

# NEW YORK GROUP WIRELESS COMMUNICATIONS EQUIPMENT COVERAGE

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

The words "we," "us" and "our" refer to Liberty Mutual Insurance Company who is providing this insurance.

The word "Agent" refers to Asurion

The term "Authorized Service Center" means Asurion, who is providing repair and replacement services on our behalf.

The term "Sponsoring Wireless Service Provider" means Verizon Wireless, who is providing the wireless telephone or communication services, and is the entity sponsoring the members enrolled in the Group shown in the Declarations.

The term "Enrolled Group Member" means a customer, of Verizon Wireless, who:

1. Has elected to purchase insurance under this policy, by completion of the enrollment process; and
2. Has been accepted for coverage under this policy by Asurion.

## A. COVERAGE

We will repair or replace Enrolled Group Member's **Covered Property** that has incurred direct physical loss or direct physical damage caused by or resulting from any **Covered Cause of Loss**.

### 1. Covered Property

Covered Property means the mobile wireless communications equipment shown in the Declarations.

### 2. Property Not Covered

**Covered Property** does not include:

- a. Contraband or property in the course of illegal transportation or trade;
- b. The value of, and the cost to research, replace or restore data, or programs non-standard for the make and model;
- c. Components or any other part that is non-standard for the make and model;
- d. Any motor vehicle original or after-market equipment or accessories, whether or not permanently installed;
- e. Any other equipment or accessories not described as Covered Property, including but not limited to, color faceplates;
- f. Property that has been entrusted to (including to and from) others for any service, repair or replacement, other than Asurion Insurance Services, Inc or its designee;
- g. Verizon Wireless's fees for connection service, calls or connection or any other services, whether legitimate or fraudulent.

### 3. Coverage Period

The Coverage Period is the policy period shown in the Declarations. We cover loss or damage commencing during the policy period shown in the Declarations. For each Enrolled Group Member, coverage begins on the date the initial enrollment application is submitted to us or at the inception date shown in the Declarations, whichever is later.

### 4. Policy Renewals

- a. Each Enrolled Group Member shall be subject to the New York Insurance Law renewal laws.
- b. If this program is cancelled, or if this program is not renewed prior to the fulfillment of the required policy period as required by New York Insurance Law, we will notify the Enrolled Group Members in accordance with G.4., and allow each of them to continue coverage by prepaying the remaining monthly premiums for the balance of any required policy and renewal period due them.
- c. The following applies to all Enrolled Group Members: If this program is cancelled prior to the fulfillment of the required policy period as required by New York Insurance Law, we will notify the Enrolled Group

Members and allow each of them to continue coverage by prepaying the remaining monthly premiums for the balance of any required policy and renewal period due them.

**5. Coverage Territory**

We insure the Covered Property wherever it is located in the world.

**6. Covered Causes of Loss**

Covered Causes of Loss means risks of mechanical or electrical breakdown or being lost, stolen or damaged, except as limited or excluded elsewhere in this policy.

**7. Coverage Limitations**

**a. Claim Authorization and Loss Payment**

We have the right to settle the loss with the Enrolled Group Member or his or her designee.

No claims will be accepted unless authorized by Asurion Insurance Services, Inc.

All repairs and replacements must be done by Asurion Insurance Services, Inc, unless Asurion Insurance Services, Inc gives the Enrolled Group Member other specific directions. In no event will Enrolled Group Members be reimbursed for any out-of-pocket expenses.

**b. Cosmetic Damage**

We will not repair or replace any cosmetic damage, however caused, that does not affect the manufacturer's intended use. This includes, but is not limited to:

- (1) Cracking, marring, scratching or warping;
- (2) Change in color or other change in the exterior finish.

**c. Covered Under Warranty**

We will not make any repair or replacement for loss or damage that is covered under the manufacturer's warranty.

**d. Late Claims**

We will not cover claims reported to the Asurion Insurance Services, Inc more than 60 days after the discovery of the loss or damage. If reporting a claim to the Authorized Service Center cannot occur within 60 days of discovery for reasons beyond the insured's control, such notice of claim to the Authorized Service Center should occur as soon as practicable.

**e. Two Claims**

Each Enrolled Group member is limited to 2 covered claims during a policy year. When this limit is exhausted, we will send the Enrolled Group Member written notice, which will state that his or her coverage is exhausted for the policy year, as of the effective date shown in the notice. In the event, premium payments stop. However, he or she may choose to notify the Agent that he or she wishes to continue paying the monthly premium and thereby automatically be eligible for coverage upon the inception of the next policy year.

**B. EXCLUSIONS**

1. This insurance does not apply to loss or damage caused directly or indirectly by any of the following:

**a. Governmental Authority**

Seizure or destruction of property by order of governmental authority.

**b. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. If physical loss or damage by fire ensues, we will pay only for such ensuing loss or damage.

**c. War**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

2. This insurance does not apply to loss or damage caused by or resulting from any of the following:

**a. Delay, Loss of Use**

Delay, loss of use, loss of service, loss of market, or any other consequential loss or damage, including, but not limited to, loss of time, loss of profits, inconvenience or delay in repairing or replacing lost or damaged Covered Property.

**b. Dishonest, Intentional, or Criminal Acts**

Dishonest, intentional or criminal acts by an Enrolled Group Member or by any person entrusted with Covered Property, whether acting alone or in collusion with others, with respect to his or her coverage under this insurance

**c. Obsolescence**

Obsolescence or depreciation.

**d. Wear, Deterioration, Latent Defect**

(1) Wear and tear, deterioration; or

(2) Hidden or latent defect, including equipment design defect, or any quality in the property that causes it to damage or destroy itself.

**e. Programming, Repair Work**

Programming, cleaning, adjusting, repairing, modifying, or performing any other work upon Covered Property.

**f. Mechanical Breakdown**

Mechanical breakdown and disturbance caused by battery power or any artificially generated electrical current.

This exclusion does not apply under Plan 3 and Plan 5 Covered Causes of Loss

**g. Virus**

Computer virus or any other malicious code or similar instruction that:

(1) Disrupts the normal operation of the Covered Property; or

(2) Results in destruction of or unsuitability of data or programs stored in the Covered Property.

**h. Voluntary Parting**

Voluntary parting with Covered Property by an Enrolled Group Member or by any person entrusted with Covered Property, whether or not induced to do so by any fraudulent scheme, trick, device or false pretense.

**C. LIMITS OF INSURANCE**

The most we will spend, in any one occurrence, to repair or replace Covered Property due to a covered claim is either one hundred fifty dollars one thousand five hundred dollars (\$1500.00).

These Limits of Insurance apply separately to each covered claim.

**D. DEDUCTIBLE**

The deductible (of \$50.00) is non-refundable and is payable at the time a repair or replacement is approved by the Authorized Service Center. This Deductible will apply to each filed and approved covered claim, and does not reduce the Limit of Insurance.

**E. ENROLLED GROUP MEMBERS' DUTIES IN EVENT OF LOSS**

In the event of loss or damage to Covered Property, the Enrolled Group Member or his or her designee presenting the claim must cooperate with us and see that the following are done:

**1. Notify Police**

If a law may have been broken, notify the police and obtain a police report case number. If requested, provide a copy of the police report to Asurion Insurance Services, Inc.

**2. Notify Authorized Service Center, Give Description**

Notify the Authorized Service Center within 60 days of discovery of loss, giving a complete description of:

a. The Covered Property, including telephone number and unique identification number (e.g. ESN, SIM or IMEI); and

b. How, when and where the loss or damage occurred.

This information must be provided within 60 days of making the initial report.

**3. Notify Wireless Service Provider**

If the Covered Property is lost or stolen, notify Verizon Wireless as soon as reasonably possible so it may suspend wireless communications service.

**4. Protect**

Take all reasonable steps to protect the Covered Property from further damage.

**5. Permit Inspection**

Permit us to inspect the damaged property. If requested, take or send, the Covered Property to our designee for equipment failure evaluation.

**6. Statement Under Oath**

As often as may be reasonably required, submit to questioning under oath about any matter relating to this insurance or claim. In such event, the answers must be signed.

**7. Proof of Loss and Ownership**

If required, provide:

- a. Ownership records, such as a bill of sale; and
- b. A signed, sworn proof of loss or damage containing the information we request to settle the claim.

The proof of loss and ownership records must be provided within 30 days after we provide the necessary proof of loss forms.

**8. Salvage and Recovery**

The **Enrolled Group Member** is required to send the damaged property to the Authorized Service Center. The Authorized Service Center will provide a prepaid shipping label.

If the damaged property is not returned to Asurion Insurance Services, Inc within 30 days of the date the claim was approved, the Salvage Non-Return Fee (of \$300.00) will be billed to the Enrolled Group Member.

Any recovery of lost or stolen property will accrue entirely to our benefit.

**9. Take Delivery**

Be available to take delivery of equipment within 30 days of claim authorization or pay the added cost of claim re-delivery.

**F. OUR DUTIES IN EVENT OF LOSS**

**1. When We Repair or Replace**

If a claim is made, we will give notice of our intentions within five days after we receive all the information requested from the Enrolled Group Member presenting the claim.

Repair or replacement of the lost or damaged property will be done within five days after the Enrolled Group Member has complied with all the terms of this Policy, and we have agreed with the Enrolled Group Member about the repair or replacement.

**2. Our Options**

At our option, we may provide replacement equipment, or repair with substitute parts, of like kind, quality and functionality, that:

- a. Has been refurbished, and may contain non-original manufacturer parts; or
- b. Is a different brand, model or color.

**G. ADDITIONAL CONDITIONS**

**1. Duty of "Sponsoring Wireless Service Provider"**

Enrolled Group Members have agreed that the " Verizon Wireless " will act on behalf of the Group shown in the Declarations, including each Enrolled Group Member, with respect to the coverage provided, the rate charged for the coverage and cancellation/nonrenewal of this policy.

**2. Benefit Only Available To Enrolled Group Members**

No person or organization, other than the Enrolled Group Members, will benefit from this insurance.

**3. Arbitration**

This Arbitration provision requires the submission of any dispute to Arbitration.

- a. Instead of first suing in court, disputes or controversies of any nature whatsoever (whether in contract, tort, or otherwise, including statutory, common law, fraud, other intentional tort, property and equitable claims) will be arbitrated on an individual, non-class basis, arising out of, relating to, or in connection with:

(1) This policy,

(2) Any activities, transactions, services or interactions of any kind involving any Enrolled Group Member and us (which shall also include any of our employees, agents, representatives or

associated businesses involved in any way in any activities, transactions, services or interactions involving any Enrolled Group Member and us), and the relationships which result from this policy, including, to the full extent permitted by applicable law, relationships with third parties who are not parties to this policy, including this arbitration provision; or

**(3)** The validity, scope or enforceability of this arbitration provision or the entire policy.

- b.** Any such claim, dispute or controversy instead shall be resolved on an individual basis without resort to any form of class arbitration, by nonbinding arbitration before a single arbitrator. All Enrolled Group Members and we waive any right to pursue any such dispute, controversy or claim on a class arbitration basis even if applicable law permits class arbitrations.
- c.** All arbitration shall be administered by the American Arbitration Association ("AAA") in accordance with its Wireless Industry Rules and Procedures in effect at the time the demand for arbitration is filed. The Rules and Procedures, as well as forms and information on arbitration in general may be obtained by calling 1-800-778-7879, or by visiting AAA's Web site at [www.adr.org](http://www.adr.org).
- d.** Any arbitration which an Enrolled Group Member attends will take place at a location within the federal judicial district that includes the Enrolled Group Member's billing address at the time the demand for arbitration is filed.
- e.** Upon written request, we will advance to the Enrolled Group Member either all or part of the fees of the AAA and of the arbitrator. The arbitrator will decide which party to the arbitration will ultimately be responsible for these fees and, as to an Enrolled Group Member (not the Wireless Service Provider), may waive the insured's fees upon a finding of economic hardship; in no event will the fees for an Enrolled Group Member (not the Wireless Service Provider) be greater than 25% of the value of the Covered Property in dispute, or \$150.00, whichever is less.
- f.** The arbitrator shall apply relevant, substantive law and applicable statutes of limitation and shall provide written reasoned findings of fact and conclusions of law. This arbitration provision is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1, et. seq.
- g.** If any portion of this arbitration provision is deemed invalid or unenforceable, it shall not invalidate the remaining portions of the arbitration provision.

EACH ENROLLED GROUP MEMBER AND WE AGREE THAT THIS ARBITRATION WILL BE ON AN INDIVIDUAL BASIS AND WE UNDERSTAND AND AGREE THAT BECAUSE OF THIS ARBITRATION PROVISION NEITHER ENROLLED GROUP MEMBERS NOR WE WILL HAVE THE RIGHT TO FIRST GO TO COURT, HAVE A JURY TRIAL OR PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS UNDER A CLASS ACTION OR CLASS ARBITRATION UNTIL THE ARBITRATION REQUIRED BY THIS PROVISION HAS BEEN COMPLETED AND THE ENROLLED GROUP MEMBER AND WE HAVE BEEN UNABLE TO RESOLVE OUR DISPUTE, CLAIM OR CONTROVERSY.

FURTHER, ALL ENROLLED GROUP MEMBERS AND WE WAIVE OUR RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANT UNDER A CLASS ARBITRATION EVEN IF CLASS ARBITRATION WOULD OTHERWISE BE PERMISSIBLE UNDER APPLICABLE LAW. THIS ARBITRATION PROVISION DESCRIBED HEREIN SHALL ALSO APPLY TO VERIZON WIRELESS.

#### **4. Cancellation**

##### **a. How this Entire Policy is Cancelled**

- (1)** The "Verizon Wireless" may cancel this entire policy by mailing or delivering to us advance written notice of cancellation, subject to paragraph (3), (4) and (5) below that assure compliance with New York Insurance Law.
- (2)** We may cancel this policy by mailing or delivering written notice of cancellation, subject to paragraphs (3), (4) and (5) below that assure compliance with New York Insurance Law.
- (3)** Notice of this cancellation must be mailed or delivered to each Enrolled Group Member at least 30 days before the effective date of cancellation.
- (4)** Such notice of cancellation will state that each Enrolled Group Member will be allowed to continue coverage under this policy, in accordance with **A.4** above.

If an Enrolled Group Member chooses to not accept the terms of **A.4.b** above, his or her coverage will end upon expiration of the 30 day cancellation notice.

(5) "Verizon Wireless" agrees to pay or act as delivery agent for the notice of cancellation to all Enrolled Group Members.

**b. How We Cancel Individual Enrolled Group Members - Coverage in Effect for 60 days or Less**

When an Enrolled Group Member's coverage has been in effect for 60 days or less and is not a renewal by us, we may cancel his or her coverage by mailing or delivering written notice of cancellation, including the actual reason for cancellation, at least:

(1) 15 days before the effective date of cancellation for:

(a) Non-payment of premium; or

(b) Fraud or material misrepresentation in obtaining this insurance or in presenting a claim under this insurance.

(2) 30 days before the effective date of cancellation for any other reason allowed by New York Insurance Law.

**c. How We Cancel Individual Enrolled Group Members - Coverage in Effect for more than 60 days**

When an Enrolled Group Member's coverage has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel his or her coverage by mailing or delivering written notice of cancellation, including the actual reason for cancellation, at least:

(1) 15 days before the effective date of cancellation for:

(a) Non-payment of premium; or

(b) Fraud or material misrepresentation in obtaining this insurance or in presenting a claim under this insurance.

(2) 30 days before the effective date of cancellation for one or more of the following reasons:

(a) Conviction of a crime arising out of acts increasing the hazard insured against,

(b) Discovery of willful or reckless acts or omissions increasing the hazard insured against,

(c) Physical changes in the property insured occurring after issuance or last annual anniversary date which result in the property becoming uninsurable in accordance with our objective, uniformly applied underwriting standards in effect at the time the coverage was issued or last voluntarily renewed;

(d) A determination by the New York Superintendent of Insurance that the continuation of the coverage would violate or would place us in violation of New York law, or

(e) A determination by the New York Superintendent of Insurance that a continuation of the present premium volume would jeopardize our solvency or be hazardous to the interests of insureds, creditors or the public.

(f) 30 days before the effective date of cancellation for any other reason allowed by New York Insurance Law.

**d. How Notice of Cancellation Is Provided**

If there is a cancellation in accordance with section **G.4.a., b. or c.**, notice will be sent to:

(1) Each Enrolled Group Member affected by the cancellation, using his or her last mailing address on file with the Verizon Wireless; and

(2) The Agent.

The Verizon Wireless agrees to pay Asurion Insurance Services, Inc to provide notice or will act as delivery agent for notice of cancellation to all Enrolled Group Members.

**e. Effective Date of Cancellation**

Notice of cancellation will state the effective date of cancellation. The coverage will end on that date.

**f. Return Premiums, If Any**

If this policy is cancelled, any refunds due will be on a pro-rata basis. The cancellation will be effective even if the refund has not yet been made or offered.

**g. Proof of Mailing**

If notice is mailed, proof of mailing will be sufficient proof of notice.

**5. How Enrolled Group Members Cancel**

An individual Enrolled Group Member may cancel his or her coverage by notifying the Agent or the "Sponsoring Wireless Service Provider", who will advise the Agent.

**6. Changes**

This policy contains all the agreements between us concerning this insurance. This policy's terms can be amended or waived only by endorsement issued by us in accordance with New York Insurance Law and made a part of this policy.

We will periodically review the coverage terms, premium, deductible, limit of insurance and salvage non-return fee and if necessary make changes in accordance with New York Insurance Law on the anniversary date shown in the Declarations. We will provide Enrolled Group Members advance written notice of changes as required by New York Insurance Law.

Enrolled Group Members may discontinue coverage if they choose not to accept these changes.

**7. Concealment, Misrepresentation or Fraud**

We do not provide coverage for any Enrolled Group Member who has made fraudulent statements or engaged in fraudulent conduct in connection with any loss or damage for which coverages is sought under this policy.

**8. Conformity To Statute**

We agree that any terms of this policy not in conformity with the statutes of the state in which this policy is issued are amended to conform to those applicable state statutes.

**9. Legal Action Against Us**

No Enrolled Group Member may bring a legal action against us under this policy unless:

- a. There has been full compliance with all the terms of this policy;
- b. The action is brought within 2 years after the Enrolled Group Member has knowledge of the loss or damage.

**10. Liberalization**

If we adopt any revision in this form which would broaden the coverage under this policy without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

**11. Premiums**

Each Enrolled Group Member is responsible for the payment of his or her premium.

**12. Renewal or Conditional Renewal**

We will not refuse to renew or condition our renewal of coverage, for any Enrolled Group Member, except as allowed by the insurance laws of the State of New York.

**13. Separation of Insureds**

The Limits of Insurance and Deductible provisions apply separately to each wireless phone (including its accessories) that the Enrolled Group Member has elected to insure under this policy, and which is evidenced by its current unique identifier (e.g. ESN, SIM or IMEI) being on file with the Wireless Service Provider.

**14. Transfer of Rights and Duties Under This Policy (Assignment)**

No rights and duties under this policy may be transferred.

**15. Transfer of Rights of Recovery Against Others To Us (Subrogation)**

If after we have made good the covered loss or damage, any Enrolled Group Member has rights to recover damages from another, those rights are transferred to us to the extent of our cost of repair or replacement. The Enrolled Group Member must do everything necessary to secure our rights and must do nothing after loss or damage to impair them.

Our President and Secretary have signed this policy. The Declarations page has also been countersigned by our duly authorized representative.