



Policy Number: XXXXXXXX



**RLI Insurance Company**  
Peoria, Illinois 61615

## **POLICYHOLDER NOTICE – SUMMARY OF CHANGES**

This notice is being provided to you due to requirements in your state, and serves to notify you of changes to your policy in the event that; 1) you choose to renew your policy by completing and returning the enclosed renewal questionnaire; 2) are determined to be eligible for coverage; and 3) pay your renewal premium. Changes include additions to, changes to, or, in some cases, reductions in coverage. Please read this document carefully and contact your brokering agent if you have any questions.

The following changes were made to the policy provisions, PUP 320 (01/21):

### **PART I – DEFINITIONS**

- The following Definitions were revised:
  - A. Automobile**
  - B. Basic Policy or Basic Policies**
  - C. Bodily Injury**
  - H. Insured Location**
  - O. Recreational Vehicle**
- The following Definitions were added:
  - G. Insured**
  - S. Unmanned Aircraft**
  - U. Weapon**
- The Self-Insured Retention Definition was removed.

### **PART II – WHO IS COVERED**

The following changes were made to this section of the policy provisions:

- Any person, trust or limited liability company seeking coverage under this section must be covered for the **Occurrence** by your **Basic Policy** for the Required Minimum Limit of Coverage listed in the Declarations for coverage to be provided by our policy.
- For **Relatives** borrowing an **Automobile**, **Recreational Vehicle** or **Watercraft** or anyone else operating an **Automobile**, **Recreational Vehicle** or **Watercraft** you or a **Relative** own or lease, such use must be with express permission; there will no longer be coverage for implied permission.

### **PART III – WHAT WE WILL DO**

The following changes were made to this section of the policy provisions:

- Eliminated the Self-Insured Retention
- Moved our right and duty to defend provisions from **PART IV – REQUIRED BASIC POLICIES** to **PART III**, and specified that we have no duty to defend an **Occurrence** not covered under the **Basic Policy** if the **Basic Policy**:
  - o does not provide coverage due to your or your **Relative's** failure to comply with policy conditions;
  - o is not obtained or maintained;
  - o is cancelled, terminated, rescinded, subject to a sublimit, reduced or exhausted by payment of prior losses, or has a limit less than the Required Minimum Limits of Coverage;

- o does not provide coverage for the involved **Automobile**, or **Recreational Vehicle** or **Watercraft** that you or your **Relative** own;
  - o does not insure your **Relative** or insures them for less than the Minimum Required Limit; and
  - o limit is tendered without a full release of all claims.
- Added payment of interest, within the limit of liability, to what we will do for qualifying **Occurrences** not covered under the **Basic Policy** but covered by this policy.

#### **PART IV – REQUIRED BASIC POLICIES**

Renamed this section of the policy provisions to **PART IV – REQUIRED BASIC POLICIES – CONDITIONS** and listed the occurrences or scenarios for which:

- there is no coverage under this policy unless the full Required Minimum Limit of Coverage listed in the Declarations has been paid for such **Occurrence**.
- we will not be responsible for defense, investigation, negotiation, legal fees, court cost or interest (as set forth above in **PART III**).

#### **PART V – WHAT IS NOT COVERED – EXCLUSIONS**

The following exclusions were modified:

- Paragraph **F**. – Hauling or towing exclusion.
- Paragraph **I**. – Racing exclusion.
- Paragraph **J**. – **Watercraft** exclusion.
- Paragraph **P**. – Intentional or purposeful act exclusion.
- Paragraph **R**. – Abuse exclusion.
- Paragraph **U**. – War exclusion.
- Paragraph **W.11**. – Firearms exclusion.

The following exclusions were added:

- Paragraph **H**. – Exclusion of injury arising out of the ownership, maintenance or use of any **Automobile** owned or leased by more than one person or entity, other than you or a **Relative**.
- Paragraph **T**. – Exclusion of injury arising directly or indirectly out of a cyberattack, hacking, ransomware, malware, virus, self-replicating code or any other accessing, disclosing, taking or use of **Electronic Data**, including any loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate **Electronic Data**.
- Paragraph **W.3**. – Exclusion of use of any pool or trampoline unless covered by the **Basic Policy** for the Required Minimum Limit.
- Paragraph **W.5**. – Exclusion of the negligent hiring, training or retention of any person by any **Insured** unless covered by the **Basic Policy** for the Required Minimum Limit.
- Paragraph **W.12**. – Use of an **Unmanned Aircraft**, which is a newly defined term, unless covered by the **Basic Policy** for the Required Minimum Limit.
- Paragraph **Z**. – Exclusion of any assessment imposed or levied by an association, community, organization or group of property owners.

#### **PART VI – LIMITS OF INSURANCE**

Added new aggregate limit for **Fire**, **Weapon** and **Unmanned Aircraft** liability.

#### **PART VII – CONDITIONS**

Moved the content of “A. Primary Insurance Requirements” to **Part IV – Required Basic Policies – Conditions**.