot, or bacteria, meaning the presence, growth, proliferation, spread or any activity of "fungi," wet or dry rot, or bacteria, even if other events or happenings contributed concurrently or in sequence to the "loss."
17. due to diminution in value. Diminution in value means any actual or perceived "loss" in market or resale value that results from a direct and accidental "loss." Diminution in value includes any actual or perceived "loss" or reduction in market or resale value after an "auto we insure" has been damaged and has been repaired.

LIMIT OF PROTECTION

"We" will pay the Actual Cash Value for "loss" to stolen or damaged property, but no more than:

1. what it would cost to repair or replace the property with other of like kind and quality; or
2. the Stated Amount that may be shown on the "Declarations."

Actual Cash Value reflects fair market value, age and condition of the property at the time of the "loss."

An "auto" and attached "trailer" are considered to be two separate vehicles under these coverages. The limit of protection for "loss" to any "trailer" not owned by "you" is \$2,000.

An "auto" and its equipment are considered one "auto" under these coverages including any deductible provision that applies. Equipment means that which is usual or incidental to the use of an "auto" as a vehicle.

Equipment includes, but is not limited to:

1. customized or individually adapted items when built or fit in or upon pickups or vans:
 - a. truck caps;
 - b. bay or custom windows;
 - c. interior wood trim;
 - d. special lighting fixtures; and
 - e. window treatments, such as draperies or mini-blinds.

2. equipment that allows a handicapped person to enter, exit or operate the vehicle;
- X 3. attached child safety seats; and
4. a camper body if it is:
 - a. described on the "**Declarations**" or replaces one described there; and
 - b. mounted on an "**auto.**"

"**Loss**" to a camper body while not mounted on an "**auto**" will be paid in accordance with the deductibles purchased on the camper body.

OTHER INSURANCE

When there is other insurance for "**loss**" to an "**auto we insure**," except a "**nonowned auto**," "**we**" will pay "**our**" share of the "**loss**."

When there is "**loss**" to a "**nonowned auto**," "**we**" will pay the "**loss**" not covered by other insurance less any applicable deductible. When there is other insurance on a "**nonowned auto**," and it states that coverage is void if there is other applicable insurance, then coverages under this section are void.

APPRAISAL

If "**you**" and "**we**" fail to agree on the amount of "**loss**," either party may make written demand for an appraisal. Each party will select an appraiser and notify the other of the appraiser's identity within 20 days after the demand is received. The appraisers will select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days after both appraisers have been identified, "**you**" or "**we**" can ask a judge of a court of record in the state where "**you**" reside at the time the policy is issued to select an umpire.

The appraisers will then set the amount of "**loss**." If the appraisers submit a written report of an agreement to "**us**," the amount agreed upon will be the amount of "**loss**." If they cannot agree, they will submit their differences to the umpire. A written award by two will determine the amount of "**loss**."

Each party will pay the appraiser they choose, and equally bear all other expenses of the appraisal. However, if the written demand for appraisal is made by "**us**," "**we**" will pay for the reasonable cost of "**your**" appraiser and "**your**" share of the cost of the umpire.

"**We**" will not be held to have waived any rights by any act related to appraisal.

LOSS PAYMENT

At "**our**" option, "**we**" will pay the "**loss**" in money, or repair or replace the damaged or stolen property. At any time before the "**loss**" is paid or the property is replaced, "**we**" may return any stolen property to "**you**." "**We**" will pay the reasonable expense for its return and for any damage to it. Upon payment of the "**loss**," "**we**" have the right to take all or part of the property at

its agreed or appraised value. There can be no abandonment of property to "**us**."

"**We**" may settle any claim for "**loss**" with "**you**" or anyone that has a legal interest in the property.

For damage to a "**nonowned auto**," "**we**" will pay the broadest amount available among the coverages "**you**" purchased under this section.

"**You**" must assign or transfer to "**us**" the Certificate of Title for the "**auto**" sustaining the "**loss**" before "**we**" will make a payment for all or part of the actual cash value for a total "**loss**" to an "**auto we insure**." A total "**loss**" will be determined in compliance with the laws of the state in which "**you**" reside at the time the policy is issued. This paragraph is not applicable if "**you**" choose to retain ownership of the salvage vehicle as part of the total "**loss**" settlement.

NO BENEFIT TO BAILEE

No bailee will benefit, directly or indirectly, from this insurance.

LOSS PAYABLE CLAUSE

This clause applies to the Physical Damage Coverages provided by this policy for the Lienholder named in Item 3. on the "**Declarations**." It protects the Lienholder's financial interest in the vehicle insured.

Payment for any "**loss**" under these coverages will be made in accordance with the financial interest the "**Named Insured**" and the Lienholder, as its interest may appear for specific vehicle(s), have in the "**loss**." Payment may be made to the "**Named Insured**" and the Lienholder jointly or to either or both separately. If separate payments are made, the financial interests of both will be protected by "**us**."

When "**we**" pay the Lienholder for a "**loss**" for which the "**Named Insured**" is not insured, "**we**" are entitled to the Lienholder's right of recovery against the "**Named Insured**," to the extent of "**our**" payment. "**Our**" recovery will not impair the right of the Lienholder to recover the full amount of its claim.

The Lienholder will, on demand, pay any premium due under this policy for coverages which protect the Lienholder's interests, if the "**Named Insured**" fails to do so.

The Lienholder's financial interest will be protected regardless of the acts or neglect of the "**Named Insured**," subsequent legal encumbrance or any change in ownership of the property. However, this clause does not apply, and "**we**" will not protect, the Lienholder's financial interest in any case of fraudulent acts or omissions by the "**Named Insured**" or anyone representing him. If "**we**" cancel or refuse to renew this policy, not less than 10 days advance notice of such termination will be mailed to the Lienholder. If this policy is cancelled by the "**Named Insured**," "**we**" will mail notice of cancellation to the Lienholder. Mailing notice to the Lienholder's address shown on the "**Declarations**" will be sufficient proof of notice.

ADDITIONAL COVERAGE

REIMBURSEMENT FOR COVERAGE IN MEXICO AND OTHER FOREIGN COUNTRIES

- WARNING:** "We" will not be liable for damages or other expenses incurred in any foreign country where this policy does not apply. In Mexico, however, Collision Coverage, if purchased, will apply.
- X "We" will reimburse "you" for premium paid for up to 30 days of coverage in a foreign country where this policy does

not apply. Reimbursement will be made ONLY for similar coverages. Such coverages must apply to an "owned auto we insure," used by "you" or a "relative" in the foreign country. Reimbursement will not be made to anyone employed, stationed in the armed services, or attending school in a foreign country.

RIGHTS AND DUTIES - GENERAL POLICY CONDITIONS

"We," "you" and anyone else protected by this policy must do certain things in order for the terms of this policy to apply.

DEFINITIONS

The following words and phrases have a special meaning when they appear in bold type and quotations in the RIGHTS AND-DUTIES - GENERAL POLICY CONDITIONS Section.

- "Anyone we protect" means:
 1. "you" and "your" spouse, if a "resident" of "your" household; and
 2. persons or organizations defined as "anyone we protect" in the LIABILITY PROTECTION Section or any applicable coverage.

ASSIGNMENT

Interest in this policy may be transferred only with "our" written consent. "We" may require evidence that all "Named Insureds" approve the assignment.

BANKRUPTCY OF ANYONE WE PROTECT

Bankruptcy or insolvency of "anyone we protect" will not relieve "us" of "our" obligations.

CONCEALMENT, FRAUD OR MISREPRESENTATION

Except as modified by law, this entire policy is void if, before or after an accident or loss, "anyone we protect" has intentionally concealed or misrepresented any material fact or circumstance concerning this insurance.

In the event of a fraudulent claim, "we" will not make payment for the accident or loss.

CONTINUOUS POLICY

This policy is a continuous policy. It will continue in force until cancelled by "you" or terminated by "us" as explained in the Termination Condition. Each year "we" will send "you" a "Declarations" that shows the premium due for the next policy period.

In return for this service, "you" must mail "us" written notice prior to the new policy period if "you" want to cancel. If "we" do not receive this notice, this policy remains in force and "you" must pay "us" the earned premium due for this time.

COOPERATION

"You" agree to cooperate with "us" by promptly and truthfully answering all questions about drivers and "autos we insure" and signing all papers relating to such insurance.

HOW YOUR POLICY MAY BE CHANGED

Changes To Your Policy

This policy conforms to the laws of the state in which "you" reside at the time it is issued. If the laws of the state change, this policy will comply with those changes. "We" will give "you" the benefit of any change made by "us" if it does not require additional premium. This change will be effective as of the date "we" implement the change in "your" state.

"You" may change this policy by asking "us." Asking "our" Agent is the same as asking "us." "Your" request must contain enough information to identify "you." If "we" agree with "your" request, "we" will then issue a "Declarations." If there is a change in the information used to develop the policy premium, "we" may adjust "your" premium during the policy period effective as of the date the change occurred. Premium adjustments will be made using the rules and rates in effect for "our" use. Changes that may result in a premium increase or decrease during the policy period include, but are not limited to:

1. change to "your" address;
2. change to the location where the insured vehicle is principally garaged;
3. change in "your" marital status;
4. change to the distance "you" drive to or from work or school;
5. change in the use of "your" vehicle (i.e., business use of a vehicle);
6. addition or deletion of an "auto" or lienholder or another party having a financial interest in "your" vehicle(s);
7. addition or deletion of a licensed driver in "your" household regardless of whether they have their own "auto" and insurance; and

8. changes which modify the appearance or performance of "your" vehicle with customized equipment. Customized equipment includes those items or changes that are other than what is offered by the auto manufacturer of that specific model of vehicle or what is added or altered by the auto dealer when the vehicle is new at the time of original sale. Equipment added to a vehicle to allow a disabled person to enter, exit or operate the vehicle is not considered customized equipment.

Your Duty To Notify Us of Changes

"You" agree to promptly notify "us" if "you" have made any material changes, including, but not limited to, those listed above. Changes may result in an increased premium, an adjustment in the coverage available under this policy, or cancellation or nonrenewal as permitted by law.

LAWSUITS AGAINST US

No legal action may be brought against "us" until there has been full compliance with all the terms of this policy. The legal liability of "anyone we protect" must be determined before "we" may be sued. This determination may be made by a court of law or by written agreement of all parties, including "us." No one has the right to make "us" a party to a "suit" to determine the liability of "anyone we protect." In the event of a medical, income or funeral payments claim or a Comprehensive or Collision loss, no "suit" may be brought against "us" until 30 days after proof of loss is filed.

OUR RIGHT TO RECOVER FROM OTHERS

After "we" make a payment under this policy, "we" will have the right to recover from anyone else held responsible. "Anyone we protect" is required to transfer this right to "us," and do nothing to harm this right.

Anyone receiving payment from "us" and from someone else for the same accident or loss will reimburse "us" up to "our" payment.

"We" will pay all reasonable expenses "anyone we protect" may incur at "our" request to help "us" recover damages from anyone else held responsible. This includes up to \$300 a day for actual loss of earnings, limited to those days "anyone we protect" attends hearings or trials at "our" request.

PRIORITY

- X This insurance will first protect "you," "your" spouse residing in "your" household and then others "we" protect.

SUBSCRIBER'S AGREEMENT

The following applies only to policies issued by Erie Insurance Exchange.

The Subscriber ("you" or "your") agrees with the other Subscribers at ERIE INSURANCE EXCHANGE ("ERIE"), a Reciprocal/Inter-Insurance Exchange, and with their Attorney-in-Fact, the Erie Indemnity Company ("we" or "us"), a Penn-

sylvania corporation with its Home Office in Erie, Pennsylvania, to the following:

1. "You" agree to pay "your" policy premiums and to exchange with other ERIE Subscribers policies providing insurance for any insured loss as stated in those policies.
2. "You" appoint "us" as Attorney-in-Fact with the power to:
 - a. exchange policies with other ERIE Subscribers;
 - b. take any action necessary for the exchange of such policies;
 - c. issue, change, nonrenew or cancel policies;
 - d. obtain reinsurance;
 - e. collect premiums;
 - f. invest and reinvest funds;
 - g. receive notices and proofs of loss;
 - h. appear for, compromise, prosecute, defend, adjust and settle losses and claims under "your" policies;
 - i. accept service of process on behalf of ERIE as insurer; and
 - j. manage and conduct the business and affairs of ERIE, its affiliates and subsidiaries. This power-of-attorney is limited to the purposes described in this Agreement.
3. "You" agree that as compensation for "us":
 - a. becoming and acting as Attorney-in-Fact;
 - b. managing the business and affairs of ERIE; and
 - c. paying general administrative expenses, including sales commissions, salaries and employee benefits, taxes, rent, depreciation, supplies and data processing,

"we" may retain up to 25% of all premiums written or assumed by ERIE. The rest of the premiums will be used for losses, loss adjustment expenses, investment expenses, damages, legal expenses, court costs, taxes, assessments, license fees, and any other governmental fines and charges, establishment of reserves and surplus, and reinsurance, and may be used for dividends and other purposes "we" decide are to the advantage of the Subscribers.

4. "You" agree to sign and deliver to "us" all papers required to carry out this Agreement.
5. This Agreement, including the power-of-attorney, will not be affected by "your" subsequent disability or incapacity.
6. This Agreement is and will be binding upon "you," "us" and all executors, administrators, successors and assigns.

SURVIVORS' COVERAGE

If "you" die, the policy will cover:

1. "your" spouse if residing in the same household at the time of "your" death;
2. anyone having proper custody of an "owned auto we insure" until a representative is appointed, but only until the end of the policy period during which "your" death occurs;
3. "your" legal representative, but only while performing duties as "your" representative and only until the end of the policy period during which "your" death occurs; and
4. any "relative" covered under this policy on the date of "your" death, but only until the end of the policy period during which "your" death occurs. X

TERMINATION

Cancellation

"You" may cancel this policy by mailing or delivering to "our" Agent or "us" written notice stating at what future date "you" want the cancellation to take effect. "We" may waive these requirements by confirming the date of cancellation to "you" in writing.

"We" reserve the right to cancel for "your" noncompliance with "our" premium payment plans. "We" do not waive "our" right to cancel, even if "we" have accepted prior late payments.

- X If this policy is cancelled, "we" will return the pro rata unused share of "your" premium. Cancellation will be effective even if "we" have not given or offered any return premium.

Nonrenewal

Should "we" refuse to renew this policy, "we" will do so in compliance with the laws of the state in which "you" reside. "We" will notify "you" before the end of the policy period.

Method Of Giving Notice

"We" may cancel or refuse to renew this policy or any coverage by mailing "you" written notice stating the effective date of "our" action. Mailing notice to the address shown on the "Declarations" will be sufficient proof of notice. The policy period will end on the date and time stated in the notice.

WHAT TO DO WHEN AN ACCIDENT OR LOSS HAPPENS

When there is an accident or loss, "anyone we protect" will:

1. notify "us" or "our" Agent in writing as soon as possible stating the:
 - a. name and policy number of "our" Policyholder;
 - b. time, place and circumstances of the accident or loss; and
 - c. names and addresses of injured persons and witnesses.
2. promptly notify the police in case of theft.

This policy has been signed on "our" behalf in Erie, Pennsylvania, by "our" President and Secretary. If required by law, it has been countersigned on the "Declarations" by "our" Authorized Agent.


Secretary


President

3. provide "us:"
 - a. promptly, any papers that relate to the accident or loss;
 - b. separate, signed, written and/or oral statements containing all the facts about the claim; and
 - c. proof of loss to damaged property.
4. at "our" request, separately:
 - a. answer all questions about the accident or loss;
 - b. submit to examinations and statements under oath and sign transcripts of the same;
 - c. assist in making settlement;
 - d. help "us" enforce any right of recovery against anyone liable to "anyone we protect;"
 - e. cooperate with "our" investigations and any lawsuits;
 - f. attend hearings and trials;
 - g. assist "us" in securing and giving evidence and in obtaining the attendance of witnesses;
 - h. submit to physical and mental examination by doctors "we" choose as often as "we" reasonably require. "We" will pay for these examinations;
 - i. sign papers to allow "us" to obtain medical reports, earnings statements and copies of records; and
 - j. allow "us" to inspect and appraise the damaged property before its repair or disposal.
5. not make payments, assume obligations or incur expenses, except at their own cost.
6. protect "autos we insure" from further damage. "We" will pay reasonable costs to do so. "We" will not pay for loss due to "your" failure to protect an "auto we insure" from further damage after a loss.

WHEN AND WHERE YOUR POLICY APPLIES

This policy applies to accidents or losses that occur during the policy period in the United States of America, its territories and possessions, Puerto Rico, Canada or between their ports. The policy period is shown on the "Declarations." Unless otherwise specified on the "Declarations," the policy period begins and ends at 12:01 A.M., Standard Time at the stated address of the "Named Insured."



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