

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
NORTHEASTERN DIVISION**

LAUREN REYNOLDS and VELVA PENN,
individually and on behalf of all others similarly
situated,

Plaintiffs,

vs.

PROGRESSIVE DIRECT INSURANCE
COMPANY, an Ohio corporation, and
PROGRESSIVE SPECIALTY INSURANCE
COMPANY, an Ohio Corporation,

Defendants.

Civil Action No.: 5:22-cv-503-RDP

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED¹

SECOND AMENDED CLASS ACTION COMPLAINT

Plaintiffs Lauren Reynolds and Velva Penn (collectively, “Plaintiffs”), by and through undersigned counsel, bring this class action, individually and on behalf of all others similarly situated, against Defendant Progressive Direct Insurance Company (“Progressive Direct”) and Defendant Progressive Specialty Insurance Company (“Progressive Specialty”, collectively, “Progressive” or “Defendants”), and allege as follows:

INTRODUCTION

1. This is a class action on behalf of Plaintiffs and all other similarly situated claimants in Alabama who received a payment for the loss of a totaled vehicle from Defendants, where Defendants used valuation reports prepared by Mitchell International, Inc. (“Mitchell”) to determine the actual cash value (“ACV”) of the loss vehicles. By using these valuation reports,

¹ Plaintiffs’ Second Amended Complaint is being filed with the consent of Defendants pursuant to Rule 15(a)(2). See Exhibit A.

Defendants systemically thumb the scale when calculating the ACV of claimants' loss vehicles by applying so-called "Projected Sold Adjustments" that are: (a) arbitrary; (b) contrary to appraisal standards and methodologies; (c) not based in fact, as they are contrary to the used car industry's market pricing and inventory management practices; (d) not applied by the major competitor of Defendants' vendor Mitchell; and (e) on information and belief, not applied by Defendants and Mitchell to insureds in other states like California and Washington.

2. In the event of a "total loss" to an insured vehicle—i.e., where repair of the vehicle is impossible or uneconomical—Defendants' uniform insurance policies with Plaintiffs and all putative Class members (defined below) promise to pay for the loss, limited to the ACV of the vehicle. Attached as Exhibit B is a copy of Plaintiff Reynolds's Policy ("Policy"), which is materially identical to the policy for all members of the putative Classes.

3. When valuing total loss claims for vehicles, it is improper for an automobile insurance company, such as Progressive, to undervalue and underpay the claims by manipulating the data used to determine the ACV of the vehicles. Specifically, under their insurance policy terms and applicable Alabama law, Defendants have a duty to pay, and represent that they will pay, the ACV of a loss vehicle when adjusting total loss claims.

4. Notwithstanding these obligations and representations, Defendants fail to fulfill their obligations by taking advantage of a valuation process that employs improper adjustments to reduce the value of comparable vehicles specified in the valuation reports, in turn reducing the valuation of the total loss vehicles and the corresponding claim payment to the insured or claimant.

5. Specifically, Defendants, through Mitchell, systemically apply a so-called "Projected Sold Adjustment" that results in a significant downward adjustment to the base values of the comparable vehicles used to calculate the ACV of Plaintiffs' and Class members' total loss

vehicles. This reduction is contrary to appraisal standards and methodologies and is not based in fact, as it is contrary to the used car industry's market pricing and inventory management practices. The adjustment is applied to each of the comparable vehicles on top of adjustments for differences such as mileage, options, and equipment. The only purported explanation for the downward adjustment appears on the last page of the valuation reports and is a general, nondescript statement claiming that the reduction is to "reflect consumer purchasing behavior (negotiating a different price than the listed price)." Exhibit C at p. 11; Exhibit D at p. 8.

6. Neither Progressive nor Mitchell has ever conducted any study or research to determine whether such "consumer purchasing behavior" exists and impacts ACV in the modern used-car market. Worse than this complete lack of curiosity is that Defendants thumb the scale by discarding vast amounts of relevant data that contradict applying a Projected Sold Adjustment. For example, until July 2021, Defendants, through their vendors, simply threw out all data where the list price equaled or exceeded the sold price. And to this day, they persist in excluding from Projected Sold calculations some data where the list price equaled sold price and all data where the sold price exceeds the list price, even though examples abound of dealerships that charge more than advertised price to customers purchasing a vehicle with cash—i.e. not providing the dealer the opportunity to profit through financing the sale or acquiring a trade-in—which is particularly relevant to the inquiry of determining a vehicle's actual cash value. Defendants fail to control for whether the vehicle was purchased with cash, or whether there were ancillary purchases or transactions that may influence the "sales price" but not the ACV (e.g., whether the customer traded in a vehicle at time of purchase, bought an extended warranty or service plan, or financed the purchase).

7. Nevertheless, Progressive applies a Projected Sold Adjustment to the advertised

(or listed) price of comparable vehicles when calculating the ACV of total-loss vehicles. For Plaintiff Reynolds, the Projected Sold Adjustment was approximately 6.21% of each comparable vehicle's value prior to adjustments. For Plaintiff Penn, the Projected Sold Adjustment was approximately 7.00% of each comparable vehicle's value prior to adjustments. To arrive at the Projected Sold Adjustment amount, however, Progressive, through third-party vendors, and as set forth above, categorically excludes transactions that undermine its flawed thesis: for example, transactions where the sold price exceeds list price, transactions from dealerships who market themselves as "no-haggle" dealerships, and every transaction where the sold price equaled the advertised price.

8. As explained herein, the used auto market is such that, given the ubiquity of Internet advertising and shopping and developments in sophisticated pricing software, car dealerships simply do not negotiate off of Internet-advertised prices. Any difference between a list and sales price does not reflect a negotiation of the vehicle's cash value, but rather that a dealer shifted its profits to other components of the transaction: for example, profits made through financing or trade-in or ancillary products described above, or that the dealer applied a generally unavailable discount to the cash value of the vehicle (such as employee discount, loyalty discount, military discount, or friends/family discount). But Progressive ignores these market realities and is content with paying insureds and claimants below-market prices for their totaled vehicles.

9. To arrive at its conclusion that consumers negotiate down the advertised price, Progressive, through its vendors, intentionally distorts the data, excludes transactions that undercut its false hypothesis, and ignores market realities, all for the purpose of applying a capricious and unjustified Projected Sold Adjustment to artificially deflate the value of total loss vehicles.

10. This pattern and practice of undervaluing comparable and total loss vehicles when

paying automobile total loss claims through these arbitrary, unsupported, unjustified adjustments, which benefits the insurer at the expense of the insured, violates Defendant's policies with its insureds.

PARTIES

11. Plaintiff Reynolds, at all relevant times, was an Alabama citizen. At all relevant times, Plaintiff Reynolds was contracted with Progressive Direct for automobile insurance. On or about February 21, 2017, Plaintiff Reynolds was in a car wreck and Progressive Direct deemed her vehicle to be a total loss.

12. Plaintiff Penn, at all relevant times, was an Alabama citizen. At all relevant times, Plaintiff Penn was contracted with Progressive Specialty for automobile insurance. On or about November 23, 2018, Plaintiff Penn was in a car wreck and Progressive Specialty deemed her vehicle to be a total loss.

13. Defendant Progressive Direct has its corporate headquarters at 6300 Wilson Mills Road, Mayfield Village, Ohio 44143. Progressive Direct issues insurance policies in Alabama and is registered with the Alabama Department of Insurance. At all relevant times, Progressive Direct conducted business in Alabama through insurance agents and other company personnel.

14. Defendant Progressive Specialty has its corporate headquarters at 6300 Wilson Mills Road, Mayfield Village, Ohio 44143. Progressive Specialty issues insurance policies in Alabama and is registered with the Alabama Department of Insurance. At all relevant times, Progressive Specialty conducted business in Alabama through insurance agents and other company personnel.

JURISDICTION AND VENUE

15. Minimal diversity exists under the Class Action Fairness Act ("CAFA"), 28

U.S.C. §§ 1332(d), 1441(a)-(b), and 1453. Plaintiffs and the proposed class members are citizens of the State of Alabama. Defendants are Ohio Corporations that have their corporate headquarters in Ohio, and, at all relevant times hereto, were engaged in the business of marketing and selling insurance policies and adjusting insurance claims in the State of Alabama.

16. Plaintiffs estimate that there are more than 100 putative class members, and the aggregate compensatory damages (in the amount of the Projected Sold Adjustment that were deceptively deducted), claimed by Plaintiffs and the Classes is estimated in good faith to exceed \$5,000,000.00.

17. Venue is proper in this District under 28 U.S.C. § 1391, as a substantial portion of the conduct giving rise to Plaintiffs' claims occurred in this District, and Defendants transact business in this District.

FACTUAL ALLEGATIONS

Defendants' Systemic Application of Projected Sold Adjustments

18. On February 21, 2017, Plaintiff Reynolds was in a car wreck and sustained physical damage to her vehicle. At the time of the car wreck, Plaintiff Reynolds was contracted with Progressive Direct.

19. On November 23, 2018, Plaintiff Penn was in a car wreck and sustained physical damage to her vehicle. At the time of the car wreck, Plaintiff Penn was contracted with Progressive Specialty.

20. Like all members of the putative Classes, Plaintiffs made a property damage claim to Defendants.

21. Pursuant to its uniform policies and procedures, Defendants declared Plaintiffs' vehicles to be a total loss and purported to pay them the ACV of their loss vehicles, as they

promised and represented they would under the uniform provisions of their insurance policies and Alabama law.

22. When calculating its valuations and claims payments, Defendants systemically employ a routine “total loss settlement process.” This process involves obtaining a “Vehicle Valuation Report” from Mitchell and relying upon the valuation provided by Mitchell as the ACV amount owed under the policy. Defendant Progressive Direct provided a Mitchell Vehicle Valuation Report for Plaintiff Reynolds on February 24, 2017. *See* Exhibit C. Defendant Progressive Specialty provided a Mitchell Vehicle Valuation Report for Plaintiff Penn on December 3, 2018. *See* Exhibit D.

23. The Mitchell Vehicle Valuation Reports used by Defendants during the relevant period followed the same process, provided and disclosed the same or substantially the same material information, and presented that material information in the same or substantially the same format. These valuation reports purport to contain values for comparable vehicles recently sold or for sale in the claimant’s geographic area. The reports also contain a purported valuation for the loss vehicle based upon advertisements for comparable vehicles listed in the report. The report then adjusts the advertised prices of those comparable vehicles to account for differences in equipment, mileage, and vehicle configuration. Exhibit C at p. 11; Exhibit D at p. 8.

24. In addition, however, the valuation reports used by Defendants make a further adjustment to each loss vehicle called a “Projected Sold Adjustment.” For Plaintiff Reynolds, Projected Sold Adjustments in the amounts of -\$759.00, -\$739.00, -\$760.00, -\$783.00, -\$863.00, -\$850.00, -\$864.00, -\$829.00, and -\$726.00 respectively, were applied to nine of the ten comparable vehicles. Exhibit C at pp. 6-10. For Plaintiff Penn, Projected Sold Adjustments in the amounts of -\$944.00, -\$840.00, -\$1,115.00, -\$1,120.00 respectively, were applied to the

comparable vehicles. Exhibit D at pp. 5-7.

25. Defendants provide no data specific to the comparable vehicles or any explanation of industry practices in their valuation reports to support any Projected Sold Adjustment, much less the specific downward adjustments used in Plaintiffs' valuation reports. Instead, the only explanation is buried on the last page of each report, stating in full: "Projected Sold Adjustment – an adjustment to reflect consumer purchasing behavior (negotiating a different price than the listed price)." Exhibit C at p. 11; Exhibit D at p. 8.

26. In truth, Defendants' Projected Sold Adjustments do not reflect market realities (the context in which "consumer behavior" occurs) and run contrary to customary automobile dealer practices and inventory management, where list prices are priced to market to reflect the intense competition in the context of Internet pricing and comparison shopping. Before the ubiquity of online advertising and shopping, "advertised" prices had very little to do with eliciting car buyers to particular dealerships—instead, car buyers generally went to their local used car dealership that had the desired vehicle in stock for sale. The "advertised" price was simply whatever price was listed on the physical window. And consumers could not, as they can now, easily compare that price to Internet advertisements of the same vehicle offered by competitors.

27. As such, dealerships generally priced vehicles above market knowing that some consumers might be poor negotiators and they would realize an inflated profit on those sales. This above-market "window" price obviously allowed for negotiation, and a downward negotiation would often occur.

28. But during the Class Period, that is simply no longer how the used car market operates. Now, given the need for Internet advertising, the prevalence of Internet shopping and consumer behavior, developments in sophisticated pricing software universally used by car

dealerships, and the ease with which consumers can compare the advertised prices of identical vehicles across multiple competing dealerships, used car dealerships no longer price vehicles above market with room for—and the expectation of—negotiation. Instead, car dealerships use sophisticated pricing software—which provides the advertised prices of all competitors; the average “turn” of a given year, make and model; the amount for which vehicles have sold during a given time-period; etc.—and now appraise vehicles before acquiring them to price them to market and do not negotiate from that price.

29. This makes sense, because if a car dealership priced a vehicle above market with room for negotiation, consumers would simply not go to that dealership. This is because consumers can easily compare advertised prices and would seek out the vehicle priced to market, rather than the same vehicle priced at a higher amount (i.e., above market). Given the choice between paying less or paying more for an identical vehicle, consumers will choose to pay less.

30. As such, a negotiated discount off the cash price is highly atypical and is not proper to include in determining ACV. The inclusion of this significant downward adjustment purportedly to “reflect consumer purchasing behavior” is particularly improper in the context of this action—insureds who have suffered a total loss of their vehicle and need to procure a replacement have limited time to search out the illusory opportunity to obtain the below-market deal Defendants assume always exists without any explanation or support.

31. Defendants’ Projected Sold Adjustments are contrary to appraisal standards. There are multiple generally-recognized and acceptable methodologies for determining ACV, including use of comparable vehicles. Defendants begin the process of valuing loss vehicles using comparative methodology but improperly deviate from that process by thumbing the scales against the insured. Defendants document the loss vehicle’s and each comparable vehicle’s mileage,

options, and trim, which are compared in the report, and makes dollar adjustments accordingly. Plaintiffs do not challenge these documented adjustments. At this stage of the process, however, Defendants abandon the comparative methodology and applies adjustments that are contrary to proper appraisal methodologies for determining ACV. Appraisers use advertised prices and make adjustments based only on observed and verifiable data; appraisal standards do not permit arbitrary adjustments from the advertised price based upon undocumented and unverifiable projections.

32. Defendants thumb the scale by discarding vast amounts of relevant data that contradict applying a Projected Sold Adjustment and by failing to control for material variables, including whether there were ancillary purchases or transactions that may influence what is recorded as the “sales price” but do not influence the ACV (e.g., whether the customer traded in a vehicle at the time of purchase, bought an extended warranty or service plan, or financed the purchase).

33. Until July 2021, Defendants excluded from the calculation of the Projected Sold Adjustment all transactions in which the list price of a vehicle equaled the sold price.

34. Even after July 2021, Defendants still exclude some transactions in which the list price of a vehicle equals the sold price.

35. Defendants have excluded and continue to exclude from the calculation of the Projected Sold Adjustment all transactions in which the sold price of a vehicle is greater than the list price.

36. Without having performed any investigation or study, Defendants simply assume all such transactions are anomalies.

37. Likewise, Defendants have not exercised even a modicum of curiosity to investigate whether market realities support the application of a Projected Sold Adjustment. Nor

do Defendants or their vendors attempt to verify—even a single time—for those transactions where the advertised price exceeded sold price, whether the reason for the reduction was negotiation of the cash price of the vehicle and not some other (far more likely) reason, some of which are discussed herein.

38. Neither Progressives' form Policies nor Alabama law permit reducing a vehicle's value for invented or arbitrarily assumed justifications.

39. Moreover, the accuracy of Defendants' data is, at best, suspect, as it contains a significant number of transactions where the advertised date in the database comes after the sold date. As a matter of simple chronology, it makes no sense to advertise a vehicle after it is sold. But here, too, Defendants make no effort to control for this obvious flaw in the data.

40. These irremediable, and unjustifiable, errors, of course, skew the data in favor of Defendants to the detriment of their insureds.

41. Moreover, examples abound demonstrating the glaring error of Defendants' cherry-picking practices.

42. For example, related to the exclusion of sales prices greater than list prices, all advertised prices for comparable vehicles listed in Defendants' valuation reports are scraped from Internet sources—specifically Cars.com, Autotrader.com, Vast.com, and TrueCar.com.

43. The advertised prices many dealerships publish on these websites include discounts for consumers who are financing and providing a trade-in. Thus, a consumer who was not financing the vehicle through the dealership or who was not trading in a vehicle—obviously, insureds who sustained a total loss almost certainly are not trading a vehicle when purchasing a replacement vehicle—would have to pay in cash more than the price listed on sources where Mitchell scrapes advertisements for comparable vehicles. In determining the actual cash value of

Plaintiffs' and class members' totaled vehicles, there is no justification for Defendants to have excluded those transactions from calculating the Projected Sold Adjustment, while only including transactions where the sold price was recorded as less than the list price.

44. Simply put, there is no justification for Defendants to exclude such transactions as outliers or mistakes when justifying how they calculate the amount of the so-called Projected Sold Adjustments.

45. Doing so serves only to skew the data to meet Defendants' unjustified, unsupported, and uninvestigated assumption that the list price of comparable vehicles should always be reduced to pay insureds less.

46. Defendants further fail to control whether the vehicle was purchased with discounts unavailable to the public (e.g., employee discounts).

47. Defendants also fail to control for whether the vehicle was purchased with cash, or whether there were ancillary purchases or transactions that may influence the recorded "sales price" but not the ACV (e.g., whether the customer traded in a vehicle at the time of purchase, bought an extended warranty or service plan, or financed the purchase).

48. In these instances, the ACV of the vehicle remains its price to market; the dealership simply transferred the anticipated profit through either the sale of an optional ancillary product or by reducing what it would have offered in trade-in value.

49. The impropriety and arbitrariness of Defendants' Projected Sold Adjustments are further demonstrated by the fact that Mitchell's primary competitor in providing valuation reports to insurance companies—CCC Intelligent Solutions, Inc.—does not apply projected sold adjustments in this manner. Instead, CCC Intelligent Solutions uses list prices.

50. On information and belief, the impropriety and arbitrariness of Defendants'

Projected Sold Adjustments are further demonstrated by the fact that Progressive does not apply these adjustments when determining the ACV of total losses in California or Washington. There is no justification for applying these adjustments when valuing total losses in Alabama while not subjecting California and Washington insureds to the same negative adjustments.

51. Plaintiffs and each member of the proposed Classes were damaged by Defendants' application of these Projected Sold Adjustments because they were not paid the ACV they would have received had Defendants applied proper methodologies and appraisal standards.

52. Were it not for this improper adjustment, the "Base Value" in each valuation report would have been higher, resulting in a higher "settlement value" and in turn a higher payment by Defendants for ACV. Specifically, for Plaintiff Reynolds, were it not for this improper adjustment, the payment of ACV by Defendant Progressive Direct would have been \$717.30 higher, before adding the related increase in payments for applicable sales taxes. For Plaintiff Penn, were it not for this improper adjustment, the payment of ACV by Defendant Progressive Specialty would have been \$1,004.75 higher, before adding the related increase in payments for applicable sales taxes.

CLASS ACTION ALLEGATIONS

53. Plaintiffs bring this action individually and as a class action under Fed. R. Civ. P. 23(a) and (b), on behalf of the following proposed Classes:

Progressive Direct Class: All Alabama citizens insured by Progressive Direct who, from the earliest allowable time through the date an Order granting class certification is entered, received compensation for the total loss of a covered vehicle, where that compensation was based on a vehicle valuation report prepared by Mitchell and the ACV was decreased based upon Projected Sold Adjustments to the comparable vehicles used to determine ACV.

Progressive Specialty Class: All Alabama citizens insured by Progressive Specialty who, from the earliest allowable time through the date an Order granting

class certification is entered, received compensation for the total loss of a covered vehicle, where that compensation was based on a vehicle valuation report prepared by Mitchell and the ACV was decreased based upon the Projected Sold Adjustments to the comparable vehicles used to determine ACV.

54. Plaintiff Reynolds is the proposed class representative for the Progressive Direct Class, and Plaintiff Penn is the proposed class representative for the Progressive Specialty Class. Excluded from the Classes are Defendants and any of their members, affiliates, parents, subsidiaries, officers, directors, employees, successors, or assigns; governmental entities; and the Judge(s) and Court staff assigned to this case and their immediate family members.

55. Plaintiffs reserve the right to amend the Class definitions if discovery and further investigation reveal that the Classes should be expanded or narrowed, divided into additional subclasses, or modified in any other way.

56. **Numerosity.** The members of the Classes are so numerous that individual joinder of all members of the Classes is impracticable. While Plaintiffs are informed and believe that there are thousands of members in the Classes, the precise number is unknown to Plaintiffs but may be ascertained from Defendants' books and records. Members of the Classes may be notified of the pendency of this action by recognized Court-approved notice dissemination methods, which may include U.S. Mail, electronic mail, Internet postings, and/or published notice.

57. **Commonality and Predominance.** This action involves common questions of law and fact, which predominate over any questions affecting individual Class members, including, without limitation:

- a. Whether Defendants systemically used Mitchell's Vehicle Valuation Reports in adjusting total loss claims to determine ACV;
- b. Whether the Mitchell Vehicle Valuation Reports included Projected Sold Adjustments to the value of the comparable vehicles that reduced the base value,

and thus the claim amount paid by Defendants for the ACV of Plaintiffs' and Class members' total loss vehicles;

- c. Whether Defendants' improper practices injured Plaintiffs and members of the Classes;
- d. Whether Defendants' acts violated its obligations under the policy of insurance;
- e. Whether Plaintiffs and the Classes are entitled to compensatory damages, and if so, the calculation of damages; and
- f. Whether Plaintiffs and Class members are entitled to an injunction restraining Defendants' future acts and practices.

58. **Typicality.** The claims of the Plaintiffs, who are the representative of the Classes herein, are typical of the claims of the proposed Classes, in that the claims of all members of the proposed Classes, including the Plaintiffs, depend on a showing of the acts of Defendants giving rise to the right of Plaintiffs to the relief sought herein. There is no conflict between the individually named Plaintiffs and the other members of the proposed Classes with respect to this action, or with respect to the claims for relief set forth herein.

59. **Adequacy of Representation.** Plaintiffs are adequate representatives of the Classes because Plaintiffs' interests do not conflict with the interests of the other Class members whom they seek to represent. Plaintiffs have retained counsel competent and experienced in complex class action litigation, including successfully litigating class action cases similar to this one, where insurers breached contracts with insureds. The interests of the Classes will be fairly and adequately protected by Plaintiffs and their counsel.

60. **Superiority.** A class action is superior to any other available means for the fair and efficient adjudication of this controversy, and no unusual difficulties are likely to be

encountered in the management of this class action. The damages or other financial detriment suffered by Plaintiffs and the other members of the Classes are relatively small compared to the burden and expense that would be required to individually litigate their claims against Defendants, such that it would be impracticable for the members of the Classes to individually seek redress for Defendants' wrongful conduct. Even if the members of the Classes could afford litigation, the court system could not. Individualized litigation creates a potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and the court system. By contrast, the class action device presents far fewer management difficulties, and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court.

FIRST CAUSE OF ACTION
BREACH OF CONTRACT
(ON BEHALF OF PLAINTIFF REYNOLDS
AND THE PROGRESSIVE DIRECT CLASS)

61. Plaintiffs hereby repeat and reallege all preceding paragraphs contained herein.

62. Plaintiff Reynolds made a claim for property damage on her Progressive Direct insurance policy.

63. At the time of her claim, and in the time since, Plaintiff Reynolds has performed all obligations under her policy of insurance and was entitled to the benefits she contracted for in her policy.

64. Through the use of improper and unfounded Projected Sold Adjustments in Mitchell vehicle valuation reports, as detailed above, Defendant Progressive Direct handled, adjusted, and paid Plaintiff Reynolds's claim, and the claims of the members of the proposed Progressive Direct Class, for less than the actual cash value required by the insurance contract.

65. As a direct result of Defendant Progressive Direct's breaches, Plaintiff Reynolds

and members of the Progressive Direct Class sustained actual damages. Plaintiff Reynold's damages are at least \$717.30 (before calculation of additional sales tax benefits), plus pre-judgment and post-judgment interest.

SECOND CAUSE OF ACTION
BREACH OF CONTRACT
(ON BEHALF OF PLAINTIFF PENN
AND THE PROGRESSIVE SPECIALTY CLASS)

66. Plaintiffs hereby repeat and reallege all preceding paragraphs contained herein.

67. Plaintiff Penn made a claim for property damage on her Progressive Specialty insurance policy.

68. At the time of her claim, Plaintiff Penn was party to an insurance contract requiring Progressive Specialty to handle, adjust, and pay insureds the actual cash value of their total loss claim.

69. Before making her claim, and in the time since, Plaintiff Penn has performed all obligations under her policy of insurance and was entitled to the benefits she contracted for in her policy.

70. Through the use of improper and unfounded Projected Sold Adjustments in Mitchell vehicle valuation reports, as detailed above, Defendant Progressive Specialty handled, adjusted, and paid Plaintiff Penn's claims, and the claims of the members of the proposed Progressive Specialty Class, for less than the actual cash value required by the insurance contract.

71. As a direct result of Defendant Progressive Specialty's breaches, Plaintiff Penn, and members of the Progressive Specialty Class sustained actual damages. Plaintiff Penn's damages are at least \$1,004.75 (before calculation of additional sales tax benefits), plus pre-judgment and post-judgment interest.

THIRD CAUSE OF ACTION
DECLARATORY JUDGMENT
(ON BEHALF OF PLAINTIFF REYNOLDS
AND THE PROGRESSIVE DIRECT CLASS)

72. Plaintiffs hereby repeat and reallege all preceding paragraphs contained herein.

73. A judiciable dispute between Plaintiff Reynolds and the proposed Progressive Direct Class and Defendant Progressive Direct is before this Court under 28 U.S.C. § 2201, *et seq.*, concerning the construction of the auto insurance policies issued by Defendant Progressive Direct and the rights arising under those policies.

74. Plaintiff Reynolds, for herself and on behalf of the Progressive Direct Class, seeks a declaration of rights and liabilities of the parties herein. Specifically, Plaintiff Reynolds is seeking a declaration that in paying total loss claims with first-party insureds, it is a breach of the insurance contract with Progressive Direct for Progressive Direct to base the valuation and payment of claims on values of comparable vehicles that have been reduced by factually erroneous Projected Sold Adjustments.

75. Progressive Direct's unlawful common policy and general business practice of applying Projected Sold Adjustments is ongoing. Accordingly, Progressive Direct has breached, and continues to breach, the express terms of its contracts of insurance with Plaintiff Reynolds and members of the Progressive Direct Class requiring it to settle total loss claims on the basis of the total loss vehicle's actual cash value.

76. As a result of these breaches of contract, Plaintiff Reynolds and the proposed Progressive Direct Class members have been injured. Plaintiff Reynolds's and proposed Progressive Direct Class members' damages include the amounts illegally deducted by Progressive Direct from the insureds' payments.

77. Plaintiff Reynolds seeks a declaration that Progressive Direct's application of

unfounded Projected Sold Adjustments results in a valuation of less than the actual cash value Progressive Direct is required under its insurance contracts to pay insureds.

FOURTH CAUSE OF ACTION
DECLARATORY JUDGMENT
(ON BEHALF OF PLAINTIFF PENN
AND THE PROGRESSIVE SPECIALTY CLASS)

78. Plaintiffs hereby repeat and reallege all preceding paragraphs contained herein.

79. A judiciable dispute between Plaintiff Penn and the proposed Progressive Specialty Class and Defendant Progressive Specialty is before this Court under 28 U.S.C. § 2201, *et seq.*, concerning the construction of the auto insurance policies issued by Defendant Progressive Specialty and the rights arising under those policies.

80. Plaintiff Penn, for themselves and on behalf of the Progressive Specialty Class, seek a declaration of rights and liabilities of the parties herein. Specifically, Plaintiff Penn is seeking a declaration that in paying total loss claims with first-party insureds, it is a breach of the insurance contract with Progressive Specialty for Progressive Specialty to base the valuation and payment of claims on values of comparable vehicles that have been reduced by factually erroneous Projected Sold Adjustments.

81. Progressive Specialty's unlawful common policy and general business practice of applying Projected Sold Adjustments is ongoing. Accordingly, Progressive Specialty has breached, and continues to breach, the express terms of its contracts of insurance with Plaintiff Penn and members of the Progressive Specialty Class requiring it to settle total loss claims on the basis of the total loss vehicle's actual cash value.

82. As a result of these breaches of contract, Plaintiff Penn and the proposed Progressive Specialty Class members have been injured. Plaintiff Penn's damages and proposed Progressive Specialty Class members' damages include the amounts illegally deducted by

Progressive Specialty from the insureds' payments.

83. Plaintiff Penn seeks a declaration that Progressive Specialty's application of unfounded Projected Sold Adjustments results in a valuation of less than the actual cash value Progressive Specialty is required under its insurance contracts to pay insureds.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all others similarly situated, respectfully request that this Court:

- a) determine that this action may be maintained as a class action under Federal Rule of Civil Procedure 23, certify the proposed Classes for class treatment, appoint Plaintiffs as class representative for the Classes, and appoint undersigned counsel as Class Counsel;
- b) enter an order finding that Defendants' actions described herein constitute breaches of the express terms of its policies of insurance;
- c) award Plaintiffs and members of the Classes actual damages according to proof;
- d) enter a declaratory judgment that in paying total loss claims with first-party insureds, it is a breach of the insurance contract with Defendants for Defendants to base the valuation and payment of claims on values of comparable vehicles that have been reduced by Projected Sold Adjustments;
- e) enter further relief based on the declaratory judgment including an order enjoining Defendants from basing the valuation and payment of claims on values of comparable vehicles that have been reduced by Projected Sold Adjustments;
- f) award pre-judgment and post-judgment interest at the maximum rate permitted by applicable law;

- g) award reasonable attorney's fees and litigation costs and expenses pursuant to applicable law; and
- h) grant such other legal and equitable relief as the Court may deem appropriate, including specific performance as an alternative to damages.

DEMAND FOR JURY TRIAL

Plaintiffs demand a jury trial on all issues so triable.

Dated: September 14, 2022

Respectfully submitted,

CARNEY BATES & PULLIAM, PLLC

/s/ Lee Lowther

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Counsel for Plaintiffs and the Proposed Classes

CERTIFICATE OF SERVICE

I certify that on September 14, 2022, a true and correct copy of the foregoing was served through electronic mail on all counsel of record.

/s/ Lee Lowther _____
Lee Lowther

EXHIBIT A

From: Allison White <awhite@kslaw.com>
Sent: Friday, September 9, 2022 3:29 PM
To: Lee Lowther <llowther@cbplaw.com>
Subject: RE: Reynolds v. Progressive

We will consent to the amendment, while reserving the right to move to dismiss. Since you're adding a new defendant, will you send over a waiver of service for Progressive Specialty?

Allison Hill White
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From: Lee Lowther <llowther@cbplaw.com>
Sent: Friday, September 9, 2022 11:53 AM
To: Allison White <awhite@kslaw.com>
Subject: Reynolds v. Progressive

CAUTION: MAIL FROM OUTSIDE THE FIRM

Allison,

We represent a client in Alabama with a policy underwritten by Progressive Specialty. Would you be agreeable to our amending to join her claims in the Reynolds case? We can file a separate action and move to consolidate, but adding her in the pending action seems the more logical approach.

Best regards,

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EXHIBIT B

9611D AL 0815



ALABAMA

AUTO POLICY



Form 9611D AL (08/15)
version 2.0

PROGRESSIVE[®]
DIRECT

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ALABAMA AUTO POLICY

INSURING AGREEMENT

In return for **your** payment of the premium, **we** agree to insure **you** subject to all the terms, conditions and limitations of this policy. **We** will insure **you** for the coverages and the limits of liability shown on this policy's **declarations page**. **Your** policy consists of the policy contract, **your** insurance application, the **declarations page**, and all endorsements to this policy.

GENERAL DEFINITIONS

The following definitions apply throughout the policy. Defined terms are printed in bold-face type and have the same meaning whether in the singular, plural, or any other form.

1. "**Additional auto**" means an **auto you** become the owner of during the policy period that does not permanently replace an **auto** shown on the **declarations page** if:
 - a. **we** insure all other **autos you** own;
 - b. the **additional auto** is not covered by any other insurance policy;
 - c. **you** notify **us** within 30 days of becoming the owner of the **additional auto**; and
 - d. **you** pay any additional premium due.

An **additional auto** will have the broadest coverage **we** provide for any **auto** shown on the **declarations page**. If **you** ask **us** to insure an **additional auto** more than 30 days after **you** become the owner, any coverage **we** provide will begin at the time **you** request coverage.

2. "**Auto**" means a land motor vehicle:
 - a. of the private passenger, pickup body, or cargo van type;
 - b. designed for operation principally upon public roads;
 - c. with at least four wheels; and
 - d. with a gross vehicle weight rating of 12,000 pounds or less, according to the manufacturer's specifications.

However, "**auto**" does not include step-vans, parcel delivery vans, or cargo cutaway vans or other vans with cabs separate from the cargo area.

3. "**Auto business**" means the business of selling, leasing, repairing, parking, storing, servicing, delivering or testing vehicles.
4. "**Bodily injury**" means bodily harm, sickness, or disease, including death that results from bodily harm, sickness, or disease.
5. "**Covered auto**" means:
 - a. any **auto** or **trailer** shown on the **declarations page** for the coverages applicable to that **auto** or **trailer**;
 - b. any **additional auto**;
 - c. any **replacement auto**; or
 - d. a **trailer** owned by **you**.
6. "**Declarations page**" means the document showing **your** coverages, limits of liability, **covered autos**, premium, and other policy-related information. The **declarations page** may also be referred to as the Auto Insurance Coverage Summary.
7. "**Occupying**" means in, on, entering or exiting.

8. **“Personal vehicle sharing program”** means a system or process, operated by a business, organization, network, group, or individual, that facilitates the sharing of private passenger motor vehicles for use by individuals, businesses, or other entities.
9. **“Property damage”** means physical damage to, destruction of, or loss of use of, tangible property.
10. **“Rated resident”** means a person residing in the same household as **you** at the time of the loss who is not a **relative**, but only if that person is both:
 - a. listed in the “Drivers and household residents” section on the **declarations page**; and
 - b. not designated as either an “Excluded” or a “List Only” driver.
11. **“Relative”** means a person primarily residing in the same household as **you**, and related to **you** by blood, marriage or adoption, and includes a ward, stepchild, or foster child. **Your** unmarried dependent children temporarily away from home will be considered to be primarily residing in the same household as **you** if they intend to continue to reside in **your** household.
12. **“Replacement auto”** means an **auto** that permanently replaces an **auto** shown on the **declarations page**. A **replacement auto** will have the same coverage as the **auto** it replaces if the **replacement auto** is not covered by any other insurance policy. However, if the **auto** being replaced had coverage under Part IV—Damage To A Vehicle, such coverage will apply to the **replacement auto** only during the first 30 days after **you** become the owner unless **you** notify **us** within that 30-day period that **you** want **us** to extend coverage beyond the initial 30 days. If the **auto** being replaced did not have coverage under Part IV—Damage To A Vehicle, such coverage may be added, but the **replacement auto** will have no coverage under Part IV until **you** notify **us** of the **replacement auto** and ask **us** to add the coverage.
13. **“Ride-sharing activity”** means the use of any vehicle to provide transportation of persons or property in connection with a **transportation network company** from the time a user logs on to, or signs in to, any online-enabled application, software, website or system until the time the user logs out of, or signs off of, any such online-enabled application, software, website or system, whether or not the user has accepted any passenger(s) or delivery assignment, including the time the user is on the way to pick up any passenger(s) or property, or is transporting any passenger(s) or property.
14. **“Trailer”** means a non-motorized trailer, including a farm wagon or farm implement, designed to be towed on public roads by an **auto** and not being used:
 - a. for commercial purposes;
 - b. as an office, store, or for display purposes; or
 - c. as a passenger conveyance.
15. **“Transportation network company”** means a corporation, partnership, sole proprietorship, or other entity that uses any online-enabled application, software, website or system to connect drivers with clients or passengers to facilitate and/or provide transportation or delivery services for compensation or a fee.
16. **“We,” “us”** and **“our”** mean the underwriting company providing the insurance, as shown on the **declarations page**.
17. **“You”** and **“your”** mean:
 - a. a person shown as a named insured on the **declarations page**; and

- b. the spouse of a named insured if residing in the same household at the time of the loss.

PART I—LIABILITY TO OTHERS

INSURING AGREEMENT

If **you** pay the premium for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which an **insured person** becomes legally responsible because of an accident.

Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** option, any claim for damages covered by this Part I.

ADDITIONAL DEFINITION

When used in this Part I:

“Insured person” means:

- a. **you**, a **relative**, or a **rated resident** with respect to an accident arising out of the ownership, maintenance or use of an **auto** or a **trailer**;
- b. any person with respect to an accident arising out of that person’s use of a **covered auto** with the permission of **you**, a **relative**, or a **rated resident**;
- c. any person or organization with respect only to vicarious liability for the acts or omissions of a person described in a. or b. above; and
- d. any “Additional Interest” shown on the **declarations page** with respect only to its liability for the acts or omissions of a person described in a. or b. above.

ADDITIONAL PAYMENTS

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

1. all expenses **we** incur in the settlement of any claim or defense of any lawsuit;
2. interest accruing after entry of judgment, until **we** have paid, offered to pay, or deposited in court, that portion of the judgment which does not exceed **our** limit of liability. This does not apply if **we** have not been given notice of suit or the opportunity to defend an **insured person**;
3. the premium on any appeal bond or attachment bond required in any lawsuit **we** defend. **We** have no duty to purchase a bond in an amount exceeding **our** limit of liability, and **we** have no duty to apply for or furnish these bonds;
4. up to \$250 for a bail bond required because of an accident resulting in **bodily injury** or **property damage** covered under this Part I. **We** have no duty to apply for or furnish this bond; and
5. reasonable expenses, including loss of earnings up to \$200 per day, incurred at **our** request.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART I.

Coverage under this Part I, including **our** duty to defend, will not apply to any **insured person** for:

1. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle or trailer while being used:
 - a. to carry persons or property for compensation or a fee;
 - b. for retail or wholesale delivery, including, but not limited to, the pickup, transport or delivery of magazines, newspapers, mail or food; or
 - c. for **ride-sharing activity**.This exclusion does not apply to shared-expense car pools;
2. any liability assumed under any contract or agreement by **you**, a **relative**, or a **rated resident**;
3. **bodily injury** to an employee of that **insured person** arising out of or within the course of employment. This exclusion does not apply to domestic employees if benefits are neither paid nor required to be provided under workers' compensation, disability benefits, or similar laws;
4. **bodily injury** or **property damage** arising out of an accident involving any vehicle while being maintained or used by a person while employed or engaged in any **auto business**. This exclusion does not apply to **you**, a **relative**, a **rated resident**, or an agent or employee of **you**, a **relative**, or a **rated resident**, when using a **covered auto**;
5. **bodily injury** or **property damage** resulting from, or sustained during practice or preparation for:
 - a. any pre-arranged or organized racing, stunting, speed or demolition contest or activity; or
 - b. any driving activity conducted on a permanent or temporary racetrack or race-course;
6. **bodily injury** or **property damage** due to a nuclear reaction or radiation;
7. **bodily injury** or **property damage** for which insurance:
 - a. is afforded under a nuclear energy liability insurance contract; or
 - b. would be afforded under a nuclear energy liability insurance contract but for its termination upon exhaustion of its limit of liability;
8. any obligation for which the United States Government is liable under the Federal Tort Claims Act;
9. **bodily injury** or **property damage** caused by an intentional act of that **insured person**, or at the direction of that **insured person**, even if the actual injury or damage is different than that which was intended or expected;
10. **property damage** to any property owned by, rented to, being transported by, used by, or in the charge of that **insured person**. This exclusion does not apply to a rented residence or a rented garage;
11. **bodily injury** to **you** or a **relative**;
12. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle owned by **you** or furnished or available for **your** regular use, other than a **covered auto** for which this coverage has been purchased;

13. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle owned by a **relative** or a **rated resident** or furnished or available for the regular use of a **relative** or a **rated resident**, other than a **covered auto** for which this coverage has been purchased. This exclusion does not apply to **your** maintenance or use of such vehicle;
14. **bodily injury** or **property damage** arising out of **your**, a **relative's**, or a **rated resident's** use of a vehicle, other than a **covered auto**, without the permission of the owner of the vehicle or the person in lawful possession of the vehicle;
15. **bodily injury** or **property damage** arising out of the use of a **covered auto** while leased or rented to others or given in exchange for any compensation, including while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of a **covered auto** by **you**, a **relative**, or a **rated resident**;
16. punitive or exemplary damages. This exclusion does not apply to punitive or exemplary damages arising from wrongful death; or
17. **bodily injury** or **property damage** caused by, or reasonably expected to result from, a criminal act or omission of that **insured person**. This exclusion applies regardless of whether that **insured person** is actually charged with, or convicted of, a crime. For purposes of this exclusion, criminal acts or omissions do not include traffic violations.

LIMITS OF LIABILITY

The limit of liability shown on the **declarations page** for liability coverage is the most **we** will pay regardless of the number of:

1. claims made;
2. **covered autos**;
3. **insured persons**;
4. lawsuits brought;
5. vehicles involved in the accident; or
6. premiums paid.

If **your declarations page** shows a split limit:

1. the amount shown for "each person" is the most **we** will pay for all damages due to **bodily injury** to one person resulting from any one accident;
2. subject to the "each person" limit, the amount shown for "each accident" is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one accident; and
3. the amount shown for "property damage" is the most **we** will pay for the total of all **property damage** resulting from any one accident.

The "each person" limit of liability applies to the total of all claims made for **bodily injury** to a person and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

If the **declarations page** shows that “combined single limit” or “CSL” applies, the amount shown is the most **we** will pay for the total of all damages resulting from any one accident. However, without changing this limit of liability, **we** will comply with any law that requires **us** to provide any separate limits.

No one is entitled to duplicate payments for the same elements of damages.

Any payment to a person under this Part I will be reduced by any payment to that person under Part III—Uninsured/Underinsured Motorist Coverage.

We will not pay under this Part I any expenses paid or payable under Part II—Medical Payments Coverage.

If multiple auto policies issued by **us** are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

An **auto** and attached **trailer** are considered one **auto**. Therefore, the limits of liability will not be increased for an accident involving an **auto** that has an attached **trailer**.

FINANCIAL RESPONSIBILITY LAWS

When **we** certify this policy as proof of financial responsibility, this policy will comply with, and is subject to, all of the provisions of the Alabama Motor Vehicle Safety-Responsibility Act. The **insured person** must reimburse **us** if **we** make a payment that **we** would not have made if this policy was not certified as proof of financial responsibility.

OTHER INSURANCE

If there is any other applicable liability insurance or bond, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide for a vehicle or trailer, other than a **covered auto**, will be excess over any other collectible insurance, self-insurance, or bond.

OUT-OF-STATE COVERAGE

If an accident to which this Part I applies occurs in any state, territory or possession of the United States of America or any province or territory of Canada, other than the one in which a **covered auto** is principally garaged, and the state, province, territory or possession has:

1. a financial responsibility or similar law requiring limits of liability for **bodily injury** or **property damage** higher than the limits shown on the **declarations page**, this policy will provide the higher limits; or
2. a compulsory insurance or similar law requiring a non-resident to maintain insurance whenever the non-resident uses an **auto** in that state, province, territory or possession, this policy will provide the greater of:
 - a. the required minimum amounts and types of coverage; or
 - b. the limits of liability under this policy.

PART II—MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

If **you** pay the premium for this coverage, **we** will pay the reasonable expenses incurred for necessary **medical services** received within three years from the date of a **motor vehicle** accident because of **bodily injury**:

1. sustained by an **insured person**; and
2. caused by that **motor vehicle** accident.

We, or someone on **our** behalf, will determine:

1. whether the expenses for **medical services** are reasonable; and
2. whether the **medical services** are necessary.

ADDITIONAL DEFINITIONS

When used in this Part II:

1. “**Insured person**” means:
 - a. **you**, a **relative**, or a **rated resident**:
 - (i) while **occupying an auto**; or
 - (ii) when struck by a **motor vehicle** or a trailer while not **occupying** a self-propelled motorized vehicle; and
 - b. any other person while **occupying a covered auto** with the permission of **you**, a **relative**, or a **rated resident**.
2. “**Medical services**” means medical, surgical, dental, x-ray, ambulance, hospital, professional nursing, and funeral services, and includes the cost of eyeglasses, hearing aids, pharmaceuticals, orthopedics, and prosthetic devices.
3. “**Motor vehicle**” means a land motor vehicle designed for use principally on public roads.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART II.

Coverage under this Part II will not apply to **bodily injury**:

1. sustained by any person while **occupying a covered auto** while it is being used:
 - a. to carry persons or property for compensation or a fee;
 - b. for retail or wholesale delivery, including, but not limited to, the pickup, transport or delivery of magazines, newspapers, mail or food; or
 - c. for **ride-sharing activity**.This exclusion does not apply to shared-expense car pools;
2. arising out of an accident involving a vehicle while being maintained or used by a person while employed or engaged in any **auto business**. This exclusion does not apply to **you**, a **relative**, a **rated resident**, or an agent or employee of **you**, a **relative**, or a **rated resident**, when using a **covered auto**;
3. to any person resulting from, or sustained during practice or preparation for:
 - a. any pre-arranged or organized racing, stunting, speed or demolition contest or activity; or

- b. any driving activity conducted on a permanent or temporary racetrack or race-course;
4. due to a nuclear reaction or radiation;
5. for which insurance:
 - a. is afforded under a nuclear energy liability insurance contract; or
 - b. would be afforded under a nuclear energy liability insurance contract but for its termination upon exhaustion of its limit of liability;
6. for which the United States Government is liable under the Federal Tort Claims Act;
7. sustained by any person while **occupying** any vehicle or trailer while located for use as a residence or premises;
8. if workers' compensation benefits are available for the **bodily injury**;
9. sustained by any person while **occupying** or when struck by any vehicle owned by **you** or furnished or available for **your** regular use, other than a **covered auto** for which this coverage has been purchased;
10. sustained by any person while **occupying** or when struck by any vehicle owned by a **relative** or a **rated resident** or furnished or available for the regular use of a **relative** or a **rated resident**, other than a **covered auto** for which this coverage has been purchased. This exclusion does not apply to **you**;
11. to **you**, a **relative**, or a **rated resident**, while **occupying** any vehicle, other than a **covered auto**, without the permission of the owner of the vehicle or the person in lawful possession of the vehicle;
12. to any person while **occupying** a **covered auto** while leased or rented to others or given in exchange for any compensation, including while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of a **covered auto** by **you**, a **relative**, or a **rated resident**;
13. caused directly or indirectly by:
 - a. war (declared or undeclared) or civil war;
 - b. warlike action by any military force of any government, sovereign or other authority using military personnel or agents. This includes any action taken to hinder or defend against an actual or expected attack; or
 - c. insurrection, rebellion, revolution, usurped power, or any action taken by a governmental authority to hinder or defend against any of these acts;
14. caused directly or indirectly by:
 - a. any accidental or intentional discharge, dispersal or release of radioactive, nuclear, pathogenic or poisonous biological material; or
 - b. any intentional discharge, dispersal or release of chemical or hazardous material for any purpose other than its safe and useful purpose; or
15. caused by, or reasonably expected to result from, a criminal act or omission of an **insured person**. This exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime. For purposes of this exclusion, criminal acts or omissions do not include traffic violations.

LIMITS OF LIABILITY

The limit of liability shown on the **declarations page** for Medical Payments Coverage is the most **we** will pay for each **insured person** injured in any one accident, regardless of the number of:

1. claims made;
2. **covered autos**;
3. **insured persons**;
4. lawsuits brought;
5. vehicles involved in the accident; or
6. premiums paid.

No one will be entitled to duplicate payments under this policy for the same elements of damages.

Any amount payable to an **insured person** under this Part II will be reduced by any amount paid or payable for the same expense under Part I—Liability To Others or paid under Part III—Uninsured/Underinsured Motorist Coverage.

If multiple auto policies issued by **us** are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

PAYMENT OF LOSS

We may, at **our** option, pay any amount due:

1. to the **insured person**;
2. to a parent or guardian if the **insured person** is a minor or is deemed incompetent;
3. to the beneficiary if one is named;
4. to the estate of the deceased person; or
5. to any person, organization or entity authorized by law to receive such payment, including, but not limited to, a provider of services on behalf of the person to whom medical and/or funeral services were rendered.

Any payment made is, to its extent, a complete discharge of **our** obligations.

UNREASONABLE OR UNNECESSARY MEDICAL EXPENSES

If an **insured person** incurs expenses for **medical services** that **we** deem to be unreasonable or unnecessary, **we** may refuse to pay for those expenses and contest them.

If the medical service provider sues the **insured person** because **we** refuse to pay expenses for **medical services** that **we** deem to be unreasonable or unnecessary, **we** will pay any resulting defense costs, and any resulting judgment against the **insured person**, subject to the limit of liability for this coverage. **We** will choose the counsel. **We** will also pay reasonable expenses, including loss of earnings up to \$200 per day, incurred at **our** request.

The **insured person** may not sue **us** for expenses for **medical services** **we** deem to be unreasonable or unnecessary unless the **insured person** paid the entire disputed amount to the medical service provider or the medical service provider has initiated collection activity against the **insured person** for the unreasonable or unnecessary expenses.

OTHER INSURANCE

If there is other applicable **auto** medical payments insurance, **we** will pay only **our** share of the loss. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide for an **insured person occupying** a vehicle or trailer, other than a **covered auto**, will be excess over any other **auto** insurance providing payments for **medical services**.

PART III—UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT

If **you** pay the premium for this coverage, **we** will pay for damages that an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury**:

1. sustained by an **insured person**;
2. caused by an accident; and
3. arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

An **insured person** must notify **us** in writing at least 30 days before entering into any settlement with the owner or operator of an **uninsured motor vehicle**, or that person's liability insurer. In order to preserve **our** right of subrogation, **we** may elect to pay any sum offered in settlement by, or on behalf of, the owner or operator of an **uninsured motor vehicle**. If **we** do this, **you** agree to assign to **us** all rights that **you** have against the owner or operator of an **uninsured motor vehicle**.

Any judgment or settlement for damages against an owner or operator of an uninsured motor vehicle that arises out of a lawsuit brought without our written consent is not binding on **us**.

ADDITIONAL DEFINITIONS

When used in this Part III:

1. "**Insured person**" means:
 - a. **you**, a **relative**, or a **rated resident**;
 - b. any person while operating a **covered auto** with the permission of **you**, a **relative**, or a **rated resident**;
 - c. any person **occupying**, but not operating, a **covered auto**; and
 - d. any person who is entitled to recover damages covered by this Part III because of **bodily injury** sustained by a person described in a., b. or c. above.

2. **“Uninsured motor vehicle”** means a land motor vehicle or trailer of any type:
 - a. to which no bodily injury liability bond or policy applies at the time of the accident;
 - b. to which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:
 - (i) denies coverage; or
 - (ii) is or becomes insolvent;
 - c. to which a bodily injury liability bond or policy applies at the time of the accident, but its limit of liability for bodily injury is less than the minimum limit of liability for bodily injury specified by the financial responsibility law of the state in which the **covered auto** is principally garaged;
 - d. that is a hit-and-run vehicle whose owner or operator cannot be identified and which causes an accident resulting in **bodily injury** to an **insured person**, provided that the **insured person**, or someone on his or her behalf, reports the accident to the police or civil authority within 24 hours or as soon as practicable after the accident; or
 - e. to which a bodily injury liability bond or policy applies at the time of the accident, but the sum of all applicable limits of liability for bodily injury is less than the damages that the **insured person** is legally entitled to recover.

An **“uninsured motor vehicle”** does not include any vehicle or equipment:

- a. owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer that is or becomes insolvent;
- b. operated on rails or crawler treads;
- c. designed mainly for use off public roads, while not on public roads;
- d. while located for use as a residence or premises; or
- e. that is a **covered auto**.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART III.

Coverage under this Part III will not apply:

1. to **bodily injury** sustained by any person while using or **occupying a covered auto** while being used:
 - a. to carry persons or property for compensation or a fee;
 - b. for retail or wholesale delivery, including, but not limited to, the pickup, transport or delivery of magazines, newspapers, mail or food; or
 - c. for **ride-sharing activity**.This exclusion does not apply to shared-expense car pools;
2. to **bodily injury** sustained by **you**, a **relative**, or a **rated resident** while using any vehicle, other than a **covered auto**, without the permission of the owner of the vehicle or the person in lawful possession of the vehicle;
3. directly or indirectly to benefit any insurer or self-insurer under any of the following or similar laws:
 - a. workers’ compensation law; or
 - b. disability benefits law;
4. to **bodily injury** sustained by any person if that person or the legal representative of that person settles without **our** written consent; or

5. to **bodily injury** arising out of the use of a **covered auto** while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of a **covered auto** by **you**, a **relative**, or a **rated resident**.

LIMITS OF LIABILITY

The limit of liability shown on the **declarations page** for Uninsured/Underinsured Motorist Coverage is the most **we** will pay regardless of the number of:

1. claims made;
2. **insured persons**;
3. lawsuits brought;
4. vehicles involved in the accident; or
5. premiums paid.

If coverage under this Part III applies to one **covered auto**, our maximum limit of liability under this policy is the amount shown on the **declarations page** for coverage under this Part III. However, if coverage under this Part III applies to more than one **covered auto**, **our** limit of liability under this policy will be the amount shown on the **declarations page** for coverage under this Part III multiplied by the number of **covered autos** listed on this policy as covered under Part III, not to exceed three.

If **your declarations page** shows a split limit:

1. the amount shown for “each person” is the most **we** will pay for all damages due to **bodily injury** to one person; and
2. subject to the “each person” limit, the amount shown for “each accident” is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one accident.

The “each person” limit of liability includes the total of all claims made for **bodily injury** to an **insured person** and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

If the **declarations page** shows that “combined single limit” or “CSL” applies, the amount shown is the most **we** will pay for the total of all damages resulting from any one accident. However, without changing this total limit of liability, **we** will comply with any law that requires **us** to provide any separate limits.

The damages that an **insured person** is legally entitled to recover because of **bodily injury** under this Part III will be reduced by:

1. all sums paid because of **bodily injury** by or on behalf of any persons or organizations that may be legally responsible;
2. all sums paid under Part I—Liability To Others; and
3. any difference between the sums paid by the insurers of the persons or organizations who may be legally responsible and the limits of liability under those bonds and policies.

We will not pay under this Part III any damages that an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** that represents expenses for medical services paid under Part II—Medical Payments Coverage. However, the damages that an **insured person** is legally entitled to recover because of **bodily injury** under this Part III will not be reduced to less than the minimum coverage limits for Uninsured/Underinsured Motorist Coverage specified by Alabama law.

No one will be entitled to duplicate payments for the same elements of damages.

If multiple auto policies issued by **us** are in effect for **you**, **we** will pay no more than the highest limit of liability for this coverage available under any one policy.

OTHER INSURANCE

If there is other applicable uninsured or underinsured motorist coverage, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all available coverage limits. However, any insurance **we** provide with respect to a vehicle that is not a **covered auto** will be excess over any other uninsured or underinsured motorist coverage.

PART IV—DAMAGE TO A VEHICLE

INSURING AGREEMENT—COLLISION COVERAGE

If **you** pay the premium for this coverage, **we** will pay for sudden, direct and accidental loss to a:

1. **covered auto**, including an attached **trailer**; or
2. **non-owned auto**;
and its **custom parts or equipment**, resulting from **collision**.

In addition, **we** will pay the reasonable cost to replace any child safety seat damaged in an accident to which this coverage applies.

INSURING AGREEMENT—COMPREHENSIVE COVERAGE

If **you** pay the premium for this coverage, **we** will pay for sudden, direct and accidental loss to a:

1. **covered auto**, including an attached **trailer**; or
2. **non-owned auto**;
and its **custom parts or equipment**, that is not caused by **collision**.

A loss not caused by **collision** includes:

1. contact with an animal (including a bird);
2. explosion or earthquake;
3. fire;
4. malicious mischief or vandalism;
5. missiles or falling objects;

6. riot or civil commotion;
7. theft or larceny;
8. windstorm, hail, water or flood; or
9. breakage of glass not caused by **collision**.

In addition, **we** will pay for:

1. reasonable transportation expenses incurred by **you** if a **covered auto** is stolen; and
 2. loss of use damages that **you** are legally liable to pay if a **non-owned auto** is stolen.
- A combined maximum of \$900, not exceeding \$30 per day, will apply to these additional benefits. The additional benefit for transportation expenses will not apply if **you** purchased Rental Reimbursement Coverage for the stolen **covered auto**.

Coverage for transportation expenses and loss of use damages begins 48 hours after **you** report the theft to **us** and ends the earliest of:

1. when the **auto** has been recovered and returned to **you** or its owner;
2. when the **auto** has been recovered and repaired;
3. when the **auto** has been replaced; or
4. 72 hours after **we** make an offer to settle the loss if the **auto** is deemed by **us** to be a total loss.

We must receive written proof of transportation expenses and loss of use damages.

INSURING AGREEMENT—ADDITIONAL CUSTOM PARTS OR EQUIPMENT COVERAGE

We will pay for sudden, direct and accidental loss to **custom parts or equipment** on a **covered auto** for which this coverage has been purchased. This coverage applies only if **you** have purchased both Comprehensive Coverage and Collision Coverage for that **covered auto** and the loss is covered under one of those coverages. This coverage applies in addition to any coverage automatically provided for **custom parts or equipment** under Comprehensive Coverage or Collision Coverage.

INSURING AGREEMENT—RENTAL REIMBURSEMENT COVERAGE

We will reimburse rental charges incurred when **you** rent an **auto** from a rental agency or auto repair shop due to a loss to a **covered auto** for which Rental Reimbursement Coverage has been purchased. This coverage applies only if **you** have purchased both Comprehensive Coverage and Collision Coverage for that **covered auto** and the loss is covered under one of those coverages.

Additional fees or charges for insurance, damage waivers, optional equipment, fuel, or accessories are not covered.

This coverage is limited to the each day limit shown on the **declarations page** for a maximum of 30 days.

If Rental Reimbursement Coverage applies, no other coverage under this policy for rental expenses will apply.

Rental charges will be reimbursed beginning:

1. when the **covered auto** cannot be driven due to a loss; or
2. if the **covered auto** can be driven, when **you** deliver the **covered auto** to an auto repair shop or one of **our** Service Centers for repairs due to the loss;

and ending the earliest of:

1. when the **covered auto** has been returned to **you**;
2. when the **covered auto** has been repaired;
3. when the **covered auto** has been replaced;
4. 72 hours after **we** make an offer to settle the loss if the **covered auto** is deemed by **us** to be a total loss; or
5. when **you** incur 30 days worth of rental charges.

You must provide **us** written proof of **your** rental charges to be reimbursed.

INSURING AGREEMENT—LOAN/LEASE PAYOFF COVERAGE

If **you** pay the premium for this coverage, and the **covered auto** for which this coverage was purchased is deemed by **us** to be a total loss, **we** will pay, in addition to any amounts otherwise payable under this Part IV, the difference between:

1. the actual cash value of the **covered auto** at the time of the total loss; and
2. any greater amount the owner of the **covered auto** is legally obligated to pay under a written loan or lease agreement to which the **covered auto** is subject at the time of the total loss, reduced by:
 - a. unpaid finance charges or refunds due to the owner for such charges;
 - b. excess mileage charges or charges for wear and tear;
 - c. charges for extended warranties or refunds due to the owner for extended warranties;
 - d. charges for credit insurance or refunds due to the owner for credit insurance;
 - e. past due payments and charges for past due payments; and
 - f. collection or repossession expenses.

However, **our** payment under this coverage shall not exceed the limit of liability shown on the **declarations page**. The limit of liability is a percentage of the actual cash value of the **covered auto** at the time of the loss.

This coverage applies only if **you** have purchased both Comprehensive Coverage and Collision Coverage for that **covered auto** and the loss is covered under one of those coverages.

INSURING AGREEMENT—PET INJURY COVERAGE

If **you** have purchased Collision coverage for at least one **covered auto** under **your** policy, and if **your pet** sustains injury or death while inside a **covered auto** or **non-owned auto** at the time of a loss covered under Collision or Comprehensive coverage, **we** will provide:

1. up to \$1,000 for reasonable and customary veterinary fees incurred by **you**, a **relative**, or a **rated resident** if **your pet** is injured in, or as a direct result of, the covered loss; or

2. a \$1,000 death benefit if **your pet** dies in, or as a direct result of, the covered loss, less any payment **we** made toward veterinary expenses for **your pet**.

In the event of a covered loss due to the theft of a **covered auto** or **non-owned auto**, **we** will provide the death benefit provided **your pet** is inside that auto at the time of the theft and **your pet** is not recovered.

ADDITIONAL DEFINITIONS

When used in this Part IV:

1. “**Collision**” means the upset of a vehicle or its impact with another vehicle or object.
2. “**Custom parts or equipment**” means equipment, devices, accessories, enhancements and changes, other than those that are offered by the manufacturer specifically for that **auto** model, or that are installed by the auto dealership as part of the original sale of a new **auto**, that:
 - a. are permanently installed or attached; and
 - b. alter the appearance or performance of the **auto**.
3. “**Mechanical parts**” means operational parts on a vehicle that wear out over time or have a finite useful life or duration typically shorter than the life of the vehicle as a whole. **Mechanical parts** do not include external crash parts, wheels, paint, or windshields and other glass.
4. “**Non-owned auto**” means an **auto** that is not owned by or furnished or available for the regular use of **you**, a **relative**, or a **rated resident** while in the custody of or being operated by **you**, a **relative**, or a **rated resident** with the permission of the owner of the **auto** or the person in lawful possession of the **auto**.
5. “**Your pet**” means any dog or cat owned by **you**, a **relative**, or a **rated resident**.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART IV.

Coverage under this Part IV will not apply for loss:

1. to any vehicle while being used:
 - a. to carry persons or property for compensation or a fee;
 - b. for retail or wholesale delivery, including, but not limited to, the pickup, transport or delivery of magazines, newspapers, mail or food; or
 - c. for **ride-sharing activity**.This exclusion does not apply to shared-expense car pools;
2. to a **non-owned auto** while being maintained or used by a person while employed or engaged in any **auto business**;
3. to any vehicle resulting from, or sustained during practice or preparation for:
 - a. any pre-arranged or organized racing, stunting, speed or demolition contest or activity; or
 - b. any driving activity conducted on a permanent or temporary racetrack or race-course;
4. to any vehicle for which insurance:
 - a. is afforded under a nuclear energy liability insurance contract; or
 - b. would be afforded under a nuclear energy liability insurance contract but for its termination upon exhaustion of its limit of liability;

5. to any vehicle caused by an intentional act committed by or at the direction of **you**, a **relative**, a **rated resident**, or the owner of a **non-owned auto**, even if the actual damage is different than that which was intended or expected. This exclusion does not apply to a loss to a **covered auto** to the extent of the legal interest of a named insured who:
 - a. sustains the loss as the result of abuse by another named insured;
 - b. did not direct, participate in, or consent to the intentional act causing the loss; and
 - c. either:
 - (i) files an abuse complaint against the person whose act caused the loss and does not voluntarily dismiss the complaint; or
 - (ii) seeks a warrant for the abuser's arrest for the act causing the loss and cooperates in the prosecution of the abuser;
6. to a **covered auto** while it is leased or rented to others or given in exchange for compensation, including while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of a **covered auto** by **you**, a **relative**, or a **rated resident**;
7. due to destruction or confiscation by governmental or civil authorities of any vehicle because **you**, any **relative**, or any **rated resident** engaged in illegal activities;
8. to any vehicle that is due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical, electrical or electronic breakdown or failure; or
 - d. road damage to tires.

This exclusion does not apply if the damage results from the theft of a vehicle;
9. to portable equipment, devices, accessories, and any other personal effects that are not permanently installed. This includes, but is not limited to:
 - a. tapes, compact discs, cassettes, DVDs, and other recording or recorded media;
 - b. any case or other container designed for use in storing or carrying tapes, compact discs, cassettes, DVDs, or other recording or recorded media;
 - c. any device used for the detection or location of radar, laser, or other speed measuring equipment or its transmissions; and
 - d. CB radios, telephones, two-way mobile radios, DVD players, personal computers, personal digital assistants, or televisions;
10. to any vehicle for diminution of value;
11. to any vehicle caused directly or indirectly by:
 - a. war (declared or undeclared) or civil war;
 - b. warlike action by any military force of any government, sovereign, or other authority using military personnel or agents. This includes any action taken to hinder or defend against an actual or expected attack; or
 - c. insurrection, rebellion, revolution, usurped power, or any action taken by a governmental authority to hinder or defend against any of these acts;
12. to any vehicle caused directly or indirectly by:
 - a. any accidental or intentional discharge, dispersal or release of radioactive, nuclear, pathogenic or poisonous biological material; or
 - b. any intentional discharge, dispersal or release of chemical or hazardous material for any purpose other than its safe and useful purpose; or

13. to any vehicle caused by, or reasonably expected to result from, a criminal act or omission of **you**, a **relative**, a **rated resident**, or the owner of a **non-owned auto**. This exclusion applies regardless of whether **you**, the **relative**, the **rated resident**, or the owner of the **non-owned auto** is actually charged with, or convicted of, a crime. For purposes of this exclusion, criminal acts or omissions do not include traffic violations.

LIMITS OF LIABILITY

1. The limit of liability for loss to a **covered auto**, **non-owned auto**, or **custom parts or equipment** is the lowest of:
 - a. the actual cash value of the stolen or damaged property at the time of the loss reduced by the applicable deductible;
 - b. the amount necessary to replace the stolen or damaged property reduced by the applicable deductible;
 - c. the amount necessary to repair the damaged property to its pre-loss condition reduced by the applicable deductible; or
 - d. the Stated Amount shown on the **declarations page** for that **covered auto**.

However, the most **we** will pay for loss to:

 - a. **custom parts or equipment** is \$1,000 unless **you** purchased Additional Custom Parts or Equipment Coverage ("ACPE"). If **you** purchased ACPE, the most **we** will pay is \$1,000 plus the amount of ACPE **you** purchased.
 - b. a **trailer** is the limit of liability shown on the **declarations page** for that **trailer**. If the **trailer** is not shown on the **declarations page**, the limit of liability is \$500.
2. Payments for loss to a **covered auto**, **non-owned auto**, or **custom parts or equipment** are subject to the following provisions:
 - a. If coverage applies to a **non-owned auto**, **we** will provide the broadest coverage applicable to any **covered auto** shown on the **declarations page**.
 - b. If **you** have elected a Stated Amount for a **covered auto**, the Stated Amount is the most **we** will pay for all loss to that **covered auto**, including its **custom parts or equipment**.
 - c. Coverage for **custom parts or equipment** will not cause **our** limit of liability for loss to an **auto** under this Part IV to be increased to an amount in excess of the actual cash value of the **auto**, including its **custom parts or equipment**.
 - d. In determining the amount necessary to repair damaged property to its pre-loss condition, the amount to be paid by **us**:
 - (i) will not exceed the prevailing competitive labor rates charged in the area where the property is to be repaired and the cost of repair or replacement parts and equipment, as reasonably determined by **us**; and
 - (ii) will be based on the cost of repair or replacement parts and equipment which may be new, reconditioned, remanufactured or used, including, but not limited to:
 - (a) original manufacturer parts or equipment; and
 - (b) nonoriginal manufacturer parts or equipment.
 - e. To determine the amount necessary to repair or replace the damaged property as referred to in subsection 1., the total cost of necessary repair or replace-

ment may be reduced by unrepaired prior damage. Unrepaired prior damage includes broken, cracked or missing parts; rust; dents; scrapes; gouges; and peeling paint. The reduction for unrepaired prior damage is the cost of labor, parts and materials necessary to repair or replace damage, deterioration, defects, or wear and tear on exterior body parts, windshields and other glass, wheels, and paint, that existed prior to the accident and that is eliminated as a result of the repair or replacement of property damaged in the loss.

- f. To determine the amount necessary to repair or replace the damaged property as referred to in subsection 1., an adjustment may be made for betterment or depreciation and physical condition on:
 - (i) batteries;
 - (ii) tires;
 - (iii) engines and transmissions, if the engine has greater than 80,000 miles; and
 - (iv) any other **mechanical parts** that are nonfunctioning or inoperative.

We will not make an adjustment for the labor costs associated with the replacement or repair of these parts.
 - g. The actual cash value is determined by the market value, age, and condition of the vehicle at the time the loss occurs.
3. No deductible will apply to a loss to window glass when the glass is repaired instead of replaced.
 4. Duplicate recovery for the same elements of damages is not permitted.
 5. The following additional limits of liability apply to Pet Injury coverage:
 - a. The most **we** will pay for all damages in any one loss is a total of \$1,000 regardless of the number of dogs or cats involved.
 - b. If **your pet** dies in, or as a direct result of, a covered loss, **we** will provide a death benefit of \$1,000, less any payment **we** made toward veterinary expenses for **your pet**.
 - c. No deductible shall apply to this coverage.

PAYMENT OF LOSS

We may, at **our** option:

1. pay for the loss in money; or
2. repair or replace the damaged or stolen property.

At **our** expense, **we** may return any recovered stolen property to **you** or to the address shown on the **declarations page**, with payment for any damage resulting from the theft. **We** may keep all or part of the property at the agreed or appraised value.

We may settle any loss with **you** or the owner or lienholder of the property.

NO BENEFIT TO BAILEE

Coverage under this Part IV will not directly or indirectly benefit any carrier or other bailee for hire.

LOSS PAYABLE CLAUSE

Payment under this Part IV for a loss to a **covered auto** will be made according to **your** interest and the interest of any lienholder shown on the **declarations page** or designated by **you**. At **our** option, payment may be made to both jointly, or to either separately. However, if the **covered auto** is not a total loss, **we** may make payment to **you** and the repairer of the **auto**.

The lienholder's interest will not be protected:

1. where fraud, misrepresentation, material omission, or intentional damage resulting in a denial of coverage by **us** has been committed by or at the direction of **you** or any person seeking coverage; or
2. where the loss is otherwise not covered under the terms of this policy.

If this policy is cancelled, nonrenewed or voided, the interest of any lienholder under this agreement will also terminate.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, **we** will pay only **our** share of the loss. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide for a **non-owned auto**, or **trailer** not shown on the **declarations page**, will be excess over any other collectible source of recovery including, but not limited to:

1. any coverage provided by the owner of the **non-owned auto** or **trailer**;
2. any other applicable physical damage insurance; and
3. any other source of recovery applicable to the loss.

APPRAISAL

If **we** cannot agree with **you** on the amount of a loss, then **we** and **you** may mutually agree to an appraisal of the loss. Within 30 days of any mutual agreement for an appraisal, each party shall appoint a competent appraiser and shall notify the other party of that appraiser's identity. The appraisers will determine the amount of loss. If they fail to agree, the disagreement will be submitted to a qualified umpire chosen by the appraisers. If the two appraisers are unable to agree upon an umpire within 15 days, **we** or **you** may request that a judge of a court of record, in the county where **you** reside, select an umpire. The appraisers and umpire will determine the amount of loss. The amount of loss agreed to by both appraisers, or by one appraiser and the umpire, will be binding. **You** will pay **your** appraiser's fees and expenses. **We** will pay **our** appraiser's fees and expenses. All other expenses of the appraisal, including payment of the umpire if one is selected, will be shared equally between **us** and **you**. Neither **we** nor **you** waive any rights under this policy by agreeing to an appraisal.

PART V—ROADSIDE ASSISTANCE COVERAGE

INSURING AGREEMENT

If **you** pay the premium for this coverage, **we** will pay for **our** authorized service representative to provide the following services when necessary due to a **covered emergency**:

1. towing of a **covered disabled auto** to the nearest qualified repair facility; and
2. labor on a **covered disabled auto** at the place of disablement.

If a **covered disabled auto** is towed to any place other than the nearest qualified repair facility, **you** will be responsible for any additional charges incurred.

ADDITIONAL DEFINITIONS

When used in this Part V:

1. "**Covered disabled auto**" means a **covered auto** for which this coverage has been purchased that sustains a **covered emergency**.
2. "**Covered emergency**" means a disablement that is a result of:
 - a. mechanical or electrical breakdown;
 - b. battery failure;
 - c. insufficient supply of fuel, oil, water, or other fluid;
 - d. flat tire;
 - e. lock-out; or
 - f. entrapment in snow, mud, water or sand within 100 feet of a road or highway.

EXCLUSIONS—READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART V.

Coverage under this Part V will not apply to:

1. more than three **covered emergencies** for any single **covered auto** in a six-month period;
2. the cost of purchasing parts, fluid, lubricants, fuel, or replacement keys, or the labor to make replacement keys;
3. installation of products or material not related to the disablement;
4. labor not related to the disablement;
5. labor on a **covered disabled auto** for any time period in excess of 60 minutes per disablement;
6. towing or storage related to impoundment, abandonment, illegal parking, or other violations of law;
7. assistance with jacks, levelers, airbags or awnings;
8. labor or repair work performed at a service station, garage, or repair shop;
9. auto storage charges;
10. disablement that occurs on roads not regularly maintained, sand beaches, open fields, or areas designated as not passable due to construction, weather, or earth movement;
11. mounting or removing of snow tires or chains;
12. tire repair;

13. disablement that results from an intentional or willful act or action by **you**, a **relative**, or the operator of a **covered disabled auto**;
14. any **covered auto** while being used in connection with **ride-sharing activity**;
15. any **covered auto** while being used in connection with a **personal vehicle sharing program**; or
16. a trailer.

UNAUTHORIZED SERVICE PROVIDER

When service is rendered by a provider in the business of providing roadside assistance and towing services, other than one of **our** authorized service representatives, **we** will pay only reasonable charges, as determined by **us**, for:

1. towing of a **covered disabled auto** to the nearest qualified repair facility; and
 2. labor on a **covered disabled auto** at the place of disablement;
- which is necessary due to a **covered emergency**.

OTHER INSURANCE

Any coverage provided under this Part V for service rendered by an unauthorized service provider will be excess over any other collectible insurance or towing protection coverage.

PART VI—DUTIES IN CASE OF AN ACCIDENT OR LOSS

For coverage to apply under this policy, **you** or the person seeking coverage must promptly report each accident or loss even if **you** or the person seeking coverage is not at fault. **You** or the person seeking coverage must provide **us** with all accident or loss information, including time, place, and how the accident or loss happened. **You** or the person seeking coverage must also obtain and provide **us** the names and addresses of all persons involved in the accident or loss, the names and addresses of any witnesses, and the license plate numbers of the vehicles involved.

If **you** or the person seeking coverage cannot identify the owner or operator of a vehicle involved in the accident, or if theft or vandalism has occurred, **you** or the person seeking coverage must notify the police within 24 hours or as soon as practicable.

A person seeking coverage must:

1. cooperate with **us** in any matter concerning a claim or lawsuit;
2. provide any written proof of loss **we** may reasonably require;
3. allow **us** to take signed and recorded statements, including sworn statements and examinations under oath, which **we** may conduct outside the presence of **you** or any other person seeking coverage, and answer all reasonable questions **we** may ask as often as **we** may reasonably require;
4. promptly call to notify **us** about any claim or lawsuit and send **us** any and all legal papers relating to the claim or suit;
5. attend hearings and trials as **we** require;

6. take reasonable steps after a loss to protect the **covered auto**, or any other vehicle for which coverage is sought, from further loss. **We** will pay reasonable expenses incurred in providing that protection. If failure to provide such protection results in further loss, any additional damages will not be covered under this policy;
7. allow **us** to have the damaged **covered auto**, or any other damaged vehicle for which coverage is sought, inspected and appraised before its repair or disposal;
8. submit to medical examinations at **our** expense by doctors **we** select as often as **we** may reasonably require; and
9. authorize **us** to obtain medical and other records.

PART VII—GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

This policy applies only to accidents and losses occurring during the policy period shown on the **declarations page** and that occur within a state, territory or possession of the United States of America, or a province or territory of Canada, or while a **covered auto** is being transported between their ports.

CHANGES

This policy contract, **your** insurance application (which is made a part of this policy as if attached hereto), the **declarations page**, and all endorsements to this policy issued by **us**, contain all the agreements between **you** and **us**. Subject to the following, the terms of this policy may not be changed or waived except by an endorsement issued by **us**.

The premium for this policy is based on information **we** received from **you** and other sources. **You** agree to cooperate with **us** in determining if this information is correct and complete, and to promptly notify **us** if it changes during the policy period. If this information is determined by **us** to be incorrect, incomplete, or if it changes during the policy period, **you** agree that **we** may adjust **your** policy information and premium accordingly. Changes that may result in a premium adjustment are contained in **our** rates and rules. These include, but are not limited to, **you**, a **relative**, or a **rated resident** obtaining a driver's license or operator's permit, or changes in:

1. the number, type or use classification of **covered autos**;
2. the persons who regularly operate a **covered auto**;
3. the persons of legal driving age residing in **your** household;
4. the residents in **your** household;
5. an operator's marital status;
6. **your** mailing address and **your** residence address;
7. the principal garaging address of any **covered auto**;
8. coverage, deductibles, or limits of liability; or
9. rating territory or discount eligibility.

The coverage provided in **your** policy may be changed only by the issuance of a new policy or an endorsement by **us**. However, if during the policy period **we** broaden any coverage afforded under the current edition of **your** policy without additional premium

charge, that change will automatically apply to **your** policy as of the date the coverage change is implemented in **your** state.

If **you** ask **us** to delete a vehicle from this policy, no coverage will apply to that vehicle as of the date and time **you** ask **us** to delete it.

DUTY TO REPORT CHANGES

You must promptly report to **us** all changes, including additions and deletions, in policy information. This includes, but is not limited to, changes in:

1. **your** mailing address or **your** residence address;
2. the principal garaging address of any **covered auto**;
3. the residents in **your** household;
4. the persons of legal driving age residing in **your** household;
5. the persons who regularly operate a **covered auto**;
6. an operator's marital status; or
7. the driver's license or operator's permit status of **you**, a **relative**, or a **rated resident**.

SETTLEMENT OF CLAIMS

We may use estimating, appraisal, or injury evaluation systems to assist **us** in adjusting claims under this policy and to assist **us** in determining the amount of damages, expenses, or loss payable under this policy. Such systems may be developed by **us** or a third party and may include computer software, databases, and specialized technology.

TERMS OF POLICY CONFORMED TO STATUTES

If any provision of this policy fails to conform to the statutes of the state listed on **your** application as **your** residence, the provision shall be deemed amended to conform to such statutes. All other provisions shall be given full force and effect. Any disputes as to the coverages provided or the provisions of this policy shall be governed by the law of the state listed on **your** application as **your** residence.

TRANSFER OF INTEREST

The rights and duties under this policy may not be transferred to another person without **our** written consent. However, if a named insured shown on the **declarations page** dies, this policy will provide coverage until the end of the policy period for the legal representative of the named insured, while acting as such, and for persons covered under this policy on the date of the named insured's death.

FRAUD OR MISREPRESENTATION

This policy was issued in reliance upon the information provided on **your** insurance application. **We** may void this policy at any time, including after the occurrence of an accident or loss, if **you**:

1. made incorrect statements or representations to **us** with regard to any material fact or circumstance;

2. concealed or misrepresented any material fact or circumstance; or
 3. engaged in fraudulent conduct;
- at the time of application. This means that **we** will not be liable for any claims or damages that would otherwise be covered.

Any changes **we** make at **your** request to this policy after inception will be made in reliance upon information **you** provide. If **you**:

1. make incorrect statements or representations to **us** with regard to any material fact or circumstance;
2. conceal or misrepresent any material fact or circumstance; or
3. engage in fraudulent conduct;

in connection with a requested change **we** may void the policy or reform it as it existed immediately prior to the requested change. **We** may do this at any time, including after the occurrence of an accident or loss.

However, if **we** have certified this policy as proof of financial responsibility and **we** void this policy, this shall not affect coverage under Part I of this policy up to the minimum limits required by the financial responsibility law of the state shown on **your** application as **your** residence for an accident that occurs before **we** notify the named insured that the policy is void. No payment will be made to any person who engages in fraudulent conduct. If **we** void this policy, **you** must reimburse **us** if **we** make a payment.

When **we** have not voided or reformed the policy, **we** may still deny coverage for an accident or loss if **you**, in connection with the policy application, in connection with any requested change, or at any time during the policy period, have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct and that concealment, misrepresentation, or fraudulent conduct was material to a risk **we** assumed.

We may deny coverage for an accident or loss if **you** or a person seeking coverage has concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

PAYMENT OF PREMIUM AND FEES

If **your** initial premium payment is by check, draft, electronic funds transfer, or similar form of remittance, coverage under this policy is conditioned on payment to **us** by the financial institution. If the financial institution upon presentment does not honor the check, draft, electronic funds transfer, or similar form of remittance, this policy may, at **our** option, be deemed void from its inception. This means **we** will not be liable under this policy for any claims or damages that would otherwise be covered if the check, draft, electronic funds transfer, or similar form of remittance had been honored by the financial institution. Any action by **us** to present the remittance for payment more than once shall not affect **our** right to void this policy.

In addition to premium, fees may be charged on **your** policy. **We** may charge fees for installment payments, late payments, and other transactions. Payments made on **your** policy will be applied first to fees, then to premium due.

CANCELLATION

You may cancel this policy during the policy period by calling or writing **us** and stating the future date **you** wish the cancellation to be effective.

We may cancel this policy during the policy period by mailing a notice of cancellation to the named insured shown on the **declarations page** at the last known address appearing in **our** records.

We will give at least 10 days notice of cancellation if:

1. **we** cancel during the first 59 days of the initial policy period; or
2. the policy is cancelled for nonpayment of premium.

We will give at least 20 days notice of cancellation in all other cases.

We may cancel this policy for any reason if the notice is mailed within the first 59 days of the initial policy period.

After this policy is in effect for more than 59 days, or if this is a renewal or continuation policy, **we** may cancel only for one or more of the following reasons:

1. nonpayment of premium;
2. material misrepresentation or fraud by **you** with respect to any material fact in the procurement or renewal of this policy;
3. any insured person violated any of the terms or conditions of this policy;
4. any insured person has made a false or fraudulent claim or knowingly aided or abetted another in the presentation of such a claim;
5. the person shown as the named insured on the **declarations page**:
 - a. failed to fully disclose the named insured's motor vehicle accidents and moving traffic violations for the preceding 36 months if called for in the application; or
 - b. failed to disclose any information necessary for the acceptance or proper rating of the risk in the application or in response to an inquiry by **us**, any of **our** agents or the named insured's broker;
6. the person shown as the named insured on the **declarations page**, or any other operator who either resides in the same household or who customarily operates a **covered auto**:
 - a. has, within the 36 months prior to the notice of cancellation, had his or her driving license under suspension or revocation;
 - b. is, or becomes, subject to epilepsy or heart attacks, and does not produce a certificate from a physician testifying to such person's unqualified ability to operate a motor vehicle safely;
 - c. has an accident record, conviction record (criminal or traffic), or physical, mental, or other condition, which is such that the person's operation of an automobile might endanger public safety;
 - d. has, within the 36 months prior to the notice of cancellation, been addicted to the use of narcotics or other drugs;

- e. uses alcoholic beverages to excess;
 - f. has, within the 36 months immediately preceding the notice of cancellation, been convicted of or forfeited bail for:
 - (i) any felony;
 - (ii) criminal negligence resulting in death, homicide or assault arising out of the operation of a motor vehicle;
 - (iii) operating a motor vehicle while intoxicated or under the influence of drugs;
 - (iv) being intoxicated while **occupying** or while having custody of an automobile;
 - (v) leaving the scene of an accident without stopping to report;
 - (vi) theft or unlawful taking of a motor vehicle;
 - (vii) making false statements in an application for a driver's license; or
 - (viii) three or more violations of:
 - (a) any law, ordinance or regulation limiting the speed of motor vehicles; or
 - (b) any of the provisions of the motor vehicle laws of any state, the violation of which constitutes a misdemeanor, whether or not the violations were different offenses or repetitions of the same offense;
7. a **covered auto** is:
- a. so mechanically defective that its operation might endanger public safety;
 - b. used to carry passengers for compensation or a fee. This does not apply to shared-expense car pools;
 - c. used in the business of transporting flammables or explosives;
 - d. an authorized emergency vehicle;
 - e. changed in shape or condition during the policy period so as to substantially increase the risk; or
 - f. subject to an inspection law and has not been inspected or has failed inspection; or
8. any other reason permitted by law.

Proof of mailing will be sufficient proof of notice. If this policy is cancelled, coverage will not be provided as of the effective date and time shown in the notice of cancellation. For purposes of cancellation, this policy is neither severable nor divisible. Any cancellation will be effective for all coverages for all persons and all vehicles.

CANCELLATION REFUND

Upon cancellation, **you** may be entitled to a premium refund. However, **our** making or offering of a refund is not a condition of cancellation.

If this policy is cancelled, any refund due will be computed on a daily pro rata basis. However, **we** will retain a cancellation fee if this policy is cancelled at **your** request or if cancellation is for nonpayment of premium. A cancellation fee will be charged only during the initial policy period.

NONRENEWAL

If neither **we** nor one of **our** affiliates offers to renew or continue this policy, **we** will mail notice of nonrenewal to the named insured shown on the **declarations page** at the last known address appearing in **our** records. Proof of mailing will be sufficient proof of notice.

AUTOMATIC TERMINATION

If **we** or an affiliate offers to renew or continue this policy and **you** or **your** representative does not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due will mean that **you** have not accepted **our** offer.

If **you** obtain other insurance on a **covered auto**, any similar insurance provided by this policy will terminate as to that **covered auto** on the effective date of the other insurance.

If a **covered auto** is sold or transferred to someone other than **you** or a **relative**, any insurance provided by this policy will terminate as to that **covered auto** on the effective date of the sale or transfer.

LEGAL ACTION AGAINST US

We may not be sued unless there is full compliance with all the terms of this policy.

We may not be sued for payment under Part I—Liability To Others until the obligation of an insured person under Part I to pay is finally determined either by judgment after trial against that person or by written agreement of the insured person, the claimant, and **us**. No one will have any right to make **us** a party to a lawsuit to determine the liability of an insured person.

If **we** retain salvage, **we** have no duty to preserve or otherwise retain the salvage for any purpose, including evidence for any civil or criminal proceeding.

OUR RIGHTS TO RECOVER PAYMENT

We are entitled to the rights of recovery that the insured person to whom payment was made has against another, to the extent of **our** payment. This right of recovery exists regardless of whether the insured person has been fully compensated for all damages, whether the insured person has a deductible under **our** policy, or whether others have paid for only a part of the insured person's loss. That insured person may be required to sign documents related to the recovery and must do whatever else **we** require to help **us** exercise those recovery rights, and do nothing after an accident or loss to prejudice those rights.

When an insured person has been paid by **us** and also recovers from another, the amount recovered will be held by the insured person in trust for **us** and reimbursed to **us** to the extent of **our** payment. If **we** are not reimbursed, **we** may pursue recovery of that amount directly against that insured person.

The common-fund doctrine is hereby expressly abrogated, such that **our** rights of recovery will not be reduced by any attorney fees, court costs, litigation expenses, or any other costs incurred by the insured person in pursuance of the recovery.

If an insured person recovers from another without **our** written consent, the insured person's right to payment under any affected coverage will no longer exist.

If **we** elect to exercise **our** rights of recovery against another, **we** will also attempt to recover any deductible incurred by an insured person under this policy unless **we** are specifically instructed by that person not to pursue the deductible. **We** have no obligation to pursue recovery against another for any loss not covered by this policy.

We reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. **We** also reserve the right to incur reasonable expenses and attorney fees in pursuit of the recovery.

If the total recovery is less than the total of **our** payment and the deductible, **we** will reduce reimbursement of the deductible based on the proportion that the actual recovery bears to the total of **our** payment and the deductible. A proportionate share of collection expenses and attorney fees incurred in connection with these recovery efforts will also reduce reimbursement of the deductible.

These provisions will be applied in accordance with state law, except for the application of the common-fund doctrine, which is expressly abrogated as set forth above.

JOINT AND INDIVIDUAL INTERESTS

If there is more than one named insured on this policy, any named insured may cancel or change this policy. The action of one named insured will be binding on all persons provided coverage under this policy.

BANKRUPTCY

The bankruptcy or insolvency of an insured person will not relieve **us** of any obligations under this policy.

EXHIBIT C

Vehicle Valuation Report



Prepared For Progressive Group of Insurance Companies (800) 321-9843

Claim Information

Claim Number	Policy Number	Loss Type	Owner	
17-2909024-01		COLLISION	LAUREN REYNOLDS	
Loss Date	Reported Date	Valuation Report Date	Valuation Report ID	Version Number
02/21/2017	02/21/2017	02/24/2017	1006595599	1

Vehicle Information

Year	Make	Model	Location	Mileage
2014	Kia	Forte LX 4 Door Sedan 1.8L 4 Cyl Gas A FWD	AL 35614	47,822 miles
Ext Color	License	VIN	Title History	
Bright Silver		KNAFX4A64E5203223	No	

Valuation Summary

Loss Vehicle Adjustments

Adjustments specific to your vehicle

Base Value =	\$10,774.64
Condition -	\$40.73
Prior Damage +	\$0.00
Aftermarket Parts +	\$0.00
Refurbishment +	\$0.00
Title History -	\$0.00
Market Value =	\$10,733.91

Settlement Adjustments

Adjustments specific to your policy

Deductible -	\$500.00
Settlement Value =	\$10,233.91

Settlement Value:
\$10,233.91

Loss Vehicle Detail

Loss vehicle: 2014 Kia Forte | LX 4 Door Sedan | 1.8L 4 Cyl Gas A FWD

Standard Equipment

Exterior

Auto Off Projector Beam Halogen Headlamps w/Delay-Off	Black grille w/chrome surround
Black Side Windows Trim	Body-colored door handles
Body-colored front bumper	Body-Colored Power Heated Side Mirrors w/Manual Folding
Body-Colored Rear Bumper w/Black Rub Strip/Fascia Accent	Clearcoat paint
Fixed Rear Window w/Defroster	Front Windshield -inc: Sun Visor Strip
Fully Galvanized Steel Panels	Light tinted glass
Spare Tire Tire Inflator	Tires: P195/65R15 -inc: low rolling resistance
Trunk Rear Cargo Access	Variable intermittent wipers
Wheels: 6.0J x 15" Steel w/Full Covers	

Interior

2 12V DC Power Outlets	4-Way Passenger Seat -inc: Manual Recline and Fore/Aft Movement
60-40 Folding Bench Front Facing Fold Forward Seatback Cloth Rear Seat	Air filtration
Analog Display	Cargo Area Concealed Storage
Cargo Features -inc: Spare Tire Tire Inflator	Cargo Space Lights
Carpet Floor Trim and Carpet Trunk Lid/Rear Cargo Door Trim	Cloth Front Seats w/Cloth Back Material
Day-night rearview mirror	Delayed Accessory Power
Driver / Passenger And Rear Door Bins	Driver And Passenger Visor Vanity Mirrors
Driver foot rest	Fade-to-off interior lighting
Front Bucket Seats -inc: 6-way adjustable driver's seat	Front center armrest
Front Cupholder	Full Carpet Floor Covering
Full cloth headliner	Full Floor Console w/Covered Storage and 2 12V DC Power Outlets
HVAC -inc: Underseat Ducts	Illuminated glove box
Interior Trim -inc: Chrome Interior Accents	Manual Adjustable Front Head Restraints and Manual Adjustable Rear Head Restraints
Manual air conditioning	Manual tilt/telescoping steering column
Outside temp gauge	Power 1st Row Windows w/Driver 1-Touch Down
Power door locks	Power Fuel Flap Locking Type
Power Rear Windows	Radio w/Seek-Scan, Clock and Speed Compensated Volume Control
Radio: AM/FM/CD/MP3 Audio Unit -inc: SIRIUS satellite radio, USB/auxiliary input jacks, 4 speakers and Bluetooth wireless technology w/steering-wheel-mounted audio controls	Rear cupholder
Remote Entry w/Illuminated Entry	Remote Releases -Inc: Mechanical Trunk/Hatch and Mechanical Fuel
Trip computer	Urethane Gear Shift Knob
Vinyl Door Trim Insert	Window Grid Antenna

Wireless Streaming

Mechanical

13.2 Gal. Fuel Tank	3.065 Axle Ratio
4-Wheel Disc Brakes w/4-Wheel ABS, Front Vented Discs, Brake Assist and Hill Hold Control	68-Amp/Hr 600CCA Maintenance-Free Battery w/Run Down Protection
90 amp alternator	Electric Power-Assist Steering
Front Anti-Roll Bar	Front-wheel drive
Gas-pressurized shock absorbers	Single stainless steel exhaust
Strut Front Suspension w/Coil Springs	Torsion beam rear suspension w/coil springs

Safety

ABS And Driveline Traction Control	Airbag Occupancy Sensor
Curtain 1st And 2nd Row Airbags	Dual Stage Driver And Passenger Front Airbags
Dual Stage Driver And Passenger Seat-Mounted Side Airbags	Electronic stability control (ESC)
Low Tire Pressure Warning	Outboard Front Lap And Shoulder Safety Belts -inc: Rear Center 3 Point, Height Adjusters and Pretensioners
Rear child safety locks	Side impact beams

Packages

POPULAR PACKAGE

-inc: sliding armrest, rear center armrest w/cupholders, soft touch dash and front upper door panels, front passenger side seat back map pockets and illuminated ignition keylock cylinder, Premium Woven Cloth Seat Trim, Cruise Control w/Steering-Wheel-Mounted Controls, Tweeter Speakers, Wheels: 6.5J x 16" 10-Spoke Alloy, Tires: P205/55R16, Remote Keyless Entry w/Trunk Opener, Outside Mirrors w/Turn Signal Indicators, Dual Illuminated Visor Vanity Mirrors

Optional Equipment

CARPETED FLOOR MATS

*DIO/PIO = Dealer/Port Installed Options

Loss Vehicle Base Value

Loss vehicle: 2014 Kia Forte | LX 4 Door Sedan | 1.8L 4 Cyl Gas A FWD

Comparable Vehicle Information

Search Radius used for this valuation: 75 miles from loss vehicle zip/postal code.

Typical Mileage for this vehicle: 34,000 miles

#	Vehicle Description	Mileage	Location	Distance From Loss Vehicle	Price	Adjusted Value
1	2014 KIA FORTE LX 4D SDN 4 1.8NORMAL GAS A 2WD	59,822	35661	29 miles	\$9,655.00 Sold Price	\$10,509.04
2	2014 KIA FORTE LX 4D SDN 4 1.8NORMAL GAS A 2WD	53,545	35611	9 miles	\$10,990.00 List Price	\$10,945.84
3	2014 KIA FORTE LX 4D SDN 4 1.8NORMAL GAS A 2WD	69,493	35806	23 miles	\$10,695.00 List Price	\$10,328.26
4	2014 KIA FORTE LX 4D SDN 4 1.8NORMAL GAS A 2WD	60,371	35806	23 miles	\$10,995.00 List Price	\$11,156.99
5	2014 KIA FORTE LX 4D SDN 4 1.8NORMAL GAS A 2WD	21,799	35806	23 miles	\$11,335.00 List Price	\$9,460.11
6	2014 KIA FORTE LX 4D SDN 4 1.8NORMAL GAS A 2WD	33,143	35816	26 miles	\$12,491.00 List Price	\$10,905.99
7	2014 KIA FORTE LX 4D SDN 4 1.8NORMAL GAS A 2WD	26,402	35816	26 miles	\$12,295.00 List Price	\$10,416.69
8	2014 KIA FORTE LX 4D SDN 4 1.8NORMAL GAS A 2WD	52,266	35660	38 miles	\$12,500.00 List Price	\$12,404.94
9	2014 KIA FORTE LX 4D SDN 4 1.8NORMAL GAS A 2WD	39,699	35058	48 miles	\$12,000.00 List Price	\$11,361.67
10	2014 KIA FORTE LX 4D SDN 4 1.8NORMAL GAS A 2WD	64,824	38401	54 miles	\$10,499.00 List Price	\$10,256.90
Base Value:						\$10,774.64

Loss Vehicle Adjustments

Loss vehicle: 2014 Kia Forte | LX 4 Door Sedan | 1.8L 4 Cyl Gas A FWD

Condition Adjustments

Condition Adjustment: **-\$40.73**

Overall Condition: **2.91-Good**

Typical Vehicle Condition: **3.00**

Category	Condition	Comments
Interior		
DASH/CONSOLE	3 Good	typical
CARPET	3 Good	typical
DOORS/INTERIOR PANELS	3 Good	typical
SEATS	3 Good	typical
HEADLINER	3 Good	no damage
GLASS	3 Good	no damage
Exterior		
PAINT	2 Fair	large scratch to left front and rear door.
BODY	Typical	typical
VINYL/CONVERTIBLE TOP	Typical	
TRIM	3 Good	typical
Mechanical		
TRANSMISSION	3 Good	typical
ENGINE	3 Good	typical
Tire	3 Good	5,7,6,8

Typical condition reflects a vehicle that is in ready-for-sale condition and reflects normal wear and tear for that vehicle type / age.

Comments:

Title History Adjustment

Description	Adjustment Amount
The title history deduction is an average deduction that represents a variety of title history types such as flood, hail, collision, etc. and is not specific to a particular title type. In addition, the degree of the damage that resulted in a title history is assumed to be typical.	\$0.00

Comparable Vehicles

Loss vehicle: 2014 Kia Forte | LX 4 Door Sedan | 1.8L 4 Cyl Gas A FWD

1 2014 KIA FORTE LX 4D SDN 4 1.8 NORMAL GAS A2WD Sold Price: \$9,655.00

VIN Stock No Listing Date ZIP/Postal Code Distance from Loss Vehicle
 KNAFK4A62E5XXXXXX 12/23/2016 35661 29 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER SALE - BUILDSHEET - J.D. POWER	Mileage	47,822	59,822	\$357.49
	Equipment			
	POPULAR PACKAGE	Yes	No	\$496.55
Total Adjustments:				\$854.04
Adjusted Price:				\$10,509.04

Comparable Vehicle Option Details:
 CARPETED FLOOR MATS

2 2014 KIA FORTE LX 4D SDN 4 1.8 NORMAL GAS A2WD List Price: \$10,990.00

VIN Stock No Listing Date ZIP/Postal Code Distance from Loss Vehicle
 KNAFK4A62E5207317 C3425B 11/30/2016 35611 9 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM	Projected Sold Adjustment			-\$759.00
CHAMPION CHEVROLET CHRYSLER DODGE JEEP RAM	Mileage	47,822	53,545	\$188.67
	Equipment			
907 S CLINTON ST ATHENS AL 35611 256-232-8787	POPULAR PACKAGE	Yes	No	\$526.17
Total Adjustments:				-\$44.16
Adjusted Price:				\$10,945.84

Comparable Vehicle Option Details:
 CARPETED FLOOR MATS

3 2014 KIA FORTE LX 4D SDN 4 1.8 NORMAL GAS A2WD List Price: \$10,695.00

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
KNAFX4A61E5153333	C170198A	12/07/2016	35806	23 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM	Projected Sold Adjustment			-\$739.00
UNIVERSITY KIA	Mileage	47,822	69,493	\$571.38
6519 UNIVERSITY DR NW	Equipment			
HUNTSVILLE AL 35806	AUTO-DIMMING MIRROR	No	Yes	-\$199.12
256-217-1700				
			Total Adjustments:	-\$366.74
			Adjusted Price:	\$10,328.26

Comparable Vehicle Package Details:

POPULAR PACKAGE

Comparable Vehicle Option Details:

CARPETED FLOOR MATS, AUTO-DIMMING MIRROR

4 2014 KIA FORTE LX 4D SDN 4 1.8 NORMAL GAS A2WD List Price: \$10,995.00

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
KNAFK4A66E5120035	T170179A	12/09/2016	35806	23 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM	Projected Sold Adjustment			-\$760.00
UNIVERSITY KIA	Mileage	47,822	60,371	\$395.61
6519 UNIVERSITY DR NW	Equipment			
HUNTSVILLE AL 35806	POPULAR PACKAGE	Yes	No	\$526.38
256-217-1700				
			Total Adjustments:	\$161.99
			Adjusted Price:	\$11,156.99

Comparable Vehicle Option Details:

CARPETED FLOOR MATS

5 2014 KIA FORTE LX 4D SDN 4 1.8 NORMAL GAS A2WD List Price: \$11,335.00

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
KNAFX4A60E5249387	C160275A	01/26/2017	35806	23 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM	Projected Sold Adjustment			-\$783.00
UNIVERSITY KIA	Mileage	47,822	21,799	-\$1,091.89
6519 UNIVERSITY DR NW				
HUNTSVILLE AL 35806				
256-217-1700				
			Total Adjustments:	-\$1,874.89
			Adjusted Price:	\$9,460.11

Comparable Vehicle Package Details:

POPULAR PACKAGE

Comparable Vehicle Option Details:

CARPETED FLOOR MATS

6 2014 KIA FORTE LX 4D SDN 4 1.8 NORMAL GAS A2WD List Price: \$12,491.00

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
KNAFX4A62E5202927	6X7244A	11/26/2016	35816	26 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM	Projected Sold Adjustment			-\$863.00
LANDERS MCLARTY CHEVROLET	Mileage	47,822	33,143	-\$722.01
4930 UNIVERSITY DR				
HUNTSVILLE AL 35816				
256-830-1600				
			Total Adjustments:	-\$1,585.01
			Adjusted Price:	\$10,905.99

Comparable Vehicle Package Details:

POPULAR PACKAGE

Comparable Vehicle Option Details:

CARPETED FLOOR MATS

7 2014 KIA FORTE LX 4D SDN 4 1.8 NORMAL GAS A2WD **List Price: \$12,295.00**

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
KNAFX4A64E5148482	1240020717	02/06/2017	35816	26 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - AUTOTRADER.COM	Projected Sold Adjustment			-\$850.00
DRIVETIME HUNTSVILLE	Mileage	47,822	26,402	-\$1,028.31
3801 UNIVERSITY DR NW				
HUNTSVILLE AL 35816				
256-716-6950				
			Total Adjustments:	-\$1,878.31
			Adjusted Price:	\$10,416.69

Comparable Vehicle Package Details:

POPULAR PACKAGE

Comparable Vehicle Option Details:

CARPETED FLOOR MATS

8 2014 KIA FORTE LX 4D SDN 4 1.8 NORMAL GAS A2WD **List Price: \$12,500.00**

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
KNAFK4A69E5068464	0T17009A	12/11/2016	35660	38 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM	Projected Sold Adjustment			-\$864.00
SHOALS UNIVERSITY KIA	Mileage	47,822	52,266	\$170.51
4109 N JACKSON HWY	Equipment			
SHEFFIELD AL 35660	POPULAR PACKAGE	Yes	No	\$598.43
256-978-1000				
			Total Adjustments:	-\$95.06
			Adjusted Price:	\$12,404.94

Comparable Vehicle Option Details:

CARPETED FLOOR MATS

9 2014 KIA FORTE LX 4D SDN 4 1.8 NORMAL GAS A2WD **List Price: \$12,000.00**

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
KNAFK4A67E5129567	AY15149A	02/01/2017	35058	48 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM	Projected Sold Adjustment			-\$829.00
BILLY RAY TAYLOR AUTO SALES	Mileage	47,822	39,699	-\$383.84
5355 AL HWY 157	Equipment			
CULLMAN AL 35058	POPULAR PACKAGE	Yes	No	\$574.51
256-737-0991				
			Total Adjustments:	-\$638.33
			Adjusted Price:	\$11,361.67

Comparable Vehicle Option Details:
CARPETED FLOOR MATS

10 2014 KIA FORTE LX 4D SDN 4 1.8 NORMAL GAS A2WD **List Price: \$10,499.00**

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
KNAFX4A65E5061142	T80834A	02/22/2017	38401	54 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM	Projected Sold Adjustment			-\$726.00
ROBERTS TOYOTA	Mileage	47,822	64,824	\$483.90
1027 NASHVILLE HWY				
COLUMBIA TN 38401				
931-388-3006				
			Total Adjustments:	-\$242.10
			Adjusted Price:	\$10,256.90

Comparable Vehicle Package Details:
POPULAR PACKAGE

Comparable Vehicle Option Details:
CARPETED FLOOR MATS

Sub-Model Comparison

Sub-Model Description	Configuration	Original MSRP
2014 Kia Forte LX	4 Door Sedan 1.8L 4 Cyl Gas FWD	\$17,500.00

Vehicle Valuation Methodology Explanation

WorkCenter Total Loss was built through a joint partnership between J.D. Power and Associates vehicle valuation division Power Information Network (P.I.N.) and Mitchell International, a leading provider of claims processing solutions to private passenger insurers.

WorkCenter Total Loss produces accurate and easy-to-understand vehicle valuations via this five step process:

Step 1 - Locate Comparable Vehicles

Locate vehicles similar to the loss vehicle in the same market area. WorkCenter Total Loss finds these vehicles in AutoTrader.com, Cars.com, Vast.com and directly from dealerships.

Step 2 - Adjust Comparable Vehicles

Make adjustments to the prices of the comparable vehicles. The comparable vehicles are identical to the loss vehicle except where adjustments are itemized. There are several types of comparable vehicle adjustments

- Projected Sold Adjustment - an adjustment to reflect consumer purchasing behavior (negotiating a different price than the listed price).
- Mileage Adjustment - an adjustment for differences in mileage between the comparable vehicle and the loss vehicle.
- Equipment- adjustments for differences in equipment between the comparable vehicle (e.g. equipment packages and options) and the loss vehicle.

Step 3 - Calculate Base Vehicle Value

The base vehicle value is calculated by averaging the adjusted prices of the comparable vehicles.

Step 4 - Calculate Loss Vehicle Adjustments

There are four types of loss vehicle adjustments:

- Condition Adjustment:
Adjustments to account for the condition of the loss vehicle prior to the loss.
- Prior Damage Adjustment:
Adjustments to account for any prior damage present on the loss vehicle prior to the loss.
- After Market Part Adjustment:
Adjustments to account for any after market parts present on the loss vehicle prior to the loss.
- Refurbishment Adjustment:
Adjustments to account for any refurbishment performed on the loss vehicle prior to the loss.

Step 5 - Calculate the Market Value

The Market Value is calculated by applying the loss vehicle adjustments to the base value.

EXHIBIT D

Vehicle Valuation Report



Prepared For Progressive Group of Insurance Companies (800) 321-9843

Claim Information

Claim Number	Policy Number	Loss Type	Owner	
18-2071735-01		COMPREHENSIVE	VELVA PENN 19537 SHEPARD LAKE RD E MT VERNON, AL 36560 +1-251-4429997	
Loss Date	Reported Date	Valuation Report Date	Valuation Report ID	Version Number
11/23/2018	11/24/2018	12/03/2018	1008414686	1

Vehicle Information

Year	Make	Model	Location	Mileage
2013	Kia	Optima SX w/Limited Pkg 4 Door Sedan 2.0L 4 Cyl Gas Turbocharged A FWD	AL 36560	123,890 miles
Ext Color	License	VIN	Title History	
		5XXGR4A6XDG104823	No	

Valuation Summary

Loss Vehicle Adjustments

Adjustments specific to your vehicle

Base Value =	\$11,611.70
Condition -	\$1,823.26
Prior Damage	\$0.00
Aftermarket Parts	\$0.00
Refurbishment	\$0.00

Market Value = \$9,788.44

Settlement Value:

\$8,788.44

Settlement Adjustments

Adjustments specific to your policy

Deductible - \$1,000.00

Settlement Value = \$8,788.44

Loss Vehicle Detail

Loss vehicle: 2013 Kia Optima | SX w/Limited Pkg 4 Door Sedan | 2.0L 4 Cyl Gas Turbocharged A FWD

Standard Equipment

Exterior

18" chrome wheels -inc: red front/rear calipers	Black gloss & chrome grille
Black-gloss front side fender garnish w/chrome accents	Body-color door handles w/chrome trim
Body-color folding heated pwr folding mirrors w/integrated LED turn signals	Body-colored bumpers -inc: unique lower sport styling
Body-colored side moldings -inc: sculpted sport side sills	Bright chrome door molding
Front fog lights	Insulated hood w/gas lifters
LED rear combination lamp	P225/45R18 tires
Panoramic sunroof	Rear LED high-mounted stop lamp
Rear lip spoiler -inc: chrome accent	Solar glass windshield w/sunband
SXL rear badging	Variable intermittent front windshield wipers w/jet washers -inc: aero covers
Xenon HID automatic headlights w/auto-leveling function -inc: black bezel, escort lighting	

Interior

(2) aux pwr outlets	60/40 split-folding heated rear bench seat w/adjustable outboard headrests
Alloy pedals	AM/FM stereo w/CD/MP3 player -inc: Infiniti audio system, satellite radio, SIRIUS Traffic, (8) speakers w/tweeters, center speaker, subwoofer, 12-channel external amp
Artificial leather door upper trim	Auto-dimming rearview mirror -inc: HomeLink garage door opener & compass
Aux input jack w/USB port	Black cloth headliner
Black cloth pillar trim	Bluetooth hands-free calling
Carbon fiber appearance door & center console accents -inc: stainless steel gear shift indicator bezel	Carpeted floor mats
Chrome accent door handles	Chrome accent door sill scuff plates w/illumination
Cloth door weather stripping	Cooling glove box -inc: lighting
Diversity antenna	Door map pockets -inc: integrated front/rear in-door bottle holders, dual front mood lamps
Dual front assist handles	Dual sunvisors w/illuminated covered vanity mirrors, extensions
Dual-zone auto climate control w/rear vents, filter	Electronic fuel lid release
Electronic parking brake	Front center console -inc: armrest, storage, cupholder
Front seatback storage pockets	Front/rear reading lamps -inc: front pin lamp
Heated/cooled sport front bucket seats -inc: 8-way pwr driver seat w/memory, 4-way pwr front passenger seat, driver pwr lumbar, driver height adjustment, active adjustable sliding headrests	Illuminated trunk w/hinge cover
Leather-wrapped shift knob w/metallic grain accents	Nappa leather seating surfaces -inc: Nappa leather door trim insert & armrest, Nappa leather center console trim, accent stitching
Navigation system	Overhead sunglass holder
Pwr door locks -inc: front central locking, auto unlock, driver two-turn unlock, drill-protected lock	Pwr windows -inc: driver/front passenger one-touch auto up/down
Rear center armrest w/cupholder	Rear coat hook
Rear window defroster w/timer	SmartKey keyless entry w/panic & alarm function, security indicator -inc: immobilizer, escort light function

Steering wheel-mounted auto cruise control

Supervision instrument cluster -inc: gauges, clock, rheostat

Tilt/telescopic 3-spoke leather-wrapped steering wheel w/audio controls -inc: wheel-mounted Bluetooth controls w/voice activation button, ECO switch, illuminated ignition, paddle shifters

Time-delay interior dome lamp -inc: auto interior light control

Trip computer -inc: color LCD display, distance to empty, average speed, drive time, ambient temp, average fuel economy, instant fuel economy

Warning features -inc: parking brake on, key-operated chime, driver seatbelt reminder, low washer fluid

Wood trim accents

Mechanical

Active ECO system

Battery saver w/interior lamp auto-cut

Dual exhaust w/chrome tips -inc: semi-active muffler

Dual-flow shock absorbers

Electric motor-driven pwr steering

Front stabilizer bar

Front wheel drive

Independent MacPherson strut front suspension w/coil springs

Independent multi-link rear suspension w/coil springs -inc: aluminum carrier, aluminum lower arms

Push button start

Pwr vented front & solid rear disc brakes -inc: oversize front discs

Sport suspension

Tire mobility kit

Safety

3-point front seat belts -inc: pretensioners, force limiters, height-adjustable anchors, emergency locking retractors

3-point rear seat belts w/emergency locking retractors

4-wheel Anti-lock Brakes (ABS)

5-MPH bumpers

Driver & front passenger seat-mounted side airbags

Dual advanced front airbags -inc: passenger occupancy sensor

Dual-note horn

Electronic stability control (ESC) w/traction control system (TCS)

Emergency trunk release handle

First aid kit

Front/rear crumple zones

Front/rear side curtain airbags

Hill start assist control (HAC)

Impact-absorbing steering column

Impact-triggered auto door unlocking

LED daytime running lights

Lower Anchors & Tethers for Children (LATCH)

Rear child safety door locks

Rearview camera -inc: display in navigation screen

Side-impact door beams

Tire Pressure Monitoring System (TPMS)

Vehicle stability management (VSM)

Packages

LIMITED PKG

-inc: Nappa leather seating surfaces, Nappa leather door trim insert & front armrest, Nappa leather center console trim, black cloth headliner, black cloth pillar trim, unique 18" chrome wheels, LED daytime running lights, red front/rear brake calipers, chrome accent side sills, chrome accent rear spoiler, electronic parking brake, wood interior accents, cloth door weather stripping, first aid kit, unique "SXL" rear badging

PREMIUM TOURING PKG

-inc: panoramic sunroof, 4-way pwr front passenger seat, driver seat memory, heated & cooled front seats, heated rear seats, Infinity audio system w/(8) speakers, center speaker, subwoofer, 12 channel external amp, rearview camera, pwr folding mirrors

TECHNOLOGY PKG

-inc: navigation system w/rearview camera display, SIRIUS Traffic, diversity antenna

Optional Equipment

WHEEL LOCKS

*DIO/PIO = Dealer/Port Installed Options

Loss Vehicle Base Value

Loss vehicle: 2013 Kia Optima | SX w/Limited Pkg 4 Door Sedan | 2.0L 4 Cyl Gas Turbocharged A FWD

Comparable Vehicle Information

Search Radius used for this valuation: 75 miles from loss vehicle zip/postal code.

Typical Mileage for this vehicle: 73,000 miles

#	Vehicle Description	Mileage	Location	Distance From Loss Vehicle	Price	Adjusted Value
1	2013 KIA OPTIMA SX W/LIMITED PKG 4D SDN 4 2TURBO GAS A 2WD	96,949	36618	25 miles	\$13,485.00 List Price	\$11,532.14
2	2013 KIA OPTIMA SX W/LIMITED PKG 4D SDN 4 2TURBO GAS A 2WD	109,447	36526	35 miles	\$11,995.00 List Price	\$10,720.20
3	2013 KIA OPTIMA SX W/LIMITED PKG 4D SDN 4 2TURBO GAS A 2WD	67,779	36526	35 miles	\$15,987.00 List Price	\$11,895.25
4	2013 KIA OPTIMA SX W/LIMITED PKG 4D SDN 4 2TURBO GAS A 2WD	74,461	39401	74 miles	\$15,995.00 List Price	\$12,299.21
Base Value:						\$11,611.70

Loss Vehicle Adjustments

Loss vehicle: 2013 Kia Optima | SX w/Limited Pkg 4 Door Sedan | 2.0L 4 Cyl Gas Turbocharged A FWD

Condition Adjustments

Condition Adjustment: **-\$1,823.26**

Overall Condition: **2.49-Fair**

Typical Vehicle Condition: **3.00**

Category	Condition	Comments
Interior		
DASH/CONSOLE	3 Good	
SEATS	2 Fair	Extensive Creasing
HEADLINER	3 Good	
DOORS/INTERIOR PANELS	3 Good	
CARPET	3 Good	
GLASS	2 Fair	DMG Does not requires Replacement / bullseye
Exterior		
PAINT	2 Fair	Stone Chipping
VINYL/CONVERTIBLE TOP	Typical	
BODY	2 Fair	Multiple Small Dents single Panel / R Roof Rail
TRIM	3 Good	
Mechanical		
TRANSMISSION	3 Good	
ENGINE	3 Good	
Tire	3 Good	LF 7, RF 5, RR 4, LR 7

Typical Vehicle Condition reflects a condition similar to the same year, make and model. Amount of wear and tear/ damage consistent with its age.

Comments:

Comparable Vehicles

Loss vehicle: 2013 Kia Optima | SX w/Limited Pkg 4 Door Sedan | 2.0L 4 Cyl Gas Turbocharged A FWD

1		2013 KIA OPTIMA SX W/LIMITED PKG 4D SDN 4 2 TURBO GAS A2WD			List Price: \$13,485.00
VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle	
5XXGR4A63DG143317	143317	09/06/2018	36618	25 miles	
Source		Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM		Projected Sold Adjustment			-\$944.00
MCD MOTORS		Mileage	123,890	96,949	-\$1,032.26
6761 MOFFETT RD		Equipment			
MOBILE AL 36618		WHEEL LOCKS	Yes	No	\$23.40
251-645-4484					Total Adjustments: -\$1,952.86
					Adjusted Price: \$11,532.14

Comparable Vehicle Package Details:

LIMITED PKG

PREMIUM TOURING PKG

TECHNOLOGY PKG

2 2013 KIA OPTIMA SX W/LIMITED PKG 4D SDN 4 2 TURBO GAS A2WD **List Price: \$11,995.00**

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
5XXGR4A63DG094295	J5560108A	09/03/2018	36526	35 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM	Projected Sold Adjustment			-\$840.00
EASTERN SHORE HYUNDAI	Mileage	123,890	109,447	-\$455.62
29736 FREDERICK BLVD	Equipment			
DAPHNE AL 36526	WHEEL LOCKS	Yes	No	\$20.82
888-861-4295				
			Total Adjustments:	-\$1,274.80
			Adjusted Price:	\$10,720.20

Comparable Vehicle Package Details:

- LIMITED PKG
- PREMIUM TOURING PKG
- TECHNOLOGY PKG

3 2013 KIA OPTIMA SX W/LIMITED PKG 4D SDN 4 2 TURBO GAS A2WD **List Price: \$15,987.00**

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
5XXGR4A64DG199430	J6036418A	11/11/2018	36526	35 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - CARS.COM	Projected Sold Adjustment			-\$1,115.00
TEAM GUNTHER KIA VOLKSWAGEN	Mileage	123,890	67,779	-\$2,976.75
29816 FREDERICK BLVD				
DAPHNE AL 36526				
251-621-2277				
			Total Adjustments:	-\$4,091.75
			Adjusted Price:	\$11,895.25

Comparable Vehicle Package Details:

- LIMITED PKG
- PREMIUM TOURING PKG
- TECHNOLOGY PKG

Comparable Vehicle Option Details:

- WHEEL LOCKS

4 2013 KIA OPTIMA SX W/LIMITED PKG 4D SDN 4 2 TURBO GAS A2WD **List Price: \$15,995.00**

VIN	Stock No	Listing Date	ZIP/Postal Code	Distance from Loss Vehicle
5XXGR4A66DG160158	H2262	10/01/2018	39401	74 miles

Source	Adjustments	Loss Vehicle	This Vehicle	Amount
DEALER WEB LISTING - BUILDSHEET - VAST.COM	Projected Sold Adjustment			-\$1,120.00
TOYOTA OF HATTIESBURG	Mileage	123,890	74,461	-\$2,575.79
1620 WEST PINE STREET				
HATTIESBURG MS 39401				
601-544-9630				
			Total Adjustments:	-\$3,695.79
			Adjusted Price:	\$12,299.21

Comparable Vehicle Package Details:

- LIMITED PKG
- PREMIUM TOURING PKG
- TECHNOLOGY PKG

Comparable Vehicle Option Details:

- WHEEL LOCKS

Sub-Model Comparison

Sub-Model Description	Configuration	Original MSRP
2013 Kia Optima SX w/Limited Pkg	4 Door Sedan 2.0L 4 Cyl Gas Turbocharged FWD	\$26,800.00

Vehicle Valuation Methodology Explanation

WorkCenter Total Loss was designed and built in conjunction with J.D. Powers, experts in data analysis and vehicle pricing and a highly trusted name among consumers. With years of experience in vehicle pricing, J.D. Power is a credible, third-party expert whose name provides consumer recognition and confidence. WCTL provides a consistent methodology across all vehicles and it includes valid comparable vehicles that most closely resemble the totaled vehicle and are similar to the vehicles a consumer would find in their own research.

WorkCenter Total Loss produces accurate and easy-to-understand vehicle valuations via this five step process:

Step 1 - Locate Comparable Vehicles

Locate vehicles that are the closest match to the loss vehicle in the same market area. WorkCenter Total Loss utilizes consumer-based vehicle sources along with inventory directly from Dealerships. When available WCTL also provides sold vehicle records from sources such as J.D. Powers.

Step 2 - Adjust Comparable Vehicles

Make adjustments to the prices of the comparable vehicles. The comparable vehicles are identical to the loss vehicle except where adjustments are itemized. There are several types of comparable vehicle adjustments

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