

**NEW YORK NOTICE
UNINSURED MOTORISTS COVERAGE**

THE SELECTION(S) YOU MAKE BELOW AFFECT YOUR UNINSURED MOTORISTS COVERAGE. PLEASE REVIEW YOUR POLICY CAREFULLY TO ENSURE THAT YOU UNDERSTAND THE PROTECTION AFFORDED BY THIS COVERAGE. CONTACT YOUR INSURANCE REPRESENTATIVE IF YOU HAVE ANY QUESTIONS ABOUT THIS COVERAGE OR HOW TO COMPLETE THIS NOTICE.

New York law requires us to provide Uninsured Motorists Coverage in your policy with a coverage limit equal to New York's minimum requirement, which is as follows:

- (1) \$25,000 on account of injury to one person and \$50,000 on account of death of one person in any one accident; and
- (2) Subject to the per person limits above, \$50,000 on account of injuries to more than one person and \$100,000 on account of deaths of more than one person in any one accident.

New York law also requires us to offer Supplementary Uninsured/Underinsured Motorists Coverage (SUM Coverage). SUM Coverage increases the limits of coverage available in the event of an accident in any state or Canadian province caused by an uninsured or underinsured motor vehicle under certain circumstances. Those circumstances are described below.

Description of SUM Coverage:

A policyholder should consider purchasing SUM Coverage in order to protect against the possibility of an accident involving another motor vehicle whose owner or operator was negligent and who:

- (1) may have no insurance whatsoever, or
- (2) even if insured, is only insured for third-party bodily injury at relatively low liability limits, in comparison to the policy holder's own liability limits for bodily injury sustained by third-parties.

By purchasing SUM Coverage, which cannot be purchased in an amount exceeding the amount of third-party liability coverage purchased, the policyholder and any insured under the policy can:

- (1) be protected for bodily injury to themselves, up to the limit of the SUM Coverage purchased; and
- (2) receive from the policyholder's own insurer payment for bodily injury sustained due to the negligence of the other motor vehicle's owner or operator.

The maximum amount payable under the SUM Coverage shall be the policy's SUM limit reduced and thus offset by motor vehicle bodily injury liability insurance policy or bond payments received from, or on behalf of, any negligent party involved in the accident.

The following examples (using the per person limits) illustrate the application of SUM Coverage:

(1) Example One:

| | |
|-------------------------------------|-----------|
| Insured's Bodily Injury Damages | \$300,000 |
| Insured's Liability Limit | \$500,000 |
| Insured's SUM Limit | \$250,000 |
| Other Motor Vehicle Liability Limit | \$ 25,000 |

Result: In this example, the insured has purchased the maximum amount of SUM Coverage that must be offered by the insurer, provided that the insured has purchased bodily injury liability limits of at least \$250,000. Insured recovers \$25,000 from the negligent owner or operator of the other motor vehicle, and \$225,000 (\$250,000 minus \$25,000) under the SUM Coverage, for a total recovery of \$250,000.

However, in the event that the negligent owner or operator of the other motor vehicle had no liability insurance at all, the insured would collect \$250,000 in SUM Coverage from the insured's own insurer.

But, if the owner or operator of the other motor vehicles was not negligent, the insured would receive no SUM payments.

(2) Example Two:

| | |
|-------------------------------------|-----------|
| Insured's Bodily Injury Damages | \$100,000 |
| Insured's Liability Limit | \$ 25,000 |
| Insured's SUM Limit | \$ 25,000 |
| Other Motor Vehicle Liability Limit | \$ 25,000 |

Result: Insured recovers \$25,000 from the negligent other motor vehicle owner or operator. But the insured received nothing under the SUM Coverage, which equals the mandatory uninsured motorists coverage, since the other owner or operator's vehicle did not have less liability insurance than the insured's vehicle. If the insured's liability and SUM limits were both \$50,000, the insured would collect another \$25,000 in SUM Coverage from the insured's own insurer.

(3) Example Three:

| | |
|-------------------------------------|-----------|
| Insured's Bodily Injury Damages | \$ 60,000 |
| Insured's Liability Limit | \$100,000 |
| Insured's SUM Limit | \$100,000 |
| Other Motor Vehicle Liability Limit | \$ 50,000 |

Result: Insured recovers \$50,000 from the other negligent motor vehicle owner or operator and \$10,000 under the SUM Coverage, which is the difference between the amount of the insured's SUM Coverage and the liability coverage available from the other motor vehicle owner or operator, limited by the amount of the insured's bodily injury damages.

(4) Example Four:

| | |
|-------------------------------------|-----------|
| Insured's Bodily Injury Damages | \$150,000 |
| Insured's Liability Limit | \$100,000 |
| Insured's SUM Limit | \$100,000 |
| Other Motor Vehicle Liability Limit | \$ 25,000 |

Result: Suppose the insured and the other motor vehicle owner or operator were each 50 percent at fault for the accident, then the insured's total recovery would be \$75,000, in light of comparative negligence of the parties in the accident. The insured would recover \$25,000 from the other negligent motor vehicle owner or operator and \$50,000 under the SUM Coverage.

On the other hand, if the other motor vehicle owner or operator was totally at fault for the accident, the insured would recover \$25,000 from the negligent motor vehicle owner or operator and would then receive \$75,000 in SUM Coverage from the insured's own insurer. Had the insured purchased liability and SUM limits of \$150,000 or more, the sum recovery would then be \$125,000.

Selection/Rejection (SUM Coverage is being offered to you in the amounts set forth below)

In accordance with New York law, the undersigned Named Insured, for each insured in the policy: (mark applicable item(s) with an "X")

- rejects SUM Coverage (Only the Statutory Bodily Injury liability limits and the Uninsured Motorists limits identified above apply.)
- selects SUM Coverage with the following coverage limit, which is not less than \$25,000 each person and (subject to the each person limit) \$50,000 each accident or \$50,000 each accident (combined single limit), and not greater than the *lesser of* (i) \$250,000 each person and (subject to the each person limit) \$500,000 each accident (or a combined single limit of \$500,000 each accident) or (ii) the policy's limit of liability:

Each person/each accident (subject to the each person limit)

- \$25,000/\$50,000
 \$50,000/\$100,000
 \$100,000/\$300,000
 \$250,000/\$500,000

OR

Each accident (combined single limit)

- \$50,000
 \$100,000
 \$250,000
 \$350,000
 \$500,000

I understand the protection afforded by Uninsured Motorists Coverage and SUM Coverage and the selection(s) I have made on this Notice regarding Uninsured Motorists Coverage and SUM Coverage. I further understand and agree that my selection(s) will apply to this policy and all future transfers, substitutions, amendments, alterations, modifications, reinstatements or replacements of this policy, unless I make a written request to change my selection(s), and such request is received and approved by the Company.

All other terms, conditions, and exclusions of the policy remain unchanged.

 Effective Date

 Authorized Signature of Named Insured

 Date Signed

 Name and Title