

NEW YORK REQUIRED NOTICE OF AVAILABILITY OF SUPPLEMENTARY UNINSURED/UNDERINSURED MOTORISTS COVERAGE

Applicant/Named Insured:
Company:

New York law permits you to make certain decisions regarding Uninsured Motorists Coverage and Supplementary Uninsured/Underinsured (SUM) Motorists Coverage. This document describes these coverages and the options available.

You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorists Coverage and Supplementary Uninsured/Underinsured (SUM) Motorists Coverage and your options with respect to these coverages.

This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

A. Uninsured Motorists Coverage

Uninsured Motorists Coverage provides insurance protection to an insured for damages which the insured or the insured's legal representative is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of bodily injury caused by an automobile accident. Also included are damages due to bodily injury that result from an automobile accident with a hit-and-run vehicle whose owner or operator cannot be identified.

Your motor vehicle liability insurance policy includes Uninsured Motorists Coverage applicable to motor vehicle accidents that occur within the State of New York at limits of at least \$25,000 per person/\$50,000 per accident, unless you elect to purchase Supplementary Uninsured/Underinsured (SUM) Motorists Coverage described below.

B. Supplementary Uninsured/Underinsured Motorists Coverage

For additional protection under your policy, Supplementary Uninsured/Underinsured (SUM) Motorists Coverage is available. SUM Coverage can provide protection at higher limits than are available under Uninsured Motorists Coverage and provides protection with respect to automobile accidents that occur both in and out of New York State.

C. Basics Of SUM Coverage

Supplementary Uninsured/Underinsured (SUM) Motorists Coverage provides additional insurance coverage for bodily injury, including death resulting therefrom, sustained by an insured, as a result of an accident involving a negligent owner or operator of another motor vehicle who:

1. May have no insurance whatsoever; or
2. Even if insured, is only insured for third party bodily injury coverage at relatively low liability limits, in comparison to the policyholder's own liability limits for bodily injury sustained by third parties.

We shall not offer SUM Coverage in an amount exceeding the third party liability coverage limits purchased by the policyholder. The Policy shall provide coverage for any insured under the Policy for:

1. Bodily injury to such person, 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 any motor vehicle bodily injury liability insurance policy or bond payments received from, or on behalf of, any negligent party involved in the accident.

D. Examples

The following examples using per person limits unless otherwise noted, illustrate the proper 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

Note:
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. 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.
However, if the owner or operator of the other motor vehicle was not negligent, then 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 owner or operator of the other motor vehicle. The insured receives nothing under the SUM Coverage, which equals the mandatory UM coverage, since the liability limits on the other owner or operator's motor vehicle were not lower than the liability insurance limits on the insured's motor vehicle. If the insured's liability and SUM limits were both \$50,000, then 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 negligent owner or operator of the other motor vehicle 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
<p>Result: If the insured and the owner or operator of the other motor vehicle 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 involved in the accident. The insured would recover \$25,000 from the negligent owner or operator of the other motor vehicle and \$50,000 under the SUM Coverage.</p> <p>On the other hand, if the owner or operator of the other motor vehicle was totally at fault for the accident, then the insured would recover \$25,000 from the negligent 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.</p>	

5. Example Five

Insured's Bodily Injury Damages	\$ 25,000
Passenger's Bodily Injury Damages	\$ 25,000
Another Passenger's Damages that resulted in death	\$ 50,000
Insured's Combined Single Liability (CSL) Limit	\$ 75,000
Insured's CSL SUM Limit	\$ 75,000
Other Motor Vehicle Liability Limit	Uninsured (i.e. no coverage)
<p>Result: Since the other motor vehicle was uninsured, the full \$75,000 CSL SUM limit is available for all insured persons from this accident under the Policy. However, since the accident involves insured persons who were both injured and killed, the mandatory UM limits of \$25,000 per person and \$50,000 per accident for injured persons and \$50,000 per person and \$100,000 per accident for persons killed in the accident are available. Therefore, the insured and first passenger each recover \$25,000 and the second passenger's estate recovers the full \$50,000 under the SUM coverage.</p> <p>If the insured's CSL and CSL SUM limit were each \$300,000 and the insured's damages amounted to \$200,000, then all insured persons would be covered under the SUM coverage as the total damages (\$200,000 + \$25,000 + \$50,000 = \$275,000) are less than the \$300,000 CSL SUM limit.</p>	

If you elect to purchase SUM Coverage, please initial and select a SUM limit.

<p>(Initials)</p> <p>_____</p> <p>I select the following SUM Limits:</p> <p>\$ _____ per person, _____ per accident</p> <p>OR</p> <p>\$ _____ per accident</p>

Applicant's/Named Insured's Signature

Date