

**AUTOMOBILE INSURANCE
COVERAGE AND PREMIUM REDUCTION OPTIONS
(Pennsylvania)**

PLEASE READ THIS BOOKLET CAREFULLY

IF YOU HAVE ANY QUESTIONS REGARDING ANY OF THE FOLLOWING STEPS, TELEPHONE US (THE COMPANY) OR YOUR AGENT, AS SHOWN BELOW OR ELSEWHERE IN THE ACCOMPANYING MATERIAL, TO BE SURE YOUR CHOICES FIT YOUR NEEDS AND BUDGET.

**STEP A: TORT OPTION SELECTION
(Select Only One)**

The law requires you to select a tort option by signing your name on the enclosed sheet entitled "Tort Option Selection". You have two options.

The first is called the "limited tort" option. By choosing this option, you save the most money by agreeing to limit your ability to sue for pain and suffering, except in cases where you have been injured seriously in an accident. Even if you choose this option, you still retain a full ability to sue for pain and suffering if you sustain death, impairment of bodily function or disfigurement or if you are injured by an uninsured motorist, an out of state registered vehicle or a drunk driver who causes an accident. And, you are never, under any circumstances, barred from suing if you have unpaid bills such as medical bills or loss of income.

You can select this option by signing your name in paragraph D on the Tort Option Selection sheet and dating it.

The second option is called the "full tort" option. By choosing this option, you save less money because you retain your ability to sue for pain and suffering in an accident.

You can select this option by signing your name in paragraph E on the Tort Option Selection sheet and dating it.

STEP B: UNINSURED MOTORIST PROTECTION OPTION

The law requires your insurer to include uninsured motorist coverage in your policy unless you take steps to reject it.

Uninsured motorist protection is insurance coverage you carry on your own policy that protects only you and your family if you or they are injured by a negligent driver who fails to have any insurance coverage.

If you do not want this coverage, the first named insured shown on the Instructions sheet must sign and date under Paragraph A of the sheet entitled "Uninsured Motorist Protection Options". If you want this coverage, do not sign anything.

**STEP C: REJECTION OF "STACKED LIMITS" FOR UNINSURED
MOTORIST COVERAGE**

If you have chosen not to reject uninsured motorist coverage in your policy, your next option is to determine if you wish to stack the limits of this coverage. "Stacking" means you can claim a total of the amounts of uninsured motorist coverage assigned to each vehicle in your policy. If you reject "stacked limits" each vehicle insured under the policy will have its own limits of uninsured motorists coverage. You will save on this part of your premium if you reject "stacking".

To reject "stacked limits" of uninsured motorist coverage, the first named insured shown on the Instructions sheet must sign and date under paragraph B of the sheet entitled "Uninsured Motorist Protection Options." If you want to stack this coverage, do not sign anything.

STEP D: UNDERINSURED MOTORIST PROTECTION OPTION

The law requires your insurer to include underinsured motorist coverage in your policy unless you take steps to reject it.

Underinsured motorist protection is insurance coverage you carry in your own policy that protects only you and your family if you are injured by a negligent driver who does not have enough bodily injury liability insurance to cover your claims.

If you do not want underinsured motorist coverage, the first named insured shown on the Instructions sheet must sign and date under paragraph A of the sheet entitled "Underinsured Motorist Protection Options." If you want this coverage, do not sign anything.

STEP E: REJECTION OF "STACKED LIMITS" FOR UNDERINSURED MOTORIST COVERAGE

If you have chosen not to reject underinsured motorist coverage in your policy, your next option is to determine if you wish to stack the limits of this coverage. "Stacking" means you can claim a total of the amounts of underinsured motorist coverage assigned to each vehicle in your policy. If you reject "stacked limits", each vehicle insured under the policy will have its own limits of underinsured motorist coverage. You will save on this part of your premium if you reject "stacking".

To reject "stacked limits" of underinsured motorist coverage, the first named insured shown on the Instructions sheet must sign and date under paragraph B of the sheet entitled "Underinsured Motorist Protection Options." If you want to stack this coverage, do not sign anything.

STEP F: FIRST PARTY BENEFIT OPTIONS

The law requires the minimum amount of coverage for medical expenses be \$5,000. Wage loss coverage, funeral benefit and accidental death are optional coverages that you may elect.

Higher limits of medical expense coverage (up to \$100,000) are available from the company. If you have health insurance coverage through your employer, you should know that most group health insurance does not cover rehabilitation expenses. Rehabilitation expenses are covered under your auto policy. Keep in mind that your health insurance company will pay benefits only after you have exhausted the medical benefits of your auto insurance.

If you have no other health insurance, or limited coverage, you may want a higher level of medical expense insurance in your auto policy.

Wage loss coverage provides reimbursement for lost wages due to an auto accident. The funeral benefit provides money to pay for a funeral, where the death is the result of an auto accident. Accidental death benefit pays when you or a family member dies as a result of an auto accident.

To make your selections, go to Step F to the paragraph marked First Party Benefit Options.

If you have any questions or concerns, you should contact your company or agent to make sure the coverages and coverage amounts you select meet your needs.

STEP F: PREMIUM DISCOUNTS

The auto insurance law requires insurance companies to provide certain premium discounts. You must receive discounts in your first party benefits insurance (medical expense, wage loss, etc.) if your vehicle is equipped with passive seat belts or airbags. Passive seat belts are those which automatically fasten without any action by the driver or front seat passenger.

You must receive discounts under your comprehensive coverage if your vehicle is equipped with a passive anti-theft device. Passive anti-theft devices are systems installed which are activated automatically when the driver turns the ignition key to the off position. This does not include an ignition interlock provided as a standard feature by the manufacturer.

And, drivers who are 55 and older and who have successfully completed a driver improvement course approved by the Pennsylvania Department of Transportation, must receive a 5% discount for all coverages.

Many of these discounts were already provided by some companies. If this is the case, the premium reductions required may have already been included in your rate.

To determine if you qualify for a discount, go to Step F to the paragraph marked Premium Discounts.

If you have any questions, call your company or agent.

STEP G: FINAL CHECK

Make sure you return the following sheets so your company can process your new policy:

Tort Option Selection (Step A)

Uninsured Motorist Protection Options (Steps B and C)

Underinsured Motorist Protection Options (Steps D and E)

First Party Benefit Options and Premium Discounts (Step F)

You may want to photocopy the sheets for your files before they are returned to the company.

You may keep this booklet for your own reference.

REMEMBER: IF YOU HAVE ANY QUESTIONS, CALL US OR YOUR AGENT