



NOTICE OF CHANGE OF POLICY TERMS

IMPORTANT NOTICE

Regarding Changes in Coverages and Benefits with Our New Business Car Policy

We are introducing a new State Farm® Business Car Policy. For vehicles rated “commercial use”, we are replacing the current State Farm Car Policy 9810A, Declarations Page, and applicable endorsements with the new Business Car Policy 9610C.1.

The new Business Car Policy is a multicar policy. This allows you to insure more than one vehicle on your policy as a described vehicle.

This brochure describes the changes in coverages and benefits provided under the new Business Car Policy. Editorial changes that do not change the coverage and benefits currently provided are not described. For your ease of reference, the captions in this brochure follow the order of the captions in the State Farm Business Car Policy Booklet.

It is your responsibility to inform us of the drivers of your vehicles and changes to those drivers throughout the life of your policy. Failure to disclose drivers may result in denial of coverage. Identified drivers, regardless of their relationship to the primary named insured or their residence address, include:

- All drivers who drive the vehicle(s) on the policy once or more in a typical month
- All drivers who regularly drive the vehicle(s) at least three months of the year
- For business related vehicles, also include the business owner(s) and employee(s) that drive the vehicle(s) in any capacity

The drivers disclosed to us are listed on the most recent copy of your Declarations. To make changes to the drivers on your policy, contact your Agent.

You can view your policy booklet and endorsements at statefarm.com/policy-library without logging in. For a free paper copy of your policy and endorsements or if you have any questions, please contact your agent.

STATE FARM BUSINESS CAR POLICY BOOKLET 9610C.1

We have revised policy language describing how policy notices will be made by changing “mail or deliver” to “provide”. This will allow notice to be given in any manner required or allowed by law.

THIS POLICY

We have removed the agreement stating that:

- The named insured and household members have not had a driver’s license or vehicle registration suspended, revoked, or refused unless shown on the Declarations; or
- The described car is used for pleasure and business unless shown on the Declarations.

Language has been added which states that the insurance provided by your policy is based on the information you provide to us. Misleading or concealing of information that affects eligibility or premium may result in adverse action, such as denial of coverage.

DEFINITIONS

We have revised the definitions of the following terms:

- **Car** – Revised to include any vehicle subject to motor vehicle compulsory insurance laws, financial responsibility laws, or similar laws where it is licensed or principally garaged.
- **Resident Relative** – Applies only if the “ENTITY” shown on the Declarations is an “Individual”. All references to this definition have been deleted from the Liability Coverage and the Physical Damage Coverages.
- **Temporary Substitute Car** – Revised to specifically include the replacement of a newly acquired car for a short time while the newly acquired car is out of use due to its breakdown, repair, servicing, damage, or theft. Such car must not be owned by you or the person driving it.
- **Trailer** – Now means a trailer of the type designed to be used with the vehicle by which it is pulled.
- **You or Your** – No longer automatically includes the spouse of the person shown on the Declarations. This change applies only if the type of “Entity” shown on the Declaration is other than “Individual”.
- **Your Car** – Means the car or cars shown in the “VEHICLE SCHEDULE” on the Declarations. Since the new policy is a multicar policy, we will no longer provide coverage for a car being replaced if it is not described on the Declarations.

We have added definitions for the following terms. Please read the policy definitions for details.

- **Employee**
- **Insured Contract**
- **Your Spouse**

LIABILITY COVERAGE (Bodily Injury and Property Damage) and PROPERTY DAMAGE LIABILITY COVERAGE

Additional Definition – Insured

- If the named insured is “Individual”, then:
 - A spouse of the person shown as a named insured on the Declarations and resident relatives qualify as insureds only if they are using a vehicle for which Liability Coverage applies within the scope of a named insured’s consent.
 - Insured no longer includes the person shown as a named insured on the Declarations and that named insured’s spouse who resides primarily with that named insured for the maintenance or use of a car that is owned by, or furnished by an employer to, a person, other than that named insured or spouse, who resides primarily in their household.
- “Insured” includes:
 - The owner of a trailer while attached to a vehicle for which Liability Coverage applies.

- A person or organization who:
 - is not a named insured,
 - is shown on the Declarations as an owner of a car defined as a your car in the policy, and
 - is vicariously liable for the ownership, maintenance, or use of that car.

Nonduplication

Payments made from a State Farm Car Policy issued to a named insured's spouse or resident relative will no longer be considered when determining duplication of payments. This is a change only if the Business Named Insured endorsement is not attached to your current State Farm Car Policy.

Exclusions

- Coverage is no longer excluded for liability assumed under an insured contract if that contract or agreement was signed prior to the accident that caused the bodily injury or property damage.
- Transportation Network Company and Car Sharing exclusions have been specifically added.
- The exclusion for business use other than a car business or valet parking has been deleted.
- There is no coverage for damage to property that is in the care, custody, or control of an insured that is a:
 - Motor vehicle owned by your employer or a resident relative's employer if damage to that motor vehicle is caused by an insured while operating another motor vehicle;
 - Residence while rented to or leased to an insured; or
 - Private garage while rented to or leased to an insured.

If Other Liability Coverage Applies

- Liability Coverage provided by a State Farm Car Policy issued to a named insured's spouse or resident relative will no longer be considered when determining primacy and pro-rata share of other applicable coverage. This is a change only if the Business Named Insured endorsement is not attached to your current State Farm Car Policy.

NO-FAULT COVERAGE and MEDICAL PAYMENTS COVERAGE

Additional Definition

If the "ENTITY" shown on the Declarations is "Individual", then your spouse and resident relatives are provided coverage if occupying a nonowned car as defined in the applicable coverage section.

Exclusions

- Transportation Network Company and Car Sharing exclusions have been specifically added.

UNINSURED MOTOR VEHICLE COVERAGE (Stacking and Non-Stacking)

Additional Definitions

Except as described in Exclusions below, a person occupying a vehicle used to carry persons for a charge is no longer excluded from being an insured.

Limit

Now expressly indicated is the most we will pay for all damages for bodily injury to any one person is the lesser of the per person limit or the amount of all damages less any payments received from or on behalf of the at-fault party.

Exclusions

- Transportation Network Company and Car Sharing exclusions have been specifically added.

PHYSICAL DAMAGE COVERAGES

Additional Definitions

Insured is revised to mean you and any person using a covered vehicle with your consent. This is a change only if the type of “Entity” shown on the Declarations is other than “Individual”.

Exclusions

- Transportation Network Company and Car Sharing exclusions have been specifically added.

If Other Physical Damage Coverage or Similar Coverage Applies

Coverage provided by a State Farm Car Policy issued to a named insured’s spouse or resident relative will no longer be considered when determining primacy and pro-rata share of other applicable coverage. This is a change only if the type of “Entity” shown on the Declarations is other than “Individual”.

DEATH, DISMEMBERMENT AND LOSS OF SIGHT COVERAGE

These coverages have been moved from the policy booklet to separate endorsement 4511H.1 Death, Dismemberment and Loss of Sight Coverage.

INSURED’S DUTIES

• Duty to Notify Us of Changes

- You must inform us of any changes to the information shown on the Declarations or that affects eligibility or premium.
- You must confirm the accuracy of the information on the Declarations and promptly notify us if corrections are necessary.
- Failure to notify us of changes that affect eligibility or premium may result in voiding or rescission of the policy, or denial of coverage under the policy.

GENERAL TERMS

- **Required Out-of-State Coverage** provision is relocated in General Terms.
- **Premium** has been updated to specify some elements that may affect the premium at time of renewal.
- **How and When We May Cancel** has been updated to include we may cancel this policy before the end of the current policy period for any other reason allowed by law.

- **Concealment, Misrepresentation, or Fraud** now includes voiding or rescission of the policy if you made false statements with the intent to conceal, misrepresent any material fact, or omit information in connection with the application for this policy or any change to the information during the policy period that affects eligibility or premium.
- If we make a payment under this policy that we would not have been otherwise obligated to make payment under state law, then you must reimburse us to the extent of our payment that was made on your behalf.
- **Legal Action Against Us** now specifies that unless we agree otherwise, any legal action against us must be brought in a court of competent jurisdiction for the county and state where the person seeking coverage from this policy lived at the time of the accident or where the treatment at issue was rendered.

ADDITIONAL INSURED – PRIOR NOTICE OF TERMINATION WITH PRIMARY AND NON-CONTRIBUTORY

Additional Insured (Prior Notice of Termination) is a new endorsement for the Business Car Policy. If this endorsement is attached to your policy, it specifies the State Farm insurance policy applies as primary and non-contributory to any other insurance available to an insured when it has been agreed to in a written contract.

OTHER CAR COVERAGE FOR NAMED PERSONS

Other Car Coverage for Named Persons is a new endorsement for the Business Car Policy. If this endorsement is attached to your policy, it revises the policy for a person named and that person's resident family members to extend existing policy coverage to persons indicated a "designee" and their resident relatives.

ADDITIONAL INSURED – PRIOR NOTICE, PRIMARY AND NON-CONTRIBUTORY, WITH WAIVER OF SUBROGATION

This is a new endorsement for the Business Car Policy. If this endorsement is attached to your policy, an Additional Insured will be provided prior notice of termination and the rights of subrogation under all coverages will be waived for that additional insured.

PROFESSIONAL SERVICES EXCLUSION ENDORSEMENT

Professional Services Exclusion is a new endorsement for the Business Car Policy. If this endorsement is attached to your policy, it specifically excludes Liability Coverage for damages arising out of:

- Providing or failure to provide any medical or other professional services;
- Any food or drink furnished with such medical or other professional services; or
- The handling of corpses.

LIABILITY COVERAGE FOR PROPERTY OF PASSENGERS

Liability Coverage for Property of Passengers is a new endorsement for the Business Car Policy. If this endorsement is attached to your policy, it provides Liability Coverage for damage to property owned by, rented to, used by, or in the care of a passenger in a car to which this endorsement applies or a temporary substitute car that is temporarily replacing such car while both the passenger and the property are being transported by you or a person acting on your behalf.

DISCLAIMER: *This notice only provides a general summary of changes to your State Farm policy. This notice is not a statement of contract. This notice does not change, modify, or invalidate the provisions, terms, or conditions as set forth in your State Farm policy booklet, the most recently issued declarations, and any applicable endorsements.*

State Farm Mutual Automobile Insurance Company
State Farm Fire and Casualty Company
Bloomington, IL