



STATE FISCAL ACCOUNTABILITY AUTHORITY

INSURANCE RESERVE FUND
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AUTOMOBILE INSURANCE POLICY

In return for the payment of the premium and subject to all the terms of this policy, **we** agree with **you** as follows:

PART I - WORDS AND PHRASES WITH SPECIAL MEANING - READ THEM CAREFULLY

The following words and phrases have special meaning through this policy and appear in **boldface type** when used.

- A. **"You"** and **"your"** mean the organization shown in the Declarations.
- B. **"We"**, **"us"** and **"our"** mean the **State Budget and Control Board, Office of Insurance Reserve Fund** providing the insurance.
- C. **"Accident"** includes continuous or repeated exposure to the same conditions resulting in **bodily injury** or **property damage** the **insured** neither expected nor intended.
- D. **"Auto"** means a land motor vehicle, trailer or semi-trailer designed for travel on public roads but does not include **mobile equipment**.
- E. **"Bodily injury"** means bodily injury, sickness or disease including death resulting from any of these.
- F. **"Employee"** means any officer, employee, or agent of the State or its political subdivisions, including elected or appointed officials, law enforcement officers, and persons acting on behalf or in service of a governmental entity in the scope of official duty, whether with or without compensation.
- G. **"Insured"** means any person or organization qualifying as an insured in the WHO IS INSURED section of the applicable insurance. Except with respect to **our** limit of liability, the insurance afforded applies separately to each insured who is seeking coverage or against whom a claim is made or suit is brought.
- H. **"Loss"** means direct and accidental damage or loss.
- I. **"Mobile equipment"** means any of the following type of land vehicles:
1. Specialized equipment such as: Bulldozers; Power shovels; Rollers; Graders or scrapers; Farm machinery; Cranes; Street sweepers or other cleaners; Diggers; Forklifts; Pumps; Generators; Air Compressors; Drills; Other similar equipment.
 2. Vehicles designed for use principally off public roads.
 3. Vehicles maintained solely to provide mobility for such specialized equipment when permanently attached.
 4. Vehicles not required to be licensed.
 5. Autos maintained for use solely on **your** premises or that part of roads or other accesses that adjoin **your** premises.
- J. **"Property damage"** means damage to or loss of use of tangible property.
- K. **"Trailer"** includes semitrailer.

PART II - WHICH AUTOS ARE COVERED AUTOS

- A. The Declarations show the number of autos that are covered **autos** for each of **your** coverages.
- B. **OWNED AUTOS YOU ACQUIRE AFTER THE POLICY BEGINS**
1. **You** have coverage for **autos** acquired during the policy period until the policy ends.
 2. Newly acquired **autos** are covered for liability coverages only. Comprehensive and collision coverages are automatically extended to newly acquired **autos** only if:
 - a. **We** already insure all **autos** that **you** own for that coverage or it replaces an **auto you** previously owned that had that coverage; and
 - b. **You** tell **us** within 30 days after **you** acquire it that **you** want **us** to insure it for that coverage.
- C. **CERTAIN TRAILERS AND MOBILE EQUIPMENT**
- If the policy provides liability insurance, the following types of vehicles are covered **autos** for liability insurance:
1. **Trailers** designed primarily for travel on public roads while being towed by a covered auto.
 2. **Mobile equipment** while being carried or towed by a covered **auto**.
- D. **PHYSICAL DAMAGE COVERAGE FOR LEASED, HIRED, RENTED, OR BORROWED AUTOS.**
- In the absence of a physical damage policy, the named insured is provided physical damage insurance only on those autos you lease, hire, rent, or borrow for a period of no more than 30 consecutive days. This does not include any auto you lease, hire, rent, or borrow from any of your employees or members of their households. Such insurance, however, is not applicable if there is any other valid and collectable insurance covering that auto.

Losses will be paid in accordance with Part VII Physical damage Insurance of your automobile policy. A \$200 deductible is applicable to each loss.

PART III - WHERE AND WHEN THIS POLICY COVERS

We cover **accidents** or **losses** which occur during the policy period.

- A. In the United States of America, its territories or possessions, Puerto Rico or Canada; or
- B. While the covered **auto** is being transported between any of these places.
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PART IV - LIABILITY INSURANCE

A. WE WILL PAY

1. We will pay all sums the **insured** legally must pay as damages because of **bodily injury** or **property damage** to which this insurance applies, caused by an **accident** and resulting from the ownership, maintenance or use of a covered **auto**.
2. We have the right and duty to defend any suit asking for these damages. However, we have no duty to defend suits for **bodily injury** or **property damage** not covered by this policy. We may investigate and settle any claim or suit as we consider appropriate. Our payment of the LIABILITY INSURANCE limit ends our duty to defend or settle.

B. WE WILL ALSO PAY

In addition to our limit of liability, we will pay for the **insured**:

1. Up to \$250 for cost of all bail bonds (including bonds for related traffic law violations) required because of an **accident** we cover. We do not have to furnish these bonds.
2. Premiums on appeal bonds in any suit we defend.
3. Premiums on bonds to release attachments in a suit we defend but only for bonds up to our limit of liability.
4. All costs taxed to the **insured** in a suit we defend.
5. All interest accruing after the entry of the judgment in a suit we defend. Our duty to pay interest ends when we pay or tender our limit of liability.
6. Other reasonable expenses incurred at our request.

C. WE WILL NOT COVER - EXCLUSIONS

This insurance does not apply to:

1. Liability assumed under any contract or agreement.
2. Any obligation for which the **insured** or his or her insurer may be held liable under any workers' compensation or disability benefits laws or under any similar law.
3. Any obligation of the **insured** to indemnify another for damages resulting from **bodily injury** to the **insured's** employee.
4. **Bodily injury** to any fellow **employee** of the **insured** arising out of and in the course of his or her employment.
5. **Bodily injury** to any **employee** of the **insured** arising out of and in the course of his or her employment by the **insured**.

6. **Property damage** to property owned or transported by the **insured** or in the **insured's** care, custody or control.
7. **Bodily injury** or **property damage** resulting from the handling of property:
 - a. Before it is moved from the place where it is accepted by the **insured** for movement into or onto the covered **auto**, or
 - b. After it is moved from the covered **auto** to the place where it is finally delivered by the **insured**.
8. **Bodily injury** or **property damage** resulting from the movement of property by a mechanical device (other than a hand truck) not attached to the covered **auto**.
9. **Bodily injury** or **property damage** caused by the dumping, discharge or escape of irritants, pollutants or contaminants. This exclusion does not apply if the discharge is sudden and accidental.

D. WHO IS INSURED

1. You are an **insured** for any covered **auto**.
2. Anyone else is an **insured** while using with your permission a covered **auto** you own, hire or borrow except:
 - a. Someone using a covered **auto** while he or she is working in a business of selling, servicing, repairing or parking **autos**.
 - b. Anyone other than your employees, a lessee or borrower or any of their employees, while moving property to or from covered **auto**.
3. Anyone liable for the conduct of an **insured** described above is an **insured** but only to the extent of that liability. However, the owner or anyone else from whom you hire or borrow a covered **auto** is an **insured** only if that **auto** is a **trailer** connected to a covered **auto** you own.
4. An **employee** operating a privately owned auto is provided our limit of liability provided such operation is in the performance of and within the scope of the employee's official duties. Such insurance, however, is excess of any other valid and collectible insurance covering that auto.

E. OUR LIMIT OF LIABILITY

1. Regardless of the number of covered **autos**, **insureds**, claims made or vehicles involved in the **accident**, the most we will pay for all damages resulting from any one **accident** is the LIABILITY INSURANCE limit shown on the certificate of insurance. However, for any action or claim brought

under the provisions of Chapter 78 of the South Carolina Code of Laws cited as the "South Carolina Tort Claims Act", the liability of the Fund shall not exceed the following limits:

- (1) No person shall recover in any one action or claim a sum exceeding 300,000 dollars because of loss arising from a single occurrence regardless of the number of agencies or political subdivisions involved.
- (2) The total sum recovered arising out of a single occurrence shall not exceed 600,000 dollars regardless of the number of agencies or political subdivisions involved.

Liability limits in excess of \$600,000 dollars per occurrence shall apply only in actions or claims to which Chapter 78 does not apply.

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

F. OUT OF STATE EXTENSIONS OF COVERAGE

1. While a covered **auto** is away from the state where it is licensed **we** will:
 - a. Increase this policy's liability limits to meet those specified by a compulsory or financial responsibility law in the jurisdiction where the covered **auto** is being used.
 - b. Provide the minimum amounts and types of other coverages, such as "No-Fault", required of out state vehicles by the jurisdiction where the covered **auto** is being used.
2. **We** will not pay anyone more than once for the same elements of loss because of these extension.

G. ADDITIONAL DEFINITION

Covered auto in the auto liability part means any auto owned, leased, hired or borrowed by the named insured.

PART V - MEDICAL PAYMENTS

A. WE WILL PAY

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an **insured** who sustains **bodily injury** caused by **accident**. **We** will pay only those expenses incurred within three years from the date of the **accident**.

B. WHO IS AN INSURED

1. **You** while **occupying** or, while a **pedestrian**, when struck by an **auto**.
2. If **you** are an individual, any **family member** while **occupying** or, while a **pedestrian**, when struck by any **auto**.
3. Anyone else **occupying** a covered **auto** or a temporary substitute for a covered **auto**. The covered **auto** must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. EXCLUSIONS

The insurance does not apply to any of the following:

1. **Bodily injury** sustained by an **insured** while **occupying** a vehicle located for use as a premises.
2. **Bodily injury** sustained by you or any **family member** while **occupying** or struck by any vehicle (other than a covered **auto**) owned by you or furnished or available for your regular use.
3. **Bodily injury** sustained by any **family member** while **occupying** or struck by any vehicle (other than a covered **auto**) owned by or furnished or available for the regular use of any **family member**.
4. **Bodily injury** to your **employee** arising out of and in the scope of his or her official duties for you.
5. **Bodily injury** to an **insured** while working in a business of selling, servicing, repairing or parking **autos** unless that business is yours.

6. **Bodily injury** caused by declared or undeclared war or insurrection or any of their consequences.
7. **Bodily injury** to anyone using a vehicle without a reasonable belief that the person is entitled to do so.

D. LIMIT OF INSURANCE

Regardless of the number of covered **autos**, **insureds**, premiums paid, claims made or vehicles involved in the **accident**, the most **we** will pay for **bodily injury** for each **insured** injured in any one **accident**, shall not exceed \$1,000.

E. CHANGES IN CONDITIONS

The CONDITIONS are changed for AUTO MEDICAL PAYMENTS COVERAGE as follows:

1. The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition does not apply.
2. The reference in OTHER INSURANCE to **other collectible insurance** applies only to other collectible auto medical payments insurance.

F. ADDITIONAL DEFINITIONS

The following are added to the DEFINITIONS Section:

1. **"Family member"** means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. **"Occupying"** means in, upon, getting in, on, out or off.
3. **"Pedestrian"** means a person on foot or while using a wheelchair or a non-motorized bicycle.

PART VI - UNINSURED MOTORISTS

A. WE WILL PAY

We will pay in accordance with the South Carolina Uninsured Motorists Law all sums the **insured** is legally entitled to recover as damages from the owner or driver of an **uninsured motor vehicle**. The damages must result from **bodily injury** sustained by an **insured** or **property damage** caused by an **accident**. The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the **uninsured motor vehicle**.

B. WHO IS AN INSURED

1. **You**, the organization shown on the certificate of insurance.
2. Anyone else "occupying" a covered **auto** or a temporary substitute for a covered **auto**. The covered **auto** must be out of service because of its breakdown, repair, servicing, loss or destruction.
3. Anyone for damages he or she is entitled to recover because of **bodily injury** sustained by another **insured**.

C. EXCLUSIONS

This coverage does not apply to any of the following:

1. Any claim settled without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
4. The first \$200 of the amount of **property damage** to the property of each **insured** as the result of any one **accident**.
5. That part of **property damage** for which an **insured** has been compensated by insurance or otherwise.

D. OUR LIMIT OF LIABILITY

1. Regardless of the number of covered **autos**, **insureds**, claims made or vehicles involved in the **accident**, the most **we** will pay for all damages resulting from any one **accident** is the limit of UNINSURED MOTORISTS INSURANCE shown in the Declarations.
2. The maximum recovery under this uninsured motorists coverage shall not exceed the limit of coverage for any one covered **auto**. Coverage on any other **autos** under this policy or under any other applicable policies shall not be added or stacked.
3. Any amount payable under this insurance shall be reduced by:
 - a. All sums paid or payable under any workers' compensation, disability benefits or similar law, and
 - b. All sums paid by or for anyone who is legally responsible, including all sums paid under the policy's LIABILITY INSURANCE.

4. Any amount paid under this insurance will reduce any amount an **insured** may be paid under the policy's LIABILITY INSURANCE.
5. No one will be entitled to receive duplicate payments for the same elements of loss.

E. CHANGES IN CONDITIONS

The CONDITIONS of the policy are changed for UNINSURED MOTORISTS INSURANCE as follows:

1. OTHER INSURANCE is replaced by the following:
 - a. Where an **insured** sustains **bodily injury** while **occupying** a covered **auto**, this policy provides primary uninsured motorists coverage.
 - b. Where an **insured** sustains **bodily injury** while not **occupying** a covered **auto**, this policy provides no uninsured motorists coverage, unless there is no other collectible uninsured motorists coverage.
 - c. The maximum recovery under this uninsured motorists coverage shall not exceed the limit of coverage for any one covered **auto**. Coverage on any other **autos** under this policy or under any other applicable policies shall not be added or stacked.
 - d. For **property damage**, this insurance is excess to all collectible insurance of any kind.
2. YOUR DUTIES AFTER ACCIDENT OR LOSS are changed by adding the following:
 - a. Promptly notify the police if a hit-and-run driver is involved, and
 - b. Promptly send **us** copies of the legal papers if a suit is brought.
3. OUR RIGHT TO RECOVER FROM OTHERS is changed by adding the following:
 - a. If the **insured** has prosecuted to judgment any suit against anyone responsible **we** will be entitled to any assignment of the judgment to the extent of payment under this insurance.
 - b. **We** will pay **our** proportionate part of any reasonable costs and expenses incurred for any recovery, including reasonable attorney's fees. However, **we** reserve the right to retain an attorney of **our** choice to pursue a claim instead of reasonable attorney's fees.
 - c. If an **insured** making a claim for **property damage** under this insurance is also entitled to insurance or other compensation for the **property damage** **we** will not be obligated to pay the claim until the **insured** has assigned **us** the rights to the compensation, to the extent of payment under this insurance.
 - d. If **we** make any payment and the **insured** recovers from another party, the **insured** shall hold the proceeds in trust for **us** and pay **us** back in the amount **we** have paid.

4. The following Condition is added:

CONFORMITY TO STATUTE

This endorsement is intended to be in full conformity with the South Carolina Uninsured Motorists Law. If any provision of this endorsement conflicts with that law, it is changed to comply with the law.

F. ADDITIONAL DEFINITIONS

The following are added to the DEFINITIONS Section:

1. **Family member** means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. **Occupying** means in, upon, getting in, on, out or off.
3. **Property damage** means injury to or destruction of the property of an **insured**.
4. **Uninsured motor vehicle** means a land motor vehicle or trailer:
 - a. For which neither a liability bond or policy nor cash or securities deposited with the State Treasurer provides at least the amounts required by the South Carolina Motor Vehicle Financial Responsibility Act;

- b. That is a hit-and-run vehicle whose operator or owner cannot be identified and that hits or that causes an **accident** resulting in **bodily injury** or **property damage** without hitting your covered **auto**. The facts of the **accident** must be corroborated by competent evidence of an eyewitness other than the owner or operator of the covered auto. The eyewitness must sign an affidavit attesting to the truth of the facts of the **accident** contained in the affidavit.

- c. For which an insuring or bonding company successfully denies coverage, is or becomes insolvent, is in delinquency proceedings, suspension or receivership, or is proven unable to respond to a judgment.

However, **uninsured motor vehicle** does not include any vehicle:

- a. Owned by any governmental unit or agency unless a cause of action against that governmental unit or agency is barred by the South Carolina Tort Claims Act, S. C. Code Ann. § 15-78-10, et seq., or by other applicable statute.
- b. Designed for use mainly off public roads while not on public roads.

PART VII - PHYSICAL DAMAGE INSURANCE

A. WE WILL PAY

1. **We** will pay for **loss** to a covered **auto** or its equipment under:
 - a. **Comprehensive Coverage.** From any cause except the covered **auto's** collision with another object or its overturn.
 - b. **Collision Coverage.** Caused by the covered **auto's** collision with another object or its overturn.
2. **Towing**

We will pay up to \$25 for towing and labor costs incurred each time a covered **auto** of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

2. Blowouts, punctures or other road damage to tires unless caused by other **loss** covered by this policy.
3. **Loss** caused by declared or undeclared war or insurrection or any of their consequences.
4. **Loss** caused by the explosion of a nuclear weapon or its consequences.
5. **Loss** caused by radioactive contamination.
6. **Loss** to tape decks or other sound reproducing equipment not permanently installed in a covered **auto**.
7. **Loss** to tapes, records or other sound reproducing devices designed for use with sound reproducing equipment.
8. **Loss** to any sound receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the **auto** manufacturer for the installation of a radio.

B. WE WILL ALSO PAY

We will also pay up to \$10 per day to a maximum of \$300 for transportation expense incurred by **you** because of the total theft of a covered **auto** of the private passenger type. **We** will pay only for those covered **autos** for which **you** carry either Comprehensive or Specified Perils Coverage. **We** will pay for transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered **auto** is returned to use or **we** pay for its **loss**.

C. WE WILL NOT COVER - EXCLUSIONS

This insurance does not apply to:

1. Wear and tear, freezing, mechanical or electrical breakdown unless caused by other **loss** covered by this policy.

D. HOW WE WILL PAY FOR LOSSES - THE MOST WE WILL PAY

1. At **our** option **we** may:
 - a. Pay for, repair or replace damaged or stolen property; or
 - b. Return the stolen property, at **our** expense. **We** will pay for any damage that results to the **auto** from the theft.

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2. The most **we** will pay for **loss** is the smaller of the following amounts:
 - a. The actual cash value of the damaged or stolen property at the time of **loss**.
 - b. The cost of repairing or replacing the damaged or stolen property with other or like kind or quality.
3. For each covered **auto**, **our** obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown on the Certificate of Insurance does not apply to **loss** caused by fire or lightning.

E. GLASS BREAKAGE - HITTING A BIRD OR ANIMAL - FALLING OBJECTS OR MISSILES

We will pay for glass breakage, **loss** caused by hitting a bird or animal or by falling objects or missiles under Comprehensive Coverage if you carry Comprehensive Coverage for the damaged covered **auto**. However, **you** have the option of having glass breakage caused by

a covered **auto's** collision or overturn considered a **loss** under Collision Coverage.

F. ADDITIONAL DEFINITION

Covered auto in the auto physical damage part means:

1. Autos that are specifically scheduled and for which a premium charge is shown in the Declarations.

PART VIII - CONDITIONS

The insurance provided by this policy is subject to the following conditions:

A. YOUR DUTIES AFTER ACCIDENT OR LOSS

1. **You** must promptly notify **us** or **our** agent of any **accident** or **loss**. **You** must tell **us** how, when and where the **accident** or **loss** happened. **You** must assist in obtaining the names and addresses of any injured persons and witnesses.
2. Additionally, **you** and other involved **insureds** must:
 - a. Cooperate with **us** in the investigation, settlement or defense of any claim or suit.

No **insured** shall, except at his or her own cost, voluntarily make any payment, assume any obligation to incur any expense.
 - b. Immediately send **us** copies of any notices or legal papers received in connection with the **accident** or **loss**.
 - c. Submit at **our** expense and as often as **we** require to physical examinations by physicians **we** select.
 - d. Authorize **us** to obtain medical reports and other pertinent medical information.
3. Additionally, to recover for **loss** to a covered **auto** or its equipment **you** must do the following:
 - a. Permit **us** to inspect and appraise the damaged property before its repair or disposition.
 - b. Do what is reasonably necessary after **loss** at **our** expense to protect the covered **auto** from further **loss**.
 - c. Submit a proof of **loss** when required by **us**.
 - d. Promptly notify the police if the covered **auto** or any of its equipment is stolen.

B. OTHER INSURANCE

1. For any covered **auto you** own, this policy provides primary insurance. For any covered **auto you** don't own, the insurance provided by the policy is excess over any other collectible insurance. However, while a covered **auto** which is a **trailer** is connected to another vehicle the liability coverage this policy provides for the **trailer**:
 - a. Is excess while it is connected to a motor vehicle **you** don't own.
 - b. Is primary while it is connected to covered **auto you** own.
2. When two or more policies cover on the same basis either excess or primary, **we** will pay only **our** share. **Our** share is the proportion that the limit of **our** policy bears to the total of the limits of all the policies covering on the same basis.

C. OUR RIGHT TO RECOVER FROM OTHERS

If **we** make any payment, **we** are entitled to recover what we paid from other parties. Any person to or for whom **we** make payment must transfer to **us** his or her rights of recovery against any other party. This person must do everything necessary to secure these rights and must do nothing that would jeopardize them.

D. CANCELLING THIS POLICY

- (a) This policy may be cancelled by the named insured by mailing to the Fund a 90 day written advance notice stating when thereafter the cancellation shall be effective. A political subdivision may cancel all policies with the Fund by mailing to the Fund a 90 day written advance notice as provided in §15-78-140 of the South Carolina Code of Laws.
- (b) The Fund may cancel this policy for non-payment of premium by mailing a notice of cancellation giving not less than 30 days' notice of the cancellation as provided in §15-78-160 of the South Carolina Code of Laws.

(c) If the policy is cancelled in accordance with (a) or (b) above, earned premium shall be computed in accordance with the customary short rate table and procedure. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

E. LEGAL ACTION AGAINST US

No legal action may be brought against **us** until there has been full compliance with all the terms of this policy. In addition, under LIABILITY INSURANCE, no legal action may be brought against **us** until **we** agree in writing that the **insured** has an obligation to pay or until the amount of that obligation has been finally determined by judgment after trial. No person or organization has any right under this policy to bring **us** into any action to determine the liability of the **insured**.

F. INSPECTION

At **our** option **we** may inspect **your** property and operations at any time. These inspections are for **our** benefit only. By **our** right to inspect or by **our** making any inspection **we** make no representation that **your** property or operations are safe, not harmful to health or comply with any law, rule or regulation.

G. CHANGES

This policy contains all the agreements between **you** and **us**. Its terms may not be changed or waived except by endorsement issued by **us**. If a change requires a premium adjustment, **we** will adjust the premium as of the effective date of change. If **we** revise the policy form to provide more coverage without additional premium charge **your** policy will automatically provide the additional coverages as of the day the revision is effective.

H. TRANSFER OF YOUR INTEREST IN THIS POLICY

Your rights and duties under this policy may not be assigned without **our** written consent.

I. NO BENEFIT TO BAILEE - PHYSICAL DAMAGE INSURANCE ONLY

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this policy.

J. APPRAISAL FOR PHYSICAL DAMAGE LOSSES

1. If **you** and **we** fail to agree as to the amount of **loss** either may demand an appraisal of the **loss**. In such event **you** and **we** shall each select a competent appraiser, and the appraisers shall select a competent and disinterested umpire. The appraisers shall state separately the actual cash value and the amount of **loss**, and, failing to agree, shall submit their difference to the umpire. An award in writing of any two shall determine the amount of **loss**. **You** and **we** shall each pay the chosen appraiser and shall bear equally the other expenses of the appraisal and umpire.

2. **We** shall not be held to have waived any of **our** rights by any act relating to appraisal.

K. TWO OR MORE POLICIES ISSUED BY US

If this policy and any other policy issued to **you** by **us** applies to the same **accident**, the aggregate maximum limit of liability under all the policies shall not exceed the highest applicable limit of liability under any one policy. This condition does not apply to any policy issued by **us** or an affiliated company specifically to apply as excess insurance over this policy.

INSURANCE RESERVE FUND



Director