

**IN THE SUPREME COURT OF THE STATE OF NEVADA**

NATIONAL CASUALTY COMPANY, a  
foreign corporation,

Petitioners,

v.

EIGHTH JUDICIAL DISTRICT COURT FOR  
THE STATE OF NEVADA IN AND FOR THE  
COUNTY OF CLARK; THE HONORABLE  
MARK RALPH DENTON, DISTRICT COURT  
JUDGE,

Respondents,

and

PHILIP BOUCHARD,

Real Party in Interest.

Supreme Court No.:

District Court No. A-20-81333-C  
Electronically Filed  
Sep 14 2021 01:30 p.m.  
Elizabeth A. Brown  
Clerk of Supreme Court

**APPENDIX IN SUPPORT OF PETITION FOR WRIT OF PROHIBITION  
OR MANDAMUS**

**Volume I of II**

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## **CERTIFICATE OF SERVICE**

Pursuant to Nev. R. App. P. 25, I certify that I am an employee of LEWIS BRISBOIS BISGAARD & SMITH LLP, that, in accordance therewith, I caused a copy of the **APPENDIX IN SUPPORT OF PETITION FOR WRIT OF PROHIBITION OR MANDAMUS, Volume I of II**, to be delivered by United States Postal Service, First Class mail, in a sealed envelope, on the date and to the addressee(s) shown below:

The Honorable Mark R. Denton  
The Eighth Judicial District Court  
Regional Justice Center  
200 Lewis Avenue  
Las Vegas, Nevada 89101  
Respondent

Jordan P. Schnitzer, Esq.  
THE SCHNITZER LAW FIRM  
9205 W. Russell Road, Ste. 240  
Las Vegas, NV 89148  
Attorneys for Plaintiff/Real Party in Interest

Dated this 14th date of September, 2021.

By: /s/ Anne Cordell  
An employee of  
Lewis Brisbois Bisgaard & Smith LLP



## Certification

I, Ebone M Lewis, as a duly authorized National Casualty Company associate entrusted with oversight of the system of record from which this copy was produced, based upon information and belief, certify under the penalty of perjury that this attached copy of CAO7761784, 10/27/2014 to 10/27/2015 was made at or near the time of certification, as part of regularly conducted business activities, and is a true and accurate copy of the official record kept as part of regular business activities.



Signature

April 14, 2020

Date

EBONE M LEWIS

Print Name

CL Lead Processor

Title

## **ADDENDUM**

**Some internal notes, stamps or typing on the Declaration sheet may appear. The intended use for these is internal only and may not have been a part of the policy received by the insured.**

**Policy fees, inspection fees or taxes, or additional instructional stamps may have appeared on the policy received by the insured but may not appear on this copy.**



## **National Casualty Company**

Scottsdale Indemnity Company

**SCOTTSDALE**  
SURPLUS LINES INSURANCE COMPANY

### **CLAIM REPORTING INFORMATION**

Your insurance policy has been placed with the Scottsdale Insurance Group, a subsidiary of the Nationwide Insurance Company. The Scottsdale Insurance Group is a reliable, service-oriented group of companies that will help protect you against certain losses.

Our commitment to you is to provide fast, fair claim service. Promptly reporting an event that could lead to a claim, as required by your policy, helps us fulfill this commitment to you. Please refer to your policy for this and all other terms and conditions.

To report a claim, you may contact the Scottsdale Insurance Group 24 hours a day, 7 days a week, by calling 1-800-423-7675 or via our Web site at [www.scottsdaleins.com](http://www.scottsdaleins.com).

Thank you for your business and as always, we appreciate the opportunity to serve you.

#### **HOW TO REPORT A CLAIM**

Call **1-800-423-7675** or visit our Web site at **[www.scottsdaleins.com](http://www.scottsdaleins.com)**

In order to expedite this process, please be prepared to furnish as much of the following information as possible:

- Your policy number
- Date, time and location of the loss/accident
- Details of the loss/accident
- Name, address and phone number of any involved parties
- If applicable, name of law enforcement agency or fire department along with the incident number

**Please refer to your policy for specific claim reporting requirements.**

# National Casualty Company

Home Office:

Madison, Wisconsin

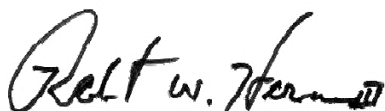
Administrative Office:

8877 North Gainey Center Drive • Scottsdale, Arizona 85258

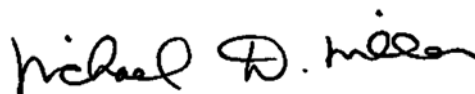
1-800-423-7675

A STOCK COMPANY

In Witness Whereof, the Company has caused this policy to be executed and attested.



Secretary



President

The information contained herein replaces any similar information contained elsewhere in the policy.

## COMMON POLICY DECLARATIONS

## National Casualty Company

CA00259545

Renewal of Number

Policy Number

CA07761784

Home Office:

Madison, Wisconsin

Administrative Office:

8877 North Gainey Center Drive o Scottsdale, Arizona 85258

1-800-423-7675

A STOCK COMPANY

## ITEM 1. Named Insured and Mailing Address

NOW SERVICES OF NEVADA LLC  
 DBA COOL AIR NOW  
 2741 LOSEE RD, STE B  
 NORTH LAS VEGAS NV 89030

## Agent Name and Address

COLONIAL GENERAL INSURANCE  
 AGENCY INC  
 5373 S GREEN ST STE 525  
 MURRAY UT 84123-4743

Agent No.:

43006

Program No.: NONE

## ITEM 2. Policy Period

From:10-27-2014

To:10-27-2015

Term:1 Year

12:01 A.M., Standard Time at the mailing address shown in ITEM 1.

Business Description:HVAC CONTRANCTOR

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy. This policy consists of the following coverage parts for which a premium is indicated. Where no premium is shown, there is no coverage. This premium may be subject to adjustment.

## Coverage Part(s)

## Premium Summary

Commercial General Liability Coverage Part	\$	NOT COVERED
Commercial Property Coverage Part	\$	NOT COVERED
Commercial Crime And Fidelity Coverage Part	\$	NOT COVERED
Commercial Inland Marine Coverage Part	\$	NOT COVERED
Commercial Auto Coverage Part	\$	35,964.00
Professional Liability Coverage Part	\$	NOT COVERED
	\$	
	\$	
	\$	
	\$	
	\$	
Total Policy Premium	\$	35,964.00
	\$	
	\$	
Policy Total	\$	35,964.00

Form(s) and Endorsement(s) made a part of this policy at time of issue:

See Schedule of Forms and Endorsements

THIS COMMON POLICY DECLARATION AND THE SUPPLEMENTAL DECLARATION(S), TOGETHER WITH  
 THE COMMON POLICY CONDITIONS, COVERAGE PART(S), COVERAGE FORM(S) AND FORM(S) AND ENDORSEMENT(S), IF ANY,  
 COMPLETE THE ABOVE-NUMBERED POLICY.

## National Casualty Company

### SCHEDULE OF FORMS AND ENDORSEMENTS

Policy No. CAO7761784

Effective Date: 10-27-14

12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

#### COMMON POLICY FORMS AND ENDORSEMENTS

NOTX0178CW	02-06	CLAIM REPORTING INFORMATION
UT-COVPG	12-09	COVER PAGE
OP-D-1	08-10	COMMON POLICY DECLARATIONS
UT-SP-2L	12-95	SCHEDULE OF FORMS & ENDORSEMENT
IL 00 17	11-98	COMMON POLICY CONDITIONS
IL 00 21	09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
IL 01 10	09-07	NEVADA CHGS-CONCEALMENT, MISREP OR FRAUD
IL 01 15	01-10	NEVADA CHANGES - DOMESTIC PARTNERSHIP
IL 02 51	09-07	NEVADA CHANGES-CANC & NONRENL
UT-74G	08-95	PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION

#### AUTOMOBILE FORMS AND ENDORSEMENTS

CA-SD-1	10-13	BUSINESS AUTO COVERAGE FORM SUPP DEC
UT-234	04-06	SCHEDULE OF COVERED AUTOS YOU OWN
UT-232	03-10	SCHEDULE OF LOSS PAYEE(S)
CA 00 01	10-13	BUSINESS AUTO COVERAGE FORM
CA 01 36	10-13	NEVADA CHANGES
CA 20 48	02-99	DESIGNATED INSURED
CA 21 27	10-13	NEVADA UNINSURED MOTORISTS COVERAGE
CA 99 03	10-13	AUTO MEDICAL PAYMENTS COVERAGE
CA 99 28	10-13	STATED AMOUNT INSURANCE
CA 99 44	10-13	LOSS PAYABLE CLAUSE
CA-141	09-12	HYDRAULIC FRACTURING EXCLUSION
CA-2A	10-13	MILEAGE LIMITATION - RESTRICTED LIMITS

## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT**

**(Broad Form)**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**1. The insurance does not apply:**

**A. Under any Liability Coverage, to "bodily injury" or "property damage":**

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.**

**C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:**

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

**2. As used in this endorsement:**

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

**(c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

**(d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NEVADA CHANGES – CONCEALMENT, MISREPRESENTATION OR FRAUD**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART – FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL  
COVERAGES, CONDITIONS, DEFINITIONS  
FARM COVERAGE PART – LIVESTOCK COVERAGE FORM  
FARM COVERAGE PART – MOBILE AGRICULTURAL MACHINERY  
AND EQUIPMENT COVERAGE FORM  
STANDARD PROPERTY POLICY

The **CONCEALMENT, MISREPRESENTATION OR FRAUD** Condition is replaced by the following:

### **CONCEALMENT, MISREPRESENTATION OR FRAUD**

We will not pay for any loss ("loss") or damage in any case of:

1. Concealment or misrepresentation of a material fact; or

2. Fraud;

committed by an insured ("insured") at any time and relating to a claim under this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NEVADA CHANGES – DOMESTIC PARTNERSHIP**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 ELECTRONIC DATA LIABILITY COVERAGE PART  
 FARM COVERAGE PART  
 FARM UMBRELLA LIABILITY POLICY  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY

- A.** All references to spouse shall include an individual who is in a domestic partnership recognized under Nevada law.
- B.** Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:  
 "Family member" means a person related to the:
  - 1.** Individual Named Insured by blood, adoption, marriage or domestic partnership recognized under Nevada law, who is a resident of such Named Insured's household, including a ward or foster child; or
  - 2.** Individual named in the Schedule by blood, adoption, marriage or domestic partnership recognized under Nevada law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individual Endorsement is attached.
- C.** With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:  
 "Family member" means a person related to you by blood, adoption, marriage or domestic partnership recognized under Nevada law, who is a resident of your household, including a ward or foster child.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NEVADA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 FARM UMBRELLA LIABILITY POLICY  
 LIQUOR LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A. The following are added to the Cancellation  
Common Policy Condition:**

**7.a. Midterm Cancellation**

If this policy has been in effect for 70 days or more, or if this policy is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Conviction of the insured of a crime arising out of acts increasing the hazard insured against;
- (3) Discovery of fraud or material misrepresentation in obtaining the policy or in presenting a claim thereunder;
- (4) Discovery of an act or omission or a violation of any condition of the policy which occurred after the first effective date of the current policy, and substantially and materially increases the hazard insured against;
- (5) A material change in the nature or extent of the risk, occurring after the first effective date of the current policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;

- (6) A determination by the commissioner that continuation of our present volume of premiums would jeopardize our solvency or be hazardous to the interests of our policyholders, creditors or the public;

- (7) A determination by the commissioner that the continuation of the policy would violate, or place us in violation of, any provision of the code.

**b. Anniversary Cancellation**

If this policy is written for a term longer than one year, we may cancel for any reason at an anniversary, by mailing or delivering written notice of cancellation to the first Named Insured at the last mailing address known to us at least 60 days before the anniversary date.

**B. The following is added as an additional Condition and supersedes any other provision to the contrary:**

**NONRENEWAL**

1. If we elect not to renew this policy, we will mail or deliver to the first Named Insured shown in the Declarations a notice of intention not to renew at least 60 days before the agreed expiration date.

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

2. We need not provide this notice if:
- a. You have accepted replacement coverage;
  - b. You have requested or agreed to nonrenewal; or
  - c. This policy is expressly designated as nonrenewable.

**C. Notices**

- 1. Notice of cancellation or nonrenewal in accordance with **A.** and **B.** above, will be mailed, first class or certified, or delivered to the first Named Insured at the last mailing address known to us and will state the reason for cancellation or nonrenewal.
- 2. We will also provide a copy of the notice of cancellation, for both policies in effect less than 70 days and policies in effect 70 days or more, to the agent who wrote the policy.

## National Casualty Company

ENDORSEMENT

NO. \_\_\_\_\_

Attached to and forming a part of  
Policy No. CAO7761784

Endorsement Effective Date 10-27-14  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### **PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION**

In consideration of the premium charged, it is agreed that this policy does not apply to a claim of or indemnification for punitive or exemplary damages.

Punitive or exemplary damages also include any damages awarded pursuant to statute in the form of double, treble or other multiple damages in excess of compensatory damages.

If suit is brought against any insured for a claim falling within coverage provided under the policy, seeking both compensatory and punitive or exemplary damages, then the Company will afford a defense to such action; however, the Company will have no obligation to pay for any costs, interest or damages attributable to punitive or exemplary damages.

\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

\_\_\_\_\_  
DATE

# National Casualty Company

## COMMERCIAL AUTO COVERAGE

### BUSINESS AUTO COVERAGE FORM SUPPLEMENTAL DECLARATIONS

Policy No.: CAO7761784 Effective Date: 10-27-14

Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

<b>Item 1. Business Description:</b> HVAC CONTRANCTOR			
Form of Business:	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Individual
	<input type="checkbox"/> Partnership		
	<input type="checkbox"/> Other:		
Audit Period (If applicable):	<input checked="" type="checkbox"/> Annually	<input type="checkbox"/> Semi-Annually	<input type="checkbox"/> Quarterly
	<input type="checkbox"/> Monthly		

#### Item 2. Schedule of Coverages and Covered Autos

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos." "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTOS Section of the Business Auto Coverage Form next to the name of the coverage.

Coverages	Covered Autos	Limit The Most We Will Pay for Any One Accident or Loss	Premium
Covered Autos Liability	7	\$ 1,000,000	\$ 11,529
Personal Injury Protection (P.I.P.) (or equivalent No-fault coverage)		Separately stated in each P.I.P. endorsement, minus any Deductible shown therein or scheduled on form CA-117.	
Added P.I.P. (or equivalent added No-fault coverage)		Separately stated in each added P.I.P. endorsement.	
Property Protection Insurance (P.P.I.) (Michigan only)		Separately stated in the P.P.I. endorsement minus Deductible for each "accident."	
Auto Medical Payments	7	\$ 5,000 each insured	\$ 560
Medical Expense And Income Loss Benefits (Virginia only)		Separately stated in Each Medical Expense And Income Loss Benefits Endorsement.	
Uninsured Motorists (UM)	7	Separately stated in each UM endorsement.	\$ 10,928
Underinsured Motorists (UIM) (when not included in UM Coverage)		Separately stated in each UIM endorsement.	
Physical Damage Comprehensive Coverage	7	Actual cash value, cost of repair or stated amount, whichever is less, minus any applicable Deductible for each covered "auto." (See <b>Item 4.</b> for hired or borrowed "autos.")	\$ 5,177
Physical Damage Specified Causes of Loss Coverage		<b>See Schedule of Covered Autos You Own.</b> <b>See Item 4. for Hired or Borrowed Autos</b>	
Physical Damage Collision Coverage	7		\$ 7,770
Physical Damage Towing and Labor		for each disablement of a private passenger "auto."	
Form(s) and endorsement(s) applying to this coverage form and made a part of this policy at the time of issue:  <b>See Schedule of Forms and Endorsements.</b>		Premium for Endorsements	
		Estimated Total Premium (This policy may be subject to final audit.)	\$ 35,964.00



# National Casualty Company

## COMMERCIAL AUTO COVERAGE

### BUSINESS AUTO COVERAGE FORM SUPPLEMENTAL DECLARATIONS (continued)

Policy No.: CAO7761784 Effective Date: 10-27-14  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

#### Item 3. Schedule of Covered Autos You Own

**See Schedule of Covered Autos You Own.**

#### Item 4. Schedule of Hired or Borrowed Covered Auto Coverage and Premiums.

Covered Autos Liability Coverage—Cost of Hire Rating Basis for "Autos" **NOT** used in your Motor Carrier Operations (Other than Mobile Or Farm Equipment)

State	Estimated Annual Cost of Hire (Primary)	Rate Per Each \$100 Cost of Hire (Primary)	Estimated Annual Cost of Hire (Excess )	Rate Per Each \$100 Cost of Hire (Excess)	Premium
<b>Total Hired Auto Premium</b>					NOT APPLICABLE

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

Covered Autos Liability Coverage—Cost of Hire Rating Basis for "Autos" used in your Motor Carrier Operations (Other than Mobile or Farm Equipment)

State	Estimated Annual Cost of Hire (Primary )	Rate Per Each \$100 Cost of Hire (Primary)	Estimated Annual Cost of Hire (Excess)	Rate Per Each \$100 Cost of Hire (Excess)	Premium
<b>Total Hired Auto Premium</b>					

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein;
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party; and
3. The total dollar amount of any other costs (i.e., repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured," paid to the lessor or owner, or paid to others.

# National Casualty Company

## COMMERCIAL AUTO COVERAGE

### BUSINESS AUTO COVERAGE FORM SUPPLEMENTAL DECLARATIONS (continued)

Policy No.: CAO7761784 Effective Date: 10-27-14

Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006  
12:01 A.M. Standard Time

Item 4. Schedule of Hired or Borrowed Covered Auto Coverage and Premiums (continued)			
Physical Damage Coverages—Cost of Hire Rating Basis for All "Autos" (Other than Mobile or Farm Equipment)			
Coverage	Limit of Insurance The Most We Will Pay Deductible	Estimated Annual Cost of Hire For Each State (Ex- cluding Autos Hired With A Driver)	Premium
Comprehensive	Actual cash value, cost of repair or , whichever is less, minus Deductible for each covered "auto."		
Specified Causes of Loss	Actual cash value, cost of repair or , whichever is less, minus Deductible for each covered "auto."		
Collision	Actual cash value, cost of repair or , whichever is less, minus Deductible for each covered "auto."		
Total Hired Auto Premium			N/A

For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.

Hired Or Borrowed Mobile and Farm Equipment  
If this box is checked ☐, see Mobile and Farm Equipment Supplementary Schedule.

Item 5. Schedule for Non-ownership Liability			
Named Insured's Business	Rating Basis	Number	Premium
Other Than Garage Service Op- erations and Other Than Social Service Agencies	Number of Employees		
	Number of Partners (Active and Inactive)		
Garage Service Operations	Number of Employees Whose Principal Duty Involves the Operation of Autos		
	Number of Partners (Active and Inactive)		
Social Service Agencies	Number of Employees		
	Number of Volunteers Who Regularly Use Autos To Transport Clients		
	Number Of Partners (Active and Inactive)		
Total Non-ownership Covered Autos Liability Premium			NOT APPLICABLE

# National Casualty Company

## COMMERCIAL AUTO COVERAGE BUSINESS AUTO COVERAGE FORM SUPPLEMENTAL DECLARATIONS (continued)

Policy No.: CA07761784 Effective Date: 10-27-14  
12:01 A.M. Standard Time  
Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

<b>Item 6. Schedule for Gross Receipts or Mileage Basis</b>		
<b>Address of Business Location:</b>		
<b>Type Of Risk (Check One) for each Location:</b> <input type="checkbox"/> Public Autos <input type="checkbox"/> Leasing Or Rental Concerns <input type="checkbox"/> Other		
<b>Rating Basis (Check One) for each Location</b>		<b>Estimated Yearly (Gross Receipts Or Mileage)</b>
<input type="checkbox"/> Gross Receipts (Per \$100) <input type="checkbox"/> Mileage (Per Mile)		
	<b>Rate</b>	<b>Premium</b>
<b>Covered Autos Liability</b>		
<b>Personal Injury Protection</b>		
<b>Added Personal Injury Protection</b>		
<b>Property Protection Insurance (Michigan Only)</b>		
<b>Auto Medical Payments</b>		
<b>Medical Expense And Income Loss Benefits (Virginia Only)</b>		
<b>Uninsured Motorists (UM)</b>		
<b>Underinsured Motorists (UIM) (when not included in UM Coverage)</b>		
<b>Trailer Interchange</b>		
<b>Comprehensive</b>		
<b>Specified Causes Of Loss</b>		
<b>Collision</b>		
<b>Towing And Labor</b>		
		<b>Total Premium:</b>
		<b>Minimum Premium:</b>

When used as a premium basis:

### For Public Autos:

**Gross Receipts** means the total amount earned by the named insured for transporting passengers, mail and merchandise. Gross Receipts does not include:

1. Amounts paid to air, sea or land carriers operating under their own permits.
2. Advertising Revenue.
3. Taxes collected as a separate item and paid directly to the government.
4. C.O.D. collections for cost of mail or merchandise including collection fees.

**Mileage** means the total live and dead mileage of all revenue producing "autos" operated during the policy period.

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# National Casualty Company

## COMMERCIAL AUTO COVERAGE BUSINESS AUTO COVERAGE FORM SUPPLEMENTAL DECLARATIONS (continued)

Policy No.: CAO7761784 Effective Date: 10-27-14  
12:01 A.M. Standard Time  
Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

### For Rental or Leasing Concerns:

**Gross Receipts** means the total amount earned by the named insured for the leasing or renting of "autos" to others without drivers.

**Mileage** means the total live and dead mileage of all "autos" leased or rented to others without drivers during the policy period.

**THESE SUPPLEMENTAL DECLARATIONS, TOGETHER WITH THE COMMON POLICY DECLARATIONS AND THE FORM(S) AND ENDORSEMENT(S), IF ANY, COMPLETE THE POLICY.**

# National Casualty Company

## SCHEDULE OF COVERED AUTOS YOU OWN

Policy No.: CAO7761784 Effective Date: 10-27-14  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Covered Auto Number	Description		
	Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV1	1994	GMC 3500	1GDJC34K3RE553360
NV2	2000	CHEVROLET EXPRESS	1GCFG25W1Y1138859
NV3	2000	CHEVROLET EXPRESS	1GCFG25W0Y1209887
NV4	2005	CHEVROLET 1500	2GCEC19V751167811
NV5	2007	CHEVROLET 1500 CLASSIC	1GCEC19Z87Z189457
NV6	2003	CHEVROLET EXPRESS	1GCFG25T331118269
NV7	2004	FORD ECONOLINE	1FTSE34L14HA71263
NV8	2014	CHEVROLET EXPRESS CARGO 1500	1GCSGAFX3E1114168
NV9	2014	CHEVROLET EXPRESS CARGO 1500	1GCSGAFX1E1127968
NV10	2014	CHEVROLET 1500	3GCPCREC9EG200374

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV1	LAS VEGAS, NV	106		
NV2	LAS VEGAS, NV	106		
NV3	LAS VEGAS, NV	106		
NV4	LAS VEGAS, NV	106		\$ 8,000
NV5	LAS VEGAS, NV	106		\$ 10,165
NV6	LAS VEGAS, NV	106		\$ 5,000
NV7	LAS VEGAS, NV	106		\$ 5,000
NV8	LAS VEGAS, NV	106		\$ 20,000
NV9	LAS VEGAS, NV	106		\$ 20,000
NV10	LAS VEGAS, NV	106		\$ 35,371

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV1	100	C	9,000	6	034830
NV2	100	C	7,300	6	034830
NV3	100	C	7,300	6	034830
NV4	100	C	6,200	6	034830
NV5	100	C	6,400	6	034830
NV6	100	C	8,600	6	034830
NV7	100	C	9,500	6	034830
NV8	100	C	6,200	2	034830
NV9	100	C	6,200	2	034830
NV10	100	C	6,900	2	034830

# National Casualty Company

## SCHEDULE OF COVERED AUTOS YOU OWN (continued)

Policy No.: CAO7761784

Effective Date: 10-27-14

12:01 A.M. Standard Time

Named Insured: NOW SERVICES OF NEVADA LLC

Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV1	\$ 717			
NV2	\$ 717			
NV3	\$ 717			
NV4	\$ 717			
NV5	\$ 717			
NV6	\$ 717			
NV7	\$ 717			
NV8	\$ 717			
NV9	\$ 717			
NV10	\$ 717			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (VA Only) Premium	Income Loss Benefits (VA Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV1	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV2	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV3	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV4	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV5	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV6	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV7	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV8	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV9	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV10	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV1							
NV2							
NV3							
NV4	500	\$ 192		500	\$ 288		\$ 480
NV5	500	\$ 235		500	\$ 353		\$ 588
NV6	500	\$ 125		500	\$ 187		\$ 312
NV7	500	\$ 125		500	\$ 187		\$ 312
NV8	500	\$ 462		500	\$ 694		\$ 1,156
NV9	500	\$ 462		500	\$ 694		\$ 1,156
NV10	500	\$ 723		500	\$ 1,086		\$ 1,809

# National Casualty Company

## SCHEDULE OF COVERED AUTOS YOU OWN

Policy No.: CAO7761784 Effective Date: 10-27-14  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Covered Auto Number	Description		
	Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV11	2014	CHEVROLET EXPRESS CARGO 1500	1GCSGAFX6E1114052
NV12	2014	CHEVROLET EXPRESS CARGO 1500 VAN	1GB3G2BG1E1118269
NV13	2014	CHEVROLET EXPRESS CARGO 1500	1GCSGAFX9E1173192
NV14	2014	CHEVROLET EXPRESS CARGO 1500	1GCSGAFX9E1172852
NV15	2014	GMC\CHEVY 4X2 3500 SAVANA, EXPRESS C	1GB3G3BG2E1175263
NV16	1996	FORD ECONOLINE	1FTH24H3THA75183

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV11	LAS VEGAS, NV	106		\$ 25,340
NV12	LAS VEGAS, NV	106		\$ 27,275
NV13	LAS VEGAS, NV	106		\$ 25,230
NV14	LAS VEGAS, NV	106		\$ 25,230
NV15	LAS VEGAS, NV	106		\$ 25,230
NV16	LAS VEGAS, NV	106		

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV11	100	C	6,200	2	034830
NV12	100	C	6,200	2	034830
NV13	100	C	6,200	2	034830
NV14	100	C	6,200	2	034830
NV15	100	C	10,050	2	234830
NV16	100	C	8,550	6	034830

# National Casualty Company

## SCHEDULE OF COVERED AUTOS YOU OWN (continued)

Policy No.: CAO7761784

Effective Date: 10-27-14

12:01 A.M. Standard Time

Named Insured: NOW SERVICES OF NEVADA LLC

Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV11	\$ 717			
NV12	\$ 717			
NV13	\$ 717			
NV14	\$ 717			
NV15	\$ 774			
NV16	\$ 717			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (VA Only) Premium	Income Loss Benefits (VA Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV11	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV12	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV13	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV14	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435
NV15	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,492
NV16	\$ 5,000	\$ 35			\$ 683	INCL	\$ 1,435

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV11	500	\$ 563		500	\$ 845		\$ 1,408
NV12	500	\$ 607		500	\$ 910		\$ 1,517
NV13	500	\$ 561		500	\$ 842		\$ 1,403
NV14	500	\$ 561		500	\$ 842		\$ 1,403
NV15	500	\$ 561		500	\$ 842		\$ 1,403
NV16							



# National Casualty Company

## SCHEDULE OF LOSS PAYEE(S)

Policy No. CAO7761784

Effective Date 10-27-14

12:01 A.M. Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

Covered Auto No.	Loss Payee Name and Mailing Address
	Except for towing, all covered physical damage "loss" is payable to you and the loss payee named below according to their interests in the "auto" at the time of the "loss."
16 17	WELLS FARGO DEALER SERVICES PO BOX 5075 CORAOPOLIS, PA 15108 #3355049408
18	HITACHI 800 CONNECTICUT WAY NORWALK, CT 06854
20 21	ALLY PO BOX 618 MINNEAPOLIS, MN 55440-0618

## BUSINESS AUTO COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

### SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

#### A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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## B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

## C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

## SECTION II – COVERED AUTOS LIABILITY COVERAGE

### A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

### 1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
- (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

## **2. Coverage Extensions**

### **a. Supplementary Payments**

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

### **b. Out-of-state Coverage Extensions**

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

## **B. Exclusions**

This insurance does not apply to any of the following:

### **1. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

### **2. Contractual**

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

### **3. Workers' Compensation**

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

#### **4. Employee Indemnification And Employer's Liability**

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
  - (1) Employment by the "insured"; or
  - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **a.** above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

#### **5. Fellow Employee**

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph **a.** above.

#### **6. Care, Custody Or Control**

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

#### **7. Handling Of Property**

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

#### **8. Movement Of Property By Mechanical Device**

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

#### **9. Operations**

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

#### **10. Completed Operations**

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed;
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

#### **11. Pollution**

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a.** That are, or that are contained in any property that is:
  - (1)** Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2)** Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3)** Being stored, disposed of, treated or processed in or upon the covered "auto";
- b.** Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c.** After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts if:

- (1)** The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2)** The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a)** The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b)** The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

#### **12. War**

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a.** War, including undeclared or civil war;
- b.** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c.** Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

#### **13. Racing**

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

#### **C. Limit Of Insurance**

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

### **SECTION III – PHYSICAL DAMAGE COVERAGE**

#### **A. Coverage**

1. We will pay for "loss" to a covered "auto" or its equipment under:

- a. **Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
    - (2) The covered "auto's" overturn.

- b. **Specified Causes Of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
    - (2) Theft;
    - (3) Windstorm, hail or earthquake;
    - (4) Flood;
    - (5) Mischief or vandalism; or
    - (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

- c. **Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
    - (2) The covered "auto's" overturn.

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

#### **3. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

#### **4. Coverage Extensions**

- a. **Transportation Expenses**

We will pay up to \$20 per day, to a maximum of \$600, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

- b. **Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
    - (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

## **B. Exclusions**

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

### **a. Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

### **b. War Or Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

- b. Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.

- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.

- d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";
- b. Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or
- d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

## **C. Limits Of Insurance**

1. The most we will pay for:

- a. "Loss" to any one covered "auto" is the lesser of:

- (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;



- (2) Removable from a permanently installed housing unit as described in Paragraph **b.(1)** above; or
  - (3) An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
  3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

#### **D. Deductible**

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

### **SECTION IV – BUSINESS AUTO CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions:

#### **A. Loss Conditions**

##### **1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

##### **2. Duties In The Event Of Accident, Claim, Suit Or Loss**

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
  - (1) How, when and where the "accident" or "loss" occurred;

- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

#### **b. Additionally, you and any other involved "insured" must:**

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

#### **c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:**

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

#### **3. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

#### **4. Loss Payment – Physical Damage Coverages**

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

#### **5. Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

### **B. General Conditions**

#### **1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

#### **2. Concealment, Misrepresentation Or Fraud**

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

#### **3. Liberalization**

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

#### **4. No Benefit To Bailee – Physical Damage Coverages**

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

#### **5. Other Insurance**

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

#### **6. Premium Audit**

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

## 7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

## 8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

## SECTION V – DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means:
  1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or

2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- E.** "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- G.** "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- H.** "Insured contract" means:
1. A lease of premises;
  2. A sidetrack agreement;
  3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a.** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
  - b.** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
  - c.** That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J.** "Loss" means direct and accidental loss or damage.
- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  2. Vehicles maintained for use solely on or next to premises you own or rent;
  3. Vehicles that travel on crawler treads;

4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a. Power cranes, shovels, loaders, diggers or drills; or
  - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - b. Cherry pickers and similar devices used to raise or lower workers; or
6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
  - a. Equipment designed primarily for:
    - (1) Snow removal;
    - (2) Road maintenance, but not construction or resurfacing; or
    - (3) Street cleaning;
  - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
  1. Damages because of "bodily injury" or "property damage"; or
  2. A "covered pollution cost or expense";
 to which this insurance applies, are alleged.  
 "Suit" includes:
  - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NEVADA CHANGES**

For a covered "auto" licensed in Nevada, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **I. Changes In Conditions**

**A.** If the Auto Medical Payments Coverage endorsement is attached, the **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply to Auto Medical Payments Coverage.

**B.** The **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are changed by adding the following:

**1.** When two Coverage Forms providing liability coverage apply to an "auto" and:

**a.** One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing, road testing, parking or storing "autos"; and

**b.** The other provides coverage to a person not engaged in that business; and

**c.** At the time of an "accident", a person described in **1.b.** is operating the "auto"; then

that person's liability insurance is primary and the Coverage Form issued to a business described in **1.a.** is excess over any insurance available to that person.

**2.** When two Coverage Forms providing liability coverage apply to an "auto" and:

**a.** One provides coverage to a Named Insured engaged in the business of repairing or servicing "autos"; and

**b.** The other provides coverage to a person not engaged in that business; and

**c.** At the time of an "accident", a person described in **2.b.** is operating an "auto" owned by the business described in **2.a.** as a temporary substitute auto while that person's "auto" is being repaired or serviced by the business described in **2.a.**; then

that person's liability coverage is primary and the Coverage Form issued to the business described in **2.a.** is excess over any insurance available to that person.

### **II. Anti-stacking Provisions**

The contrasting type contained in this endorsement is in compliance with Nevada statutory requirements that anti-stacking provisions be prominently displayed in the policy, binder or endorsement.

#### **A. Changes In Covered Autos Liability Coverage**

The first paragraph of the **Limit Of Insurance** provision is replaced by the following:

**REGARDLESS OF THE NUMBER OF COVERED "AUTOS", "INSUREDS", PREMIUMS PAID, CLAIMS MADE OR VEHICLES INVOLVED IN THE "ACCIDENT", THE MOST WE WILL PAY FOR THE TOTAL OF ALL DAMAGES AND "COVERED POLLUTION COST OR EXPENSE" COMBINED, RESULTING FROM ANY ONE "ACCIDENT" IS THE LIMIT OF INSURANCE FOR COVERED "AUTOS" LIABILITY COVERAGE SHOWN IN THE DECLARATIONS.**

**B. Changes In Auto Medical Payments Coverage**

If the Auto Medical Payments Coverage endorsement is attached:

1. Exclusions 2. and 3. are replaced by the following:

2. "BODILY INJURY" SUSTAINED BY YOU OR ANY "FAMILY MEMBER" WHILE "OCCUPYING" OR STRUCK BY ANY VEHICLE (OTHER THAN A COVERED "AUTO") OWNED BY YOU OR FURNISHED OR AVAILABLE FOR YOUR REGULAR USE.

3. "BODILY INJURY" SUSTAINED BY ANY "FAMILY MEMBER" WHILE "OCCUPYING" OR STRUCK BY ANY VEHICLE (OTHER THAN A COVERED "AUTO") OWNED BY OR FURNISHED OR AVAILABLE FOR THE REGULAR USE OF ANY "FAMILY MEMBER".

2. The first paragraph of the **Limit Of Insurance** provision is replaced by the following:

REGARDLESS OF THE NUMBER OF COVERED "AUTOS", "INSUREDS", PREMIUMS PAID, CLAIMS MADE OR VEHICLES INVOLVED IN THE "ACCIDENT", THE MOST WE WILL PAY FOR "BODILY INJURY" FOR EACH "INSURED" INJURED IN ANY ONE "ACCIDENT" IS THE LIMIT OF AUTO MEDICAL PAYMENTS SHOWN IN THE DECLARATIONS.

**C. Changes In Garagekeepers Coverage**

If the Garagekeepers Coverage endorsement is attached, Paragraph 1. of the **Limits Of Insurance And Deductibles** provision is replaced by the following:

1. REGARDLESS OF THE NUMBER OF "CUSTOMER'S AUTOS", "INSUREDS", PREMIUMS PAID, CLAIMS MADE OR "SUITS" BROUGHT, THE MOST WE WILL PAY FOR EACH "LOSS" AT EACH LOCATION IS THE GARAGEKEEPERS COVERAGE LIMIT OF INSURANCE SHOWN IN THE SCHEDULE FOR THAT LOCATION. PRIOR TO THE APPLICATION OF THIS LIMIT, THE DAMAGES FOR "LOSS" THAT WOULD OTHERWISE BE PAYABLE WILL BE REDUCED BY THE APPLICABLE DEDUCTIBLES FOR "LOSS" CAUSED BY:

a. COLLISION; OR

b. WITH RESPECT TO GARAGEKEEPERS COVERAGE COMPREHENSIVE OR SPECIFIED CAUSES OF LOSS COVERAGE:

(1) THEFT OR MISCHIEF OR VANDALISM; OR

(2) ALL PERILS.

**D. Changes In Garagekeepers Coverage – Customers' Sound-receiving Equipment**

If the Garagekeepers Coverage – Customers' Sound-receiving Equipment endorsement is attached, Paragraph 1. of the **Limits Of Insurance And Deductibles** provision is replaced by the following:

1. REGARDLESS OF THE NUMBER OF "SOUND-RECEIVING EQUIPMENT" ITEMS IN A "CUSTOMER'S AUTO", "INSUREDS", PREMIUMS PAID, CLAIMS MADE OR "SUITS" BROUGHT, THE MOST WE WILL PAY FOR EACH "LOSS" AT EACH LOCATION IS THE GARAGEKEEPERS COVERAGE – SOUND-RECEIVING EQUIPMENT LIMIT OF INSURANCE SHOWN IN THE SCHEDULE FOR THAT LOCATION. PRIOR TO THE APPLICATION OF THIS LIMIT, THE DAMAGES FOR "LOSS" THAT WOULD OTHERWISE BE PAYABLE WILL BE REDUCED BY THE APPLICABLE DEDUCTIBLE FOR "LOSS" CAUSED BY COLLISION OR MISCHIEF OR VANDALISM.

**E. Changes In Transportation Of Seasonal Or Migrant Agricultural Workers Endorsement**

If the Transportation Of Seasonal Or Migrant Agricultural Workers endorsement is attached, Paragraph 1. of the **Limit Of Insurance** provision is replaced by the following:

1. REGARDLESS OF THE NUMBER OF COVERED "AUTOS", "INSUREDS", PREMIUMS PAID, CLAIMS MADE OR VEHICLES INVOLVED IN THE "ACCIDENT", THE MOST WE WILL PAY FOR ALL DAMAGES RESULTING FROM ANY ONE "ACCIDENT" IS THE LIMIT OF INSURANCE SHOWN IN THE SCHEDULE FOR EACH "ACCIDENT".

#### **F. Changes In Conditions**

The **Two Or More Coverage Forms Or Policies Issued By Us** Condition is replaced by the following:

##### **TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US**

IF THIS COVERAGE FORM AND ANY OTHER COVERAGE FORM OR POLICY ISSUED TO YOU BY US OR ANY COMPANY AFFILIATED WITH US APPLY TO THE SAME "ACCIDENT", THE AGGREGATE MAXIMUM LIMIT OF INSURANCE UNDER ALL THE COVERAGE FORMS OR POLICIES SHALL NOT EXCEED THE HIGHEST APPLICABLE SINGLE VEHICLE LIMIT OF INSURANCE UNDER ANY ONE COVERAGE FORM OR POLICY REGARDLESS OF THE NUMBER OF COVERED "AUTOS", "INSUREDS", PREMIUMS PAID, CLAIMS MADE OR VEHICLES INVOLVED IN THE "ACCIDENT". THIS CONDITION DOES NOT APPLY TO ANY COVERAGE FORM OR POLICY ISSUED BY US OR AN AFFILIATED COMPANY SPECIFICALLY TO APPLY AS EXCESS INSURANCE OVER THIS COVERAGE FORM.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED INSURED**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective:	Countersigned By:
Named Insured:	(Authorized Representative)

**SCHEDULE****Name of Person(s) or Organization(s):**HOMEFREE NEVADA  
3050 E FLAMINGO RD  
LAS VEGAS, NV 89121

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in **Section II** of the Coverage Form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED INSURED**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective:	Countersigned By:          (Authorized Representative)
Named Insured:	

**SCHEDULE****Name of Person(s) or Organization(s):**WELLS FARGO DEALER SERVICES  
PO BOX 5075  
CORAOPOLIS, PA 15108SOTELO AIR INC  
2741 LOSEE RD, STE B  
N LAS VEGAS, NV 89030

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in **Section II** of the Coverage Form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## NEVADA UNINSURED MOTORISTS COVERAGE

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Nevada, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:**

**Endorsement Effective Date:**

### SCHEDULE

**Limit Of Insurance:** \$500,000

**Each "Accident"**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

#### ANTI-STACKING PROVISIONS

Any contrasting type contained in this endorsement is in compliance with the Nevada statutory requirements that anti-stacking provisions be prominently displayed in the policy, binder or endorsement.

##### A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. With respect to a vehicle as defined in Paragraph **a.** or **b.** of the definition of "uninsured motor vehicle", we will pay damages only in excess of the amount available to an "insured" under any bodily injury liability bonds or policies applicable to the "uninsured motor vehicle".

3. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

##### B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
  - a. The Named Insured and any "family members".
  - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
- b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

### C. Exclusions

This insurance does not apply to any of the following:

- 1. Any claim settled without our consent. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
- 2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

#### 3. "BODILY INJURY" SUSTAINED BY:

- a. AN INDIVIDUAL NAMED INSURED WHILE "OCCUPYING" OR WHEN STRUCK BY ANY VEHICLE OWNED BY THAT NAMED INSURED THAT IS NOT A COVERED "AUTO" FOR UNINSURED MOTORISTS COVERAGE UNDER THIS COVERAGE FORM;
- b. ANY "FAMILY MEMBER" WHILE "OCCUPYING" OR WHEN STRUCK BY ANY VEHICLE OWNED BY THAT "FAMILY MEMBER" THAT IS NOT A COVERED "AUTO" FOR UNINSURED MOTORISTS COVERAGE UNDER THIS COVERAGE FORM; OR
- c. ANY "FAMILY MEMBER" WHILE "OCCUPYING" OR WHEN STRUCK BY ANY VEHICLE OWNED BY THAT NAMED INSURED THAT IS INSURED FOR UNINSURED MOTORISTS COVERAGE ON A PRIMARY BASIS UNDER ANY OTHER COVERAGE FORM OR POLICY.

**THIS EXCLUSION APPLIES ONLY TO THE EXTENT THAT THE LIMITS OF LIABILITY FOR THIS COVERAGE EXCEED THE LIMITS OF LIABILITY REQUIRED BY THE NEVADA MOTOR VEHICLE SAFETY RESPONSIBILITY ACT.**

4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

5. Any damages to the extent that they are or were available to be paid to an "insured" under any bodily injury liability bonds or policies applicable to the "uninsured motor vehicle" as defined in Paragraph **a.** or **b.** of the definition of "uninsured motor vehicle".

6. Punitive or exemplary damages.

7. "Bodily injury" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### D. Limit Of Insurance

1. **REGARDLESS OF THE NUMBER OF COVERED "AUTOS", "INSUREDS", PREMIUMS PAID, CLAIMS MADE OR VEHICLES INVOLVED IN THE "ACCIDENT", THE MOST WE WILL PAY FOR ALL DAMAGES RESULTING FROM ANY ONE "ACCIDENT" IS THE LIMIT OF INSURANCE FOR UNINSURED MOTORISTS COVERAGE SHOWN IN THE SCHEDULE OR DECLARATIONS.**

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

## E. Changes In Conditions

The Conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. **THE MAXIMUM RECOVERY UNDER ALL COVERAGE FORMS OR POLICIES COMBINED MAY EQUAL BUT NOT EXCEED THE HIGHEST APPLICABLE LIMIT FOR ANY ONE VEHICLE UNDER ANY COVERAGE FORMS OR POLICY PROVIDING COVERAGE ON EITHER A PRIMARY OR EXCESS BASIS.**

- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.

- c. If the coverage under this Coverage Form is provided:

- (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

- (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. **Transfer Of Rights Of Recovery Against Others To Us** is replaced by the following:

### **Transfer Of Rights Of Recovery Against Others To Us**

- a. If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them. However, with respect to an underinsured motor vehicle as defined in Paragraph b. of the definition of "uninsured motor vehicle", this condition does not apply.
- b. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

4. The following condition is added:

### **Arbitration**

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages, the "insured" may make a written demand for arbitration. However, disputes concerning coverage under this endorsement may not be arbitrated. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision of the arbitrators will not be binding on the "insured".

## F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption, who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
  - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
  - b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" to which a liability bond or policy applies at the time of the "accident", but the amount paid under that bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as damages;
  - c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or

- d. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying".

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except:
  - (1) A self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law; or
  - (2) A vehicle(s) owned by a governmental unit or agency.
- b. Designed for use mainly off public roads while not on public roads.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Coverage**

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

### **B. Who Is An Insured**

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

### **C. Exclusions**

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.

3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

#### **D. Limit Of Insurance**

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

#### **E. Changes In Conditions**

The **Conditions** are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form to "other collectible insurance" applies only to other collectible auto medical payments insurance.

#### **F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****STATED AMOUNT INSURANCE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:****Endorsement Effective Date:****SCHEDULE**

The insurance provided by this endorsement is reduced by the following deductible(s):			
Vehicle Number	Coverage	Limit Of Insurance And Deductible	Premium
SEE UT-234		\$ Limit Of Insurance	\$
		\$ Deductible	
		\$ Limit Of Insurance	\$
		\$ Deductible	
		\$ Limit Of Insurance	\$
		\$ Deductible	
Total Premium			\$

**NOTE:**

The amount shown in the Schedule or in the Declarations is not necessarily the amount you will receive at the time of "loss" for the described property. Please refer to the Limits Of Insurance and Deductible provisions which follow.

Designation Or Description Of Covered "Autos"		
Vehicle Number	Model Year	Trade Name And Model
SEE UT-234		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

**A.** This endorsement provides only those coverages where a premium is shown in the Schedule. Each of these coverages applies only to the vehicles shown as covered "autos".

**B.** For a covered "auto" described in the Schedule, **Physical Damage Coverage – Limits Of Insurance** is replaced by the following:

### **Limits Of Insurance**

1. The most we will pay for any one "loss" to any one covered "auto" is the least of the following amounts:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss";
  - b. The cost of repairing or replacing the damaged or stolen property with property of like kind and quality; or
  - c. The Limit Of Insurance shown in the Schedule.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

### **C. Deductible**

1. For each covered "auto", our obligation to pay:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss" will be reduced by the applicable deductible shown in the Schedule;
  - b. The cost of repairing or replacing the damaged or stolen property with property of like kind and quality will be reduced by the applicable deductible shown in the Schedule; or
  - c. The damages for "loss" that would otherwise be payable will be reduced by the applicable deductible shown in the Schedule prior to the application of the Limit Of Insurance shown in the Schedule.
2. Any Comprehensive Coverage Deductible shown in the Schedule does not apply to "loss" caused by fire or lightning.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LOSS PAYABLE CLAUSE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** We will pay, as interest may appear, you and the loss payee named in the policy for "loss" to a covered "auto".
- B.** The insurance covers the interest of the loss payee unless the "loss" results from conversion, secretion or embezzlement on your part.
- C.** We may cancel the policy as allowed by the Cancellation Common Policy Condition.
- D.** If we make any payments to the loss payee, we will obtain his or her rights against any other party.

Cancellation ends this agreement as to the loss payee's interest. If we cancel the policy, we will mail you and the loss payee the same advance notice.

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### HYDRAULIC FRACTURING EXCLUSION

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM**

With respect to this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** The following exclusion is added to Paragraph **B. Exclusions** of Section **II—Liability Coverage** in the Business Auto, Motor Carrier and Truckers Coverage Forms and for **“Garage Operations”—Covered “Autos”** in the Garage Coverage Form:

#### Hydraulic Fracturing

This insurance does not apply to:

1. “Bodily injury,” “property damage” or “covered pollution” cost or expense:
  - a. “Arising,” in whole or in part, out of any operation involving substances under pressure being pumped underground with the objective of creating fractures in geologic formations to facilitate the release and extraction of hydrocarbons, including but not limited to oil or natural gas. Such operations include but are not limited to “hydraulic fracturing,” “gas fracking” and/or the actual, alleged, threatened or suspected contact with, exposure to, existence of or presence of any “flowback” or the handling, transporting, storage, release or disposal of any “flowback” by any “insured” or by any other person or entity; or
  - b. Caused, directly or indirectly or in whole or in part, by any operation involving substances

under pressure used for pumping underground with the objective of creating fractures in geologic formations to facilitate the release and extraction of hydrocarbons, including but not limited to oil or natural gas. Such operations include, but are not limited to, “hydraulic fracturing,” “gas fracking” and/or the actual, alleged, threatened or suspected contact with, exposure to, existence of or presence of any “flowback” or the handling, transporting, storage, release or disposal of any “flowback” by any “insured” or by any other person or entity, that are, or that are contained in any property that is:

- (a) Being transported or towed by, handled or handled for movement into, onto or from, the covered “auto”;
  - (b) Otherwise in the course of transit by any “insured” or by any other person or entity; or
  - (c) Being stored, disposed of, treated or processed in or upon the covered “auto.”
2. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, remediating, disposing of, or in any way responding to or assessing the effects of “hydraulic fracturing,”

“gas fracking” or “flowback” by any “insured” or by any other person or entity.

We will have no duty to settle any claim or defend any “suit” against the “insured” arising out of or in any way related to items **1.** or **2.** above.

**B.** With respect to this endorsement, the following additional definitions apply:

**1.** “Hydraulic fracturing” or hydrofracking means the process by which water, “proppants,” chemicals and/or other fluid additives are injected at high pressure into underground geologic formations to create fractures, to facilitate the extraction of any hydrocarbons including but not limited to natural gas and/or oil.

**2.** “Flowback” means any substance containing returned “hydraulic fracturing” fluid, including but not limited to water, “proppants,” “hydraulic fracturing” fluid additives; and, any hydrocarbon compounds, salts, conventional pollutants, organics, metals, and naturally occurring radioactive material brought to the surface with the water.

**3.** “Gas Fracking” or liquefied propane/butane gas fracturing means the waterless process by which propane gel and “proppants” are injected at high pressure into geologic formations to create fractures, to facilitate the release and extraction of natural gas.

**4.** “Proppant” means particles that are used to keep fractures open after a “hydraulic fracturing” treatment.

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AUTHORIZED REPRESENTATIVE

DATE

# National Casualty Company

**ENDORSEMENT  
NO. \_\_\_\_\_**

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **MILEAGE LIMITATION—RESTRICTED LIMITS**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
AUTO DEALERS COVERAGE FORM**

The Limits of Insurance provided under this policy shall be no greater than the minimum specified to comply with a compulsory insurance, financial responsibility or no-fault law, or similar law while any covered "auto" is being operated beyond the mileage radius indicated in **Item 3.** of the Supplemental Declarations.

This policy does not provide Physical Damage Coverage for "auto(s)" being operated beyond the mileage radius indicated in **Item 3.** of the Supplemental Declarations.

\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

\_\_\_\_\_  
DATE

# National Casualty Company

## CHANGE ENDORSEMENT NO. 001

Policy No. CAO7761784

Effective Date: 12-17-14  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

<input type="checkbox"/>	Commercial Property		
<input type="checkbox"/>	Commercial General Liability		
<input type="checkbox"/>	Commercial Crime		
<input type="checkbox"/>	Commercial Inland Marine		
<input checked="" type="checkbox"/>	Commercial Auto	\$	238.00
<input type="checkbox"/>			

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

THE FOLLOWING VEHICLE HAS BEEN ADDED:

0017 - NV 2011 BIG BUBBA TRAILER VIN# 5F7US0818BN018772

THE FOLLOWING VEHICLE HAS BEEN ADDED:

0018 - NV 2014 BIG BUBBA TRAILER VIN# 5F7US0814EUA27134

### PREMIUM CHANGE

Additional \$ 238.00

Return \$

\_\_\_\_\_  
AUTHORIZED AGENT

# National Casualty Company

## SCHEDULE OF AUTO CHANGES

Policy No.: CAO7761784 Effective Date: 12-17-14  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

**Coverage affected by this change is indicated as: A= Add, D= Delete or C= Change**

Covered Auto Number	Vehicle Covered Is	Description		
		Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV17	A	2011	BIG BUBBA TRAILER	5F7US0818BN018772
NV18	A	2014	BIG BUBBA TRAILER	5F7US0814EUA27134

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV17	LAS VEGAS, NV	109		
NV18	LAS VEGAS, NV	109		

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV17	100			5	684830
NV18	100			2	684830



# National Casualty Company

## SCHEDULE OF AUTO CHANGES (continued)

Policy No.: CAO7761784 Effective Date: 12-17-14  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV17	\$ 119			
NV18	\$ 119			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (Virginia Only) Premium	Income Loss Benefits (Virginia Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV17							119 A/P
NV18							119 A/P

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV17							
NV18							

# National Casualty Company

## CHANGE ENDORSEMENT NO. 002

Policy No. CAO7761784

Effective Date: 01-08-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

- ☐ Commercial Property
- ☐ Commercial General Liability
- ☐ Commercial Crime
- ☐ Commercial Inland Marine
- ☒ Commercial Auto
- ☐

NO CHARGE

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

DRIVER EXCLUSION EFREN SOTELO

THE FOLLOWING FORM(S) HAS BEEN ADDED:

CA-5 10-92 NAMED DRIVER(S) EXCL

### PREMIUM CHANGE

Additional \$ NO CHARGE

Return \$ NO CHARGE

\_\_\_\_\_  
AUTHORIZED AGENT

**National Casualty Company**

**ENDORSEMENT**

**NO.** 002

Attached to and forming a part of

Policy No. CAO7761784

Named Insured NOW SERVICES OF NEVADA LLC

Endorsement Effective Date 01-08-15

12:01 A.M., Standard Time

Agent No. 43006

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NAMED DRIVER(S) EXCLUSION**

It is agreed that the insurance afforded by this policy shall not apply with respect to any claim arising from accidents which occur while any automobile is being operated by

EFREN SOTELO

ACCEPTED: \_\_\_\_\_

(Named insured must sign.)

# National Casualty Company

## CHANGE ENDORSEMENT NO. 003

Policy No. CAO7761784

Effective Date: 02-16-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

<input type="checkbox"/>	Commercial Property	
<input type="checkbox"/>	Commercial General Liability	
<input type="checkbox"/>	Commercial Crime	
<input type="checkbox"/>	Commercial Inland Marine	
<input checked="" type="checkbox"/>	Commercial Auto	\$ 4,048.00
<input type="checkbox"/>		

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

THE FOLLOWING VEHICLE HAS BEEN ADDED:

0019 – NV 2014 GMC\CHEVY 4X2 3500 SAVANA, EXPRESS C VIN#  
1GB3G3BG5E1211169

THE FOLLOWING VEHICLE HAS BEEN ADDED:

0020 – NV 2014 GMC\CHEVY 4X2 SAVANA 1500 CARGO VAN VIN#  
1GCSGAFX9E1200259

### PREMIUM CHANGE

Additional \$ 4,048.00

Return \$

\_\_\_\_\_  
AUTHORIZED AGENT

# National Casualty Company

## SCHEDULE OF AUTO CHANGES

Policy No.: CAO7761784

Effective Date: 02-16-15

12:01 A.M. Standard Time

Named Insured: NOW SERVICES OF NEVADA LLC

Agent No.: 43006

**Coverage affected by this change is indicated as: A= Add, D= Delete or C= Change**

Covered Auto Number	Vehicle Covered Is	Description		
		Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV19	A	2014	GMC\CHEVY 4X2 3500 SAVANA, EXPRESS C	1GB3G3BG5E1211169
NV20	A	2014	GMC\CHEVY 4X2 SAVANA 1500 CARGO VAN	1GCSGAFX9E1200259

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV19	LAS VEGAS, NV	106		\$ 27,195
NV20	LAS VEGAS, NV	106		\$ 25,230

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV19	100	C	10,050	2	234830
NV20	100	C	8,600	2	034830

# National Casualty Company

## SCHEDULE OF AUTO CHANGES (continued)

Policy No.: CAO7761784 Effective Date: 02-16-15  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV19	\$ 536			
NV20	\$ 497			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (Virginia Only) Premium	Income Loss Benefits (Virginia Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV19	\$ 5,000	\$ 24			\$ 473	INCL	1033 A/P
NV20	\$ 5,000	\$ 24			\$ 473	INCL	994 A/P

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV19	\$ 500	\$ 419		\$ 500	\$ 629		1048 A/P
NV20	\$ 500	\$ 389		\$ 500	\$ 584		973 A/P

# National Casualty Company

## CHANGE ENDORSEMENT NO. 004

Policy No. CAO7761784

Effective Date: 02-26-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

- ☐ Commercial Property
- ☐ Commercial General Liability
- ☐ Commercial Crime
- ☐ Commercial Inland Marine
- ☒ Commercial Auto
- ☐

NO CHARGE

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

THE FOLLOWING FORM(S) HAS BEEN AMENDED:

UT-232                      03-10                      SCHEDULE OF LOSS PAYEE(S)

### PREMIUM CHANGE

Additional \$ NO CHARGE

Return \$ NO CHARGE

\_\_\_\_\_  
AUTHORIZED AGENT

# National Casualty Company

## SCHEDULE OF LOSS PAYEE(S)

Policy No. CAO7761784

Effective Date 02-26-15

12:01 A.M. Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

Covered Auto No.	Loss Payee Name and Mailing Address
	Except for towing, all covered physical damage "loss" is payable to you and the loss payee named below according to their interests in the "auto" at the time of the "loss."
16 17 12	WELLS FARGO DEALER SERVICES PO BOX 5075 CORAOPOLIS, PA 15108
18	HITACHI 800 CONNECTICUT WAY NORWALK, CT 06854
20 21	ALLY PO BOX 618 MINNEAPOLIS, MN 55440-0618



# National Casualty Company

## CHANGE ENDORSEMENT NO. 005

Policy No. CAO7761784

Effective Date: 03-18-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

- ☐ Commercial Property
- ☐ Commercial General Liability
- ☐ Commercial Crime
- ☐ Commercial Inland Marine
- ☒ Commercial Auto
- ☐

NO CHARGE

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

DRIVER EXCLUSION: KEVIN ALEX RIVERA.

THE FOLLOWING FORM(S) HAS BEEN AMENDED:

CA-5                      10-92                      NAMED DRIVER(S) EXCL

### PREMIUM CHANGE

Additional \$ NO CHARGE

Return \$ NO CHARGE

\_\_\_\_\_  
AUTHORIZED AGENT

**National Casualty Company**

**ENDORSEMENT**

**NO.** 005

Attached to and forming a part of

Policy No. CAO7761784

Named Insured NOW SERVICES OF NEVADA LLC

Endorsement Effective Date 03-18-15

12:01 A.M., Standard Time

Agent No. 43006

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NAMED DRIVER(S) EXCLUSION**

It is agreed that the insurance afforded by this policy shall not apply with respect to any claim arising from accidents which occur while any automobile is being operated by

EFREN SOTELO

ACCEPTED: \_\_\_\_\_

(Named insured must sign.)

**National Casualty Company**

**ENDORSEMENT**

**NO.** 005

Attached to and forming a part of

Policy No. CA07761784

Named Insured NOW SERVICES OF NEVADA LLC

Endorsement Effective Date 03-18-15

12:01 A.M., Standard Time

Agent No. 43006

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NAMED DRIVER(S) EXCLUSION**

It is agreed that the insurance afforded by this policy shall not apply with respect to any claim arising from accidents which occur while any automobile is being operated by

KEVIN ALEX RIVERA

ACCEPTED: \_\_\_\_\_

(Named insured must sign.)

# National Casualty Company

## CHANGE ENDORSEMENT NO. 006

Policy No. CAO7761784

Effective Date: 03-25-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

<input type="checkbox"/>	Commercial Property	
<input type="checkbox"/>	Commercial General Liability	
<input type="checkbox"/>	Commercial Crime	
<input type="checkbox"/>	Commercial Inland Marine	
<input checked="" type="checkbox"/>	Commercial Auto	\$ -1,713.00
<input type="checkbox"/>		

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

THE FOLLOWING VEHICLE HAS BEEN DELETED:

0015 - NV 2014 GMC\CHEVY 4X2 3500 SAVANA, EXPRESS C  
VIN# 1GB3G3BG2E1175263

### PREMIUM CHANGE

Additional \$

Return \$ -1,713.00

\_\_\_\_\_  
AUTHORIZED AGENT

# National Casualty Company

## SCHEDULE OF AUTO CHANGES

Policy No.: CAO7761784 Effective Date: 03-25-15  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

**Coverage affected by this change is indicated as: A=Add, D=Delete or C=Change**

Covered Auto Number	Vehicle Covered Is	Description		
		Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV15	D	2014	GMC\CHEVY 4X2 3500 SAVANA, EXPRESS C	1GB3G3BG2E1175263

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV15	LAS VEGAS, NV	106		\$ 25,230

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV15	100	C	10,050	2	234830

# National Casualty Company

## SCHEDULE OF AUTO CHANGES (continued)

Policy No.: CAO7761784 Effective Date: 03-25-15  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV15	\$ -458			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (Virginia Only) Premium	Income Loss Benefits (Virginia Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV15	\$ 5,000	\$ -21			\$ -404	INCL	-883 R/P

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV15	\$ 500	\$ -332		\$ 500	\$ -498		-830 R/P

# National Casualty Company

## CHANGE ENDORSEMENT NO. 007

Policy No. CAO7761784

Effective Date: 04-20-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

- ☐ Commercial Property
- ☐ Commercial General Liability
- ☐ Commercial Crime
- ☐ Commercial Inland Marine
- ☒ Commercial Auto
- ☐

NO CHARGE

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

DRIVER EXCLUSION: JUSTEN ALEXANDER CHARLES.

THE FOLLOWING FORM(S) HAS BEEN AMENDED:

CA-5                      10-92                      NAMED DRIVER(S) EXCL

### PREMIUM CHANGE

Additional \$ NO CHARGE

Return \$ NO CHARGE

\_\_\_\_\_  
AUTHORIZED AGENT

**National Casualty Company**

**ENDORSEMENT**

**NO.** 007

Attached to and forming a part of

Policy No. CAO7761784

Named Insured NOW SERVICES OF NEVADA LLC

Endorsement Effective Date 04-20-15

12:01 A.M., Standard Time

Agent No. 43006

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NAMED DRIVER(S) EXCLUSION**

It is agreed that the insurance afforded by this policy shall not apply with respect to any claim arising from accidents which occur while any automobile is being operated by

EFREN SOTELO

ACCEPTED: \_\_\_\_\_

(Named insured must sign.)



**National Casualty Company**

**ENDORSEMENT**

**NO.** 007

Attached to and forming a part of

Policy No. CA07761784

Named Insured NOW SERVICES OF NEVADA LLC

Endorsement Effective Date 04-20-15

12:01 A.M., Standard Time

Agent No. 43006

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NAMED DRIVER(S) EXCLUSION**

It is agreed that the insurance afforded by this policy shall not apply with respect to any claim arising from accidents which occur while any automobile is being operated by

KEVIN ALEX RIVERA

ACCEPTED: \_\_\_\_\_

(Named insured must sign.)

**National Casualty Company**

**ENDORSEMENT**

**NO.** 007

Attached to and forming a part of

Policy No. CAO7761784

Named Insured NOW SERVICES OF NEVADA LLC

Endorsement Effective Date 04-20-15

12:01 A.M., Standard Time

Agent No. 43006

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NAMED DRIVER(S) EXCLUSION**

It is agreed that the insurance afforded by this policy shall not apply with respect to any claim arising from accidents which occur while any automobile is being operated by

JUSTEN ALEXANDER CHARLES

ACCEPTED: \_\_\_\_\_

(Named insured must sign.)

# National Casualty Company

## CHANGE ENDORSEMENT NO. 008

Policy No. CAO7761784

Effective Date: 04-30-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

<input type="checkbox"/>	Commercial Property		
<input type="checkbox"/>	Commercial General Liability		
<input type="checkbox"/>	Commercial Crime		
<input type="checkbox"/>	Commercial Inland Marine		
<input checked="" type="checkbox"/>	Commercial Auto	\$	-861.00
<input type="checkbox"/>			

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

THE FOLLOWING VEHICLE HAS BEEN DELETED:

0007 - NV 2004 FORD ECONOLINE VIN# 1FTSE34L14HA71263

### PREMIUM CHANGE

Additional \$

Return \$

-861.00

\_\_\_\_\_  
AUTHORIZED AGENT

# National Casualty Company

## SCHEDULE OF AUTO CHANGES

Policy No.: CAO7761784Effective Date: 04-30-15

12:01 A.M. Standard Time

Named Insured: NOW SERVICES OF NEVADA LLCAgent No.: 43006**Coverage affected by this change is indicated as: A=Add, D=Delete or C=Change**

Covered Auto Number	Vehicle Covered Is	Description		
		Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV7	D	2004	FORD ECONOLINE	1FTSE34L14HA71263

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV7	LAS VEGAS, NV	106		\$ 5,000

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV7	100	C	9,500	6	034830

# National Casualty Company

## SCHEDULE OF AUTO CHANGES (continued)

Policy No.: CAO7761784 Effective Date: 04-30-15  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV7	\$ -353			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (Virginia Only) Premium	Income Loss Benefits (Virginia Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV7	\$ 5,000	\$ -17			\$ -337	INCL	-707 R/P

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV7	\$ 500	\$ -62		\$ 500	\$ -92		-154 R/P

# National Casualty Company

## CHANGE ENDORSEMENT NO. 009

Policy No. CAO7761784

Effective Date: 07-21-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

<input type="checkbox"/>	Commercial Property		
<input type="checkbox"/>	Commercial General Liability		
<input type="checkbox"/>	Commercial Crime		
<input type="checkbox"/>	Commercial Inland Marine		
<input checked="" type="checkbox"/>	Commercial Auto	\$	481.00
<input type="checkbox"/>			

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

THE FOLLOWING VEHICLE HAS BEEN ADDED:

0021 - NV 2000 DODGE RAMVAN VIN# 2B7JB21Z8YK105645

### PREMIUM CHANGE

Additional \$ 481.00

Return \$

\_\_\_\_\_  
AUTHORIZED AGENT

# National Casualty Company

## SCHEDULE OF AUTO CHANGES

Policy No.: CAO7761784 Effective Date: 07-21-15  
12:01 A.M. Standard Time  
Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

**Coverage affected by this change is indicated as: A=Add, D=Delete or C=Change**

Covered Auto Number	Vehicle Covered Is	Description		
		Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV21	A	2000	DODGE RAMVAN	2B7JB21Z8YK105645

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV21	LAS VEGAS, NV	106		\$ 6,000

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV21	100	C	7,700	6	034830

# National Casualty Company

## SCHEDULE OF AUTO CHANGES (continued)

Policy No.: CAO7761784 Effective Date: 07-21-15  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV21	\$ 192			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (Virginia Only) Premium	Income Loss Benefits (Virginia Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV21	\$ 5,000	\$ 9			\$ 183	INCL	384 A/P

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV21	\$ 500	\$ 39		\$ 500	\$ 58		97 A/P



# National Casualty Company

## CHANGE ENDORSEMENT NO. 010

Policy No. CAO7761784

Effective Date: 07-22-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

<input type="checkbox"/>	Commercial Property	
<input type="checkbox"/>	Commercial General Liability	
<input type="checkbox"/>	Commercial Crime	
<input type="checkbox"/>	Commercial Inland Marine	
<input checked="" type="checkbox"/>	Commercial Auto	\$ 1,183.00
<input type="checkbox"/>		

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

THE FOLLOWING VEHICLE HAS BEEN ADDED:

0022 – NV 2014 GMC\CHEVY 4X2 3500 SAVANA, EXPRESS C VIN#  
1GB3G3BG2E1175263

THE FOLLOWING VEHICLE HAS BEEN ADDED:

0023 – NV 2004 FORD ECONOLINE VIN# 1FTSE34L14HA71263

### PREMIUM CHANGE

Additional \$ 1,183.00

Return \$

\_\_\_\_\_  
AUTHORIZED AGENT

# National Casualty Company

## SCHEDULE OF AUTO CHANGES

Policy No.: CAO7761784

Effective Date: 07-22-15

12:01 A.M. Standard Time

Named Insured: NOW SERVICES OF NEVADA LLC

Agent No.: 43006

**Coverage affected by this change is indicated as: A= Add, D= Delete or C= Change**

Covered Auto Number	Vehicle Covered Is	Description		
		Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV22	A	2014	GMC\CHEVY 4X2 3500 SAVANA, EXPRESS C	1GB3G3BG2E1175263
NV23	A	2004	FORD ECONOLINE	1FTSE34L14HA71263

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV22	LAS VEGAS, NV	106		\$ 20,000
NV23	LAS VEGAS, NV	106		\$ 6,000

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV22	100	C	10,050	2	234830
NV23	100	C	9,500	6	034830

# National Casualty Company

## SCHEDULE OF AUTO CHANGES (continued)

Policy No.: CAO7761784 Effective Date: 07-22-15  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV22	\$ 206			
NV23	\$ 191			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (Virginia Only) Premium	Income Loss Benefits (Virginia Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV22	\$ 5,000	\$ 9			\$ 182	INCL	397 A/P
NV23	\$ 5,000	\$ 9			\$ 182	INCL	382 A/P

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV22	\$ 500	\$ 123		\$ 500	\$ 185		308 A/P
NV23	\$ 500	\$ 38		\$ 500	\$ 58		96 A/P

# National Casualty Company

## CHANGE ENDORSEMENT NO. 011

Policy No. CAO7761784

Effective Date: 08-13-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

<input type="checkbox"/>	Commercial Property		
<input type="checkbox"/>	Commercial General Liability		
<input type="checkbox"/>	Commercial Crime		
<input type="checkbox"/>	Commercial Inland Marine		
<input checked="" type="checkbox"/>	Commercial Auto	\$	52.00
<input type="checkbox"/>			

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

DRIVER/MVR SURCHARGES COVERAGE HAS BEEN ADDED TO THE POLICY.

THE FOLLOWING DRIVER HAS BEEN ADDED:  
TIMOTHY JAMES PERRY JR

THE FOLLOWING DRIVER HAS BEEN ADDED:  
DAVID CANTILLAS WARDSWORTH

THE FOLLOWING DRIVER HAS BEEN ADDED:  
BAYARDO MARTINEZ

### PREMIUM CHANGE

Additional \$ 52.00

Return \$

\_\_\_\_\_  
AUTHORIZED AGENT

# National Casualty Company

## CHANGE ENDORSEMENT NO. 012

Policy No. CAO7761784

Effective Date: 09-10-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

<input type="checkbox"/>	Commercial Property	
<input type="checkbox"/>	Commercial General Liability	
<input type="checkbox"/>	Commercial Crime	
<input type="checkbox"/>	Commercial Inland Marine	
<input checked="" type="checkbox"/>	Commercial Auto	\$ -432.00
<input type="checkbox"/>		

### CHANGE DESCRIPTION

THIS POLICY IS AMENDED AS FOLLOWS:

THE FOLLOWING VEHICLE HAS BEEN DELETED:

0002 – NV 2000 CHEVROLET EXPRESS VIN#  
1GCFG25W1Y1138859

THE FOLLOWING VEHICLE HAS BEEN DELETED:

0004 – NV 2005 CHEVROLET 1500 VIN# 2GCEC19V751167811

### PREMIUM CHANGE

Additional \$

Return \$

-432.00

\_\_\_\_\_  
AUTHORIZED AGENT

# National Casualty Company

## SCHEDULE OF AUTO CHANGES

Policy No.: CAO7761784

Effective Date: 09-10-15

12:01 A.M. Standard Time

Named Insured: NOW SERVICES OF NEVADA LLC

Agent No.: 43006

**Coverage affected by this change is indicated as: A= Add, D= Delete or C= Change**

Covered Auto Number	Vehicle Covered Is	Description		
		Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV2	D	2000	CHEVROLET EXPRESS	1GCFG25W1Y1138859
NV4	D	2005	CHEVROLET 1500	2GCEC19V751167811

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV2	LAS VEGAS, NV	106		
NV4	LAS VEGAS, NV	106		\$ 8,000

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV2	100	C	7,300	6	034830
NV4	100	C	6,200	6	034830

# National Casualty Company

## SCHEDULE OF AUTO CHANGES (continued)

Policy No.: CAO7761784 Effective Date: 09-10-15  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV2	\$ -92			
NV4	\$ -92			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (Virginia Only) Premium	Income Loss Benefits (Virginia Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV2	\$ 5,000	\$ -5			\$ -88	INCL	-185 R/P
NV4	\$ 5,000	\$ -5			\$ -88	INCL	-185 R/P

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV2							
NV4	\$ 500	\$ -25		\$ 500	\$ -37		-62 R/P

# National Casualty Company

## CHANGE ENDORSEMENT NO. 013

Policy No. CAO7761784

Effective Date: 10-27-14  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

<input type="checkbox"/>	Commercial Property	
<input type="checkbox"/>	Commercial General Liability	
<input type="checkbox"/>	Commercial Crime	
<input type="checkbox"/>	Commercial Inland Marine	
<input checked="" type="checkbox"/>	Commercial Auto	\$ 3,871.00
<input type="checkbox"/>		

### CHANGE DESCRIPTION

THE EXPIRATION DATE OF THE POLICY HAS BEEN AMENDED TO READ:  
12/01/2015.

THIS POLICY IS AMENDED AS FOLLOWS:

ANY ADDITIONAL OR RETURN PREMIUM DISPLAYED ON THIS ENDORSEMENT  
INCLUDES THE ADJUSTED PREMIUM FOR ENDORSEMENTS PROCESSED PRIOR  
TO THIS ENDORSEMENT WITH A LATER EFFECTIVE DATE.

### PREMIUM CHANGE

Additional \$ 3,871.00

Return \$

\_\_\_\_\_  
AUTHORIZED AGENT



# National Casualty Company

## SCHEDULE OF AUTO CHANGES

Policy No.: CAO7761784

Effective Date: 10-27-14

12:01 A.M. Standard Time

Named Insured: NOW SERVICES OF NEVADA LLC

Agent No.: 43006

**Coverage affected by this change is indicated as: A=Add, D=Delete or C=Change**

Covered Auto Number	Vehicle Covered Is	Description		
		Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV1	C	1994	GMC 3500	1GDJC34K3RE553360
NV2	C	2000	CHEVROLET EXPRESS	1GCFG25W1Y1138859
NV3	C	2000	CHEVROLET EXPRESS	1GCFG25W0Y1209887
NV4	C	2005	CHEVROLET 1500	2GCEC19V751167811
NV5	C	2007	CHEVROLET 1500 CLASSIC	1GCEC19Z87Z189457
NV6	C	2003	CHEVROLET EXPRESS	1GCFG25T331118269
NV7	C	2004	FORD ECONOLINE	1FTSE34L14HA71263
NV8	C	2014	CHEVROLET EXPRESS CARGO 1500	1GCSGAFX3E1114168
NV9	C	2014	CHEVROLET EXPRESS CARGO 1500	1GCSGAFX1E1127968
NV10	C	2014	CHEVROLET 1500	3GCPCREC9EG200374

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV1	LAS VEGAS, NV	106		
NV2	LAS VEGAS, NV	106		
NV3	LAS VEGAS, NV	106		
NV4	LAS VEGAS, NV	106		\$ 8,000
NV5	LAS VEGAS, NV	106		\$ 10,165
NV6	LAS VEGAS, NV	106		\$ 5,000
NV7	LAS VEGAS, NV	106		\$ 5,000
NV8	LAS VEGAS, NV	106		\$ 20,000
NV9	LAS VEGAS, NV	106		\$ 20,000
NV10	LAS VEGAS, NV	106		\$ 35,371

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV1	100	C	9,000	6	034830
NV2	100	C	7,300	6	034830
NV3	100	C	7,300	6	034830
NV4	100	C	6,200	6	034830
NV5	100	C	6,400	6	034830
NV6	100	C	8,600	6	034830
NV7	100	C	9,500	6	034830
NV8	100	C	6,200	2	034830
NV9	100	C	6,200	2	034830
NV10	100	C	6,900	2	034830

# National Casualty Company

## SCHEDULE OF AUTO CHANGES (continued)

Policy No.: CAO7761784 Effective Date: 10-27-14  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV1	\$ 69			
NV2	\$ 69			
NV3	\$ 69			
NV4	\$ 69			
NV5	\$ 69			
NV6	\$ 69			
NV7	\$ 69			
NV8	\$ 69			
NV9	\$ 69			
NV10	\$ 69			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (Virginia Only) Premium	Income Loss Benefits (Virginia Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV1	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV2	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV3	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV4	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV5	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV6	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV7	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV8	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV9	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV10	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV1							
NV2							
NV3							
NV4	\$ 500	\$ 18		\$ 500	\$ 28		46 A/P
NV5	\$ 500	\$ 22		\$ 500	\$ 34		56 A/P
NV6	\$ 500	\$ 12		\$ 500	\$ 17		29 A/P
NV7	\$ 500	\$ 12		\$ 500	\$ 17		29 A/P
NV8	\$ 500	\$ 45		\$ 500	\$ 67		112 A/P
NV9	\$ 500	\$ 45		\$ 500	\$ 67		112 A/P
NV10	\$ 500	\$ 70		\$ 500	\$ 104		174 A/P

# National Casualty Company

## SCHEDULE OF AUTO CHANGES

Policy No.: CAO7761784

Effective Date: 10-27-14

12:01 A.M. Standard Time

Named Insured: NOW SERVICES OF NEVADA LLC

Agent No.: 43006

**Coverage affected by this change is indicated as: A=Add, D=Delete or C=Change**

Covered Auto Number	Vehicle Covered Is	Description		
		Year	Model; Trade Name; Body Type	Serial Number(s); Vehicle ID Number (VIN)
NV11	C	2014	CHEVROLET EXPRESS CARGO 1500	1GCSGAFX6E1114052
NV12	C	2014	CHEVROLET EXPRESS CARGO 1500 VAN	1GB3G2BG1E1118269
NV13	C	2014	CHEVROLET EXPRESS CARGO 1500	1GCSGAFX9E1173192
NV14	C	2014	CHEVROLET EXPRESS CARGO 1500	1GCSGAFX9E1172852
NV15	C	2014	GMC\CHEVY 4X2 3500 SAVANA, EXPRESS C	1GB3G3BG2E1175263
NV16	C	1996	FORD ECONOLINE	1FTHE24H3THA75183

Covered Auto Number	Town & State Where Covered Auto Will Be Principally Garaged	Territory	Original Cost New	Stated Amount
NV11	LAS VEGAS, NV	106		\$ 25,340
NV12	LAS VEGAS, NV	106		\$ 27,275
NV13	LAS VEGAS, NV	106		\$ 25,230
NV14	LAS VEGAS, NV	106		\$ 25,230
NV15	LAS VEGAS, NV	106		\$ 25,230
NV16	LAS VEGAS, NV	106		

Covered Auto Number	Radius of Operation in Miles	Business Use S=Service R=Retail C=Commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Code
NV11	100	C	6,200	2	034830
NV12	100	C	6,200	2	034830
NV13	100	C	6,200	2	034830
NV14	100	C	6,200	2	034830
NV15	100	C	10,050	2	234830
NV16	100	C	8,550	6	034830

# National Casualty Company

## SCHEDULE OF AUTO CHANGES (continued)

Policy No.: CAO7761784 Effective Date: 10-27-14  
 12:01 A.M. Standard Time  
 Named Insured: NOW SERVICES OF NEVADA LLC Agent No.: 43006

Coverages—Premiums, Limits and Deductibles				
Covered Auto Number	Liability Premium	P.I.P. Premium	Added P.I.P. Premium	P.P.I. Premium (Michigan only)
NV11	\$ 69			
NV12	\$ 69			
NV13	\$ 69			
NV14	\$ 69			
NV15	\$ 74			
NV16	\$ 69			

Covered Auto Number	Auto Medical Payments		Medical Expense Benefits (Virginia Only) Premium	Income Loss Benefits (Virginia Only) Premium	Uninsured Motorist Premium	Underinsured Motorist Premium	Total Liability Premium
	Limit	Premium					
NV11	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV12	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV13	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV14	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P
NV15	\$ 5,000	\$ 3			\$ 66	INCL	143 A/P
NV16	\$ 5,000	\$ 3			\$ 66	INCL	138 A/P

Covered Auto Number	Other Than Collision			Collision		Towing & Labor Premium	Total Physical Damage Premium
	Deductible	Comprehensive Premium	Specified Causes of Loss Premium	Deductible	Premium		
NV11	\$ 500	\$ 54		\$ 500	\$ 82		136 A/P
NV12	\$ 500	\$ 58		\$ 500	\$ 87		145 A/P
NV13	\$ 500	\$ 54		\$ 500	\$ 81		135 A/P
NV14	\$ 500	\$ 54		\$ 500	\$ 81		135 A/P
NV15	\$ 500	\$ 54		\$ 500	\$ 81		135 A/P
NV16							

# National Casualty Company

## CHANGE ENDORSEMENT NO. 014

Policy No. CAO7761784

Effective Date: 10-27-15  
12:01 A.M., Standard Time

Named Insured NOW SERVICES OF NEVADA LLC

Agent No. 43006

### COVERAGE PART INFORMATION – Coverage parts affected by this change as indicated by ☒ below.

<input type="checkbox"/>	Commercial Property	
<input type="checkbox"/>	Commercial General Liability	
<input type="checkbox"/>	Commercial Crime	
<input type="checkbox"/>	Commercial Inland Marine	
<input checked="" type="checkbox"/>	Commercial Auto	\$ -3,885.00
<input type="checkbox"/>		

### CHANGE DESCRIPTION

THIS POLICY HAS BEEN CANCELLED PRO-RATA EFFECTIVE 10/27/2015 FOR THE FOLLOWING REASON: INSURED – NON PAYMENT.

### PREMIUM CHANGE

Additional \$

Return \$ -3,885.00

\_\_\_\_\_  
AUTHORIZED AGENT



Specialized Processing Operations  
Document Retrieval and Retention Department

True and Certified Record of Policy

Date:

Policy Number:

Claim Number:

Date of Loss:

The pages attached and provided pursuant to your document request apply to the above referenced policy. The policy term of \_\_\_\_\_, effective \_\_\_\_\_, to \_\_\_\_\_.

Any additional Declaration Sheet (s) included with these documents labeled as "change or change- misc" may reflect a mid-term change in the policy and therefore a time period less than the original policy term, however the dates reflect the most current policy information on file, up to and including the date of for the above referenced claim.

ServicePoint  
5990 West Creek Road  
Independence, Ohio 44131  
Email:USW\_BWIG\_INDYSUPPORT

**FOREMOST INSURANCE**  
underwritten by  
**COAST NATIONAL INSURANCE COMPANY**  
c/o THE INSURANCE SOURCE INC  
2525 N DECATUR BLVD STE 10  
LAS VEGAS NV 89108-2976

**NV**  
29



JUAN C SOTELO  
5915 MUSKETEER LN  
LAS VEGAS NV 89130-1249

12/01/14

Policy Number: G00 6812416 00

Dear JUAN C SOTELO:

Thank you for allowing FOREMOST INSURANCE to handle your automobile insurance coverage. We value your business and look forward to serving your insurance needs.

This information is being sent as a result of a recent change made to your policy. The change was initiated by either you, your producer, or us and is as follows:

**ADDED RISK ALERT DRIVER 3**

Please refer to page 2 for your revised payment schedule. It includes the due dates and amounts of the future automatic withdrawals from your account. **Please retain this document for future reference.**

If you have any questions, please call us at 1-888-888-0080, Monday through Friday 8AM to 5PM. or if you prefer, you can contact your producer at 702-648-8399.

**You can inquire or pay your bill online using [www.foremost.com](http://www.foremost.com).**

Thank you for doing business with Foremost.

Sincerely,

Foremost Insurance Group

**FOREMOST INSURANCE**  
underwritten by  
**COAST NATIONAL INSURANCE COMPANY**  
c/o THE INSURANCE SOURCE INC  
2525 N DECATUR BLVD STE 10  
LAS VEGAS NV 89108-2976



12/01/14

JUAN C SOTELO  
5915 MUSKETEER LN  
LAS VEGAS NV 89130-1249

Número de Póliza:G00 6812416 00

Estimado JUAN C SOTELO:

Gracias por permitir a FOREMOST INSURANCE encargarse de su cobertura de seguro de automóvil. Apreciamos su preferencia y esperamos atender sus necesidades de seguro.

Se le está enviando esta información porque ha habido un cambio reciente en su póliza. Usted, su productor o nosotros iniciamos el cambio, y consiste en lo siguiente:

**ADDED RISK ALERT DRIVER 3**

Por favor refiérase a la página 2 para su plan de pago revisado. Este incluye las fechas y cantidades de los retiros automáticos de su cuenta. **Por favor, conserve este documento para futuras referencias.**

Si usted tiene alguna pregunta concerniente a esta información, por favor comuníquese con nosotros al 1-888-888-0080 de Lunes a viernes 8AM - 5PM o si lo prefiere comuníquese con su productor de seguros al 702-648-8399.

**Usted puede obtener informacion or pagar su cuenta utilizando [www.foremost.com](http://www.foremost.com).**

Gracias por hacer negocios con Foremost.

Sinceramente,

Foremost Insurance Group



FOREMOST INSURANCE  
underwritten by  
COAST NATIONAL INSURANCE COMPANY  
C/O SERVICEPOINT®  
P.O. BOX 22-9080  
HOLLYWOOD FL 33022-9080



Underwritten by:  
COAST NATIONAL INSURANCE COMPANY

## REVISED PAYMENT SCHEDULE

\*\*\* Please Keep for Future Reference \*\*\*

Named Insured:

**JUAN C SOTELO**  
**5915 MUSKETEER LN**  
**LAS VEGAS NV 89130-1249**

**THE INSURANCE SOURCE INC**  
**2525 N DECATUR BLVD STE 10**  
**LAS VEGAS NV 89108-2976**

Telephone: **702-648-8399**

Policy Number	Effective Date	Expiration Date	Issue Date
G00 6812416 00	11/07/14	05/07/15	12/01/14

Dear JUAN C SOTELO

Due to the recent change on your policy, future payments will be automatically deducted from your financial institution based on the revised schedule below.

Since we do not send out notifications each month, **please retain this document for future reference.**

Installment Number	Due Date *	Payment Amount **	Payment Method
02	12/07/14	\$542.74	Automatic
03	01/07/15	\$1,057.74	Automatic
04	02/07/15	\$1,057.74	Automatic
05	03/07/15	\$1,057.74	Automatic
06	04/07/15	\$1,057.74	Automatic

\* Funds will be debited from your bank account on or after the payment due date. The debit will appear on your bank statement as "COAST NATL INS". Please be sure there are sufficient funds in your account.

\*\* The payment amount for each installment includes an EFT installment fee of \$5.00. If your outstanding policy balance is paid in full prior to the next payment due date, no EFT installment fees will be charged for the remainder of the policy term.

If your financial institution does not honor your payment, a \$25.00 NSF fee will be charged. If you have any questions, or wish to discontinue this payment method, please visit our website at [www.foremost.com](http://www.foremost.com) or if you prefer, you can contact your producer at 702-648-8399 or Foremost Insurance directly during business hours at 1-888-888-0080. In the event you decide to terminate this payment method, you must advise the Company at least 3 business days prior to the installment due date.

Thank you for doing business with Foremost.

Sincerely,  
Foremost Insurance Group

Revised 06 2006

For questions on your policy, please call: 1-888-888-0080  
Por favor voltee la página para la traducción en Español

0096



Underwritten by  
COAST NATIONAL INSURANCE COMPANY

## PLAN DE PAGOS

\*\*\* Por Favor Conserve para Futuras Referencias \*\*\*

Asegurado:

**JUAN C SOTELO**  
**5915 MUSKETEER LN**  
**LAS VEGAS NV 89130-1249**

**THE INSURANCE SOURCE INC**  
**2525 N DECATUR BLVD STE 10**  
**LAS VEGAS NV 89108-2976**

Teléfono: **702-648-8399**

Número de Póliza	Fecha de Incepción	Fecha de Expiración	Fecha de Envío
G00 6812416 00	11/07/14	05/07/15	12/01/14

Estimado (a) JUAN C SOTELO

Debido a un cambio reciente en su póliza los pagos futuros serán automaticamente deducidos de su cuenta basado en la siguiente agenda.

Debido a que nosotros no enviamos una notificación cada mes, **por favor conserve este documento para futuras referencias.**

Número del pago	Fecha de vencimiento*	Cantidad del pago**	Método de pago
02	12/07/14	\$542.74	Automático
03	01/07/15	\$1,057.74	Automático
04	02/07/15	\$1,057.74	Automático
05	03/07/15	\$1,057.74	Automático
06	04/07/15	\$1,057.74	Automático

\*Los fondos serán cargados a su cuenta bancaria en la fecha de vencimiento ódespués. El retiro aparecerá en su talonario de banco como "COAST NATL INS". Por favor asegúrese que usted tiene suficientes fondos en su cuenta.

\*\* La cantidad de cada pago incluye un cargo por servicios de retiro de fondos de \$5.00. Si usted paga el balance de su póliza en su totalidad antes del vencimiento de su próximo pago, ningunos cargos por servicios de retiro de fondos serán cobrados por el resto del término de la póliza.

Si su pago es rechazado por su Institución Financiera, un cargo de \$25.00 será applicado a su cuenta. Si usted tiene alguna pregunta concerniente a esta información o desea descontinuar que los fondos sean retirados de su cuenta bancaria, por favor visítenos en nuestra página electrónica **[www.foremost.com](http://www.foremost.com)**, o si lo prefiere, comuníquese con su productor de seguros al 702-648-8399 o directamente con nosotros durante nuestras horas de servicio al 1-888-888-0080. En caso que usted decida descontinuar éste plan de pagos, usted debe notificarlo a nuestra Compañía no menos de 3 días laborables antes de la fecha de vencimiento del pago.

Gracias por hacer negocios con Foremost.

Sinceramente,

Foremost Insurance Group

Revisado 06 2006

FOREMOST INSURANCE  
underwritten by  
COAST NATIONAL INSURANCE COMPANY

P.O. BOX 22-9080  
HOLLYWOOD, FL 33022-9080  
1-888-888-0080

PERSONAL AUTO DECLARATION (Page 1)

POLICY NUMBER	Policy Period	
	From	To
G00 6812416 00	11/07/14 later of 12:01 a.m. or time application is executed	05/07/15 12:01 a.m.*

Inquire or pay your bill online using [www.foremost.com](http://www.foremost.com)

\* Unless cancelled sooner for valid reasons.

Named Insured:  
JUAN C SOTELO  
5915 MUSKETEER LN  
LAS VEGAS NV 89130-1249

2702012  
THE INSURANCE SOURCE INC  
2525 N DECATUR BLVD STE 10  
LAS VEGAS NV 89108-2976

Telephone: 702-648-8399

POLICY PREMIUM TOTAL \$ 5,454.00

Transaction Description

AMENDED DECLARATION Effective: 11/10/14  
PREMIUM CHANGE DUE TO THIS ENDORSEMENT \$2,060.00  
ADDED RISK ALERT DRIVER 3

Drivers

Drivers on Policy	Rated	SR22	Birth	Mar	Sex	License Number	State
JUAN C SOTELO	Rated	N	06/24/71	M	M	1401126041	NV
DELIA D RUIZ-SOTELO	Rated	N	12/17/72	M	F	0001126066	NV
DIEGO SOTELO	Rated	N	11/28/94	S	M	1404371337	NV

Forms and Endorsements

49227 (08/12)

Vehicle 1

PREMIUM \$ 1,715.00

Year / Make / Model: 2007 CADI STS 4D State: NV Vehicle Use: Pleasure  
Vehicle Identification #: 1G6DC67A470167520 Symbol: 07061019 SCS4

Surcharges:

Discounts: HOMEOWNER, MULTI-CAR, PRIOR CARRIER, EFT, AIR-BAG

Go Paperless: NOT ENROLLED

Garaging Location: 5915 MUSKETEER LN LAS VEGAS, NV 89130-1249

Loss Payee: N/A

Additional Interest: N/A

Coverage	Per Person Limit	Per Accident Limit	Premium	Deductible
BODILY INJURY	25,000	50,000	555.00	
PROPERTY DAMAGE		25,000	193.00	
COMPREHENSIVE			101.00	500
COLLISION			866.00	500

**FOREMOST INSURANCE**  
underwritten by  
**COAST NATIONAL INSURANCE COMPANY**

P.O. BOX 22-9080  
HOLLYWOOD, FL 33022-9080  
1-888-888-0080

**PERSONAL AUTO DECLARATION** (Page 2)

POLICY NUMBER	Policy Period	
	From	To
<b>G00 6812416 00</b>	<b>11/07/14</b> later of 12:01 a.m. or time application is executed	<b>05/07/15</b> 12:01 a.m.*

Inquire or pay your bill online using [www.foremost.com](http://www.foremost.com)

\* Unless cancelled sooner for valid reasons.

Named Insured:  
**JUAN C SOTELO**  
**5915 MUSKETEER LN**  
**LAS VEGAS NV 89130-1249**

**2702012**  
**THE INSURANCE SOURCE INC**  
**2525 N DECATUR BLVD STE 10**  
**LAS VEGAS NV 89108-2976**

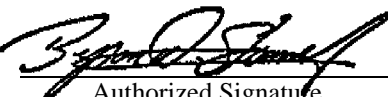
Telephone: **702-648-8399**

Vehicle 2		PREMIUM \$ 1,741.00	
Year / Make / Model: 2009 CADI ESCALADE ESV PLAT 43		State: NV	Vehicle Use: Pleasure
Vehicle Identification #: 1GYFK36269R295851		Symbol: 13121315 UCEB	
Surcharges:			
Discounts: HOMEOWNER, MULTI-CAR, PRIOR CARRIER, EFT, AIR-BAG			
Go Paperless: NOT ENROLLED			
Garaging Location: 5915 MUSKETEER LN LAS VEGAS, NV 89130-1249			
Loss Payee: N/A			
Additional Interest: N/A			

Coverage	Per Person Limit	Per Accident Limit	Premium	Deductible
BODILY INJURY	25,000	50,000	665.00	
PROPERTY DAMAGE		25,000	307.00	
COMPREHENSIVE			201.00	500
COLLISION			568.00	500

Vehicle 3		PREMIUM \$ 1,172.00	
Year / Make / Model: 2012 CHEV CAMARO LT CP		State: NV	Vehicle Use: Pleasure
Vehicle Identification #: 2G1FB1E31C9193971		Symbol: 07101109 CCCA	
Surcharges:			
Discounts: HOMEOWNER, MULTI-CAR, PRIOR CARRIER, EFT, AIR-BAG			
Go Paperless: NOT ENROLLED			
Garaging Location: 5915 MUSKETEER LN LAS VEGAS, NV 89130-1249			
Loss Payee: N/A			
Additional Interest: N/A			

Coverage	Per Person Limit	Per Accident Limit	Premium	Deductible
BODILY INJURY	25,000	50,000	526.00	
PROPERTY DAMAGE		25,000	196.00	
COMPREHENSIVE			118.00	500
COLLISION			332.00	500

  
Authorized Signature

FOREMOST INSURANCE  
underwritten by  
COAST NATIONAL INSURANCE COMPANY

P.O. BOX 22-9080  
HOLLYWOOD, FL 33022-9080  
1-888-888-0080

PERSONAL AUTO DECLARATION (Page 3)

POLICY NUMBER	Policy Period	
	From	To
G00 6812416 00	11/07/14 later of 12:01 a.m. or time application is executed	05/07/15 12:01 a.m.*

Inquire or pay your bill online using [www.foremost.com](http://www.foremost.com)

\* Unless cancelled sooner for valid reasons.

Named Insured:  
JUAN C SOTELO  
5915 MUSKETEER LN  
LAS VEGAS NV 89130-1249

2702012  
THE INSURANCE SOURCE INC  
2525 N DECATUR BLVD STE 10  
LAS VEGAS NV 89108-2976

Telephone: 702-648-8399

Vehicle	4	PREMIUM \$ 822.00	
Year / Make / Model: 2003 GMC YUKON DENALI XL 43		State: NV	Vehicle Use: Pleasure
Vehicle Identification #: 1GKFK66U13J163471			Symbol: 0709-- UGY2
Surcharges:			
Discounts: HOMEOWNER, MULTI-CAR, PRIOR CARRIER, EFT, AIR-BAG			
Go Paperless: NOT ENROLLED			
Garaging Location: 5915 MUSKETEER LN LAS VEGAS, NV 89130-1249			
Loss Payee: N/A			
Additional Interest: N/A			

Coverage	Per Person Limit	Per Accident Limit	Premium	Deductible
BODILY INJURY	25,000	50,000	606.00	
PROPERTY DAMAGE		25,000	216.00	

**FOREMOST INSURANCE**  
**underwritten by**  
**COAST NATIONAL INS. CO.**

P.O. BOX 22-9080  
HOLLYWOOD,FL 33022-9080

Your premium rate is based, in part, on the driving record of the drivers listed on this policy. The following lists accidents and/or traffic violations of these drivers. If you have any questions about your premium rates, please contact your insurance producer. Your producer's phone number is: 702-648-8399

**JUAN C SOTELO**

Date of Birth: 06/24/71 License State: NV  
License Number: 1401126041

ACCIDENT/VIOLATION	DATE
CLEAN DRIVER	11/07/14



**ACCIDENT AND VIOLATION DISCLOSURE**

Policy Number: G00 6812416 00
Named Insured: JUAN C SOTELO

**DELIA D RUIZ-SOTELO**

Date of Birth: 12/17/72 License State: NV  
License Number: 0001126066

ACCIDENT/VIOLATION	DATE
At Fault Accident	12/12/11
At Fault Accident	12/27/13

**DIEGO SOTELO**

Date of Birth: 11/28/94 License State: NV  
License Number: 1404371337

ACCIDENT/VIOLATION	DATE
CLEAN DRIVER	11/07/14

Date of Birth: License State:  
License Number:

ACCIDENT/VIOLATION	DATE
--------------------	------

**As a result of the above driving history, you did not receive our lowest available rate.**



Underwritten by  
COAST NATIONAL INSURANCE COMPANY

## Notice of Underwriting Decision & Information Practices

Dear COAST NATIONAL INSURANCE COMPANY Customer,

In addition to the information provided to us by you when you applied for insurance, we have collected consumer reports in connection with your insurance transaction with us, which may include driver history, credit reports, credit scores, or personal or privileged information obtained from the following consumer reporting agencies:

**Driver History Report:**

- Lexis Nexis Risk Solutions  
C.L.U.E. National Service Center  
P.O. Box 105108  
Atlanta, GA 30348-5108  
1-800-456-6004
- A-PLUS Consumer Inquiry Center  
ISO  
545 Washington Blvd. 22-6  
Jersey City, NJ 07310-1686  
1-800-709-8842

**Credit Report:**

- Equifax Information Services  
P.O. Box 740241  
Atlanta, GA 30374  
1-800-685-1111  
[www.equifax.com/fcra](http://www.equifax.com/fcra)

In certain circumstances, the information contained in consumer reports, and other personal or privileged information subsequently collected by us, may be legally disclosed to third parties without your consent.

We have used this information to underwrite and/or rate your insurance and any rate increase or other adverse underwriting decision may be attributable, in part, to our use of this information. With respect to your driving history, please see the Accident and Violation Disclosure page if one is included with these policy documents. No consumer-reporting agency made any decision to take any adverse action against you regarding your insurance transaction with us. Therefore, no consumer-reporting agency will be able to provide you with the specific reason why any action was taken.

Your credit score was one of the factors used to determine your insurance rate. If you receive this notice as a new policyholder, it is to inform you that your credit score, as reported by the consumer-reporting agency, was less than the score required to receive our lowest available rate. If you receive this notice upon renewal of your policy, it means that either a new or previous credit score was used, in part, to determine your current rate, which was less than the score required to receive our lowest available rate. At the time your credit score was reported to us, your score was most impacted by the following items:

023: # Inquiries w/in 24 Months: 7. A value of 0 or 1 is best in this category.

077: Age of Newest Auto Lease/Loan in Months: 7-12. A value greater or equal to 49 is best in this category.

085: Ratio of Outstanding Balances on Revolving accounts to Total Hi Credit / Credit Limit on Open Revolving accounts:  
51-75%. A value between 0% and 20% is the best in this category.

072: # of Collections: 1. A value of 0 is best in this category.

At your request, we will: (1) provide you more detailed information regarding our collection, use, and disclosure of personal information, and your rights to access and correct such information; and (2) identify any third parties to whom we may have disclosed this information. You may contact us by calling us at 1-888-888-0080. Upon your request, we will provide you a more detailed notice regarding our information practices.

You have the right to: (1) obtain information regarding the nature and substance of recorded personal information about you; (2) access this information; (3) dispute the accuracy of completeness and request the correction of this information; and (4) file a statement setting forth what you think is the correct information, and why you disagree with any refusal to correct the information. Also, for 60 days after you receive this notice, you may obtain a free copy of any consumer report resulting in any adverse action. To exercise any of these rights, simply call us or the appropriate consumer reporting agency identified above. We will also, at your request, once per policy term, re-order your credit report and adjust our underwriting at renewal to reflect any change in credit score.

**Extraordinary Life Circumstance**

As a named insured you may request reconsideration of an insurance score because of the direct influence of an extraordinary life circumstance on your credit information. Examples of extraordinary life circumstances include, but are not limited to: (1) a catastrophic event, as declared by the federal or state government; (2) a serious illness or injury to you or an immediate family member; (3) death of a spouse, child, or parent; (4) temporary and involuntary loss of employment for a period of three months or more; (5) divorce or involuntary interruption of legally owed alimony or support payments; (6) military deployment overseas; (7) identity theft; or (8) other events as determined by us or as recognized by your state. *Your request must be received within 60 days from the date of your application or renewal.* Please contact us at 1-888-888-0080 for more information on your right to reconsideration.

Rev. 12/2007



Underwritten by  
COAST NATIONAL INSURANCE COMPANY

## Addition of Unlisted Household Driver

Insured Name: JUAN C SOTELO

Policy Number: G00 6812416 00

Dear COAST NATIONAL INSURANCE COMPANY Customer,

We have obtained consumer reports in connection with your insurance transaction with us which was obtained from the following consumer reporting agency:

• Explore Information Services, LLC  
Consumer Services Department  
P.O. Box 21636  
Saint Paul, MN 55121  
(888) 888-0236  
[www.exploredata.com](http://www.exploredata.com)

We have used this information to underwrite and/or rate your insurance and any rate increase or other adverse underwriting decision may be attributable, in part, to our use of this information. No consumer-reporting agency made any decision to take any adverse action against you regarding your insurance transaction with us. Therefore, no consumer-reporting agency will be able to provide you with the specific reason why any action was taken.

We have identified the following individual(s) as a licensed driver in your household:

DIEGO SOTELO

As a result, we have added the driver(s) as an insured to your policy pursuant to the provisions of your insurance policy and our underwriting guidelines.

The premium charged for the additional driver(s) is: \$ .00

Please contact your producer before the renewal effective date if you want to dispute or exclude the driver from coverage.

At your request, we will: (1) provide you more detailed information regarding our collection, use, and disclosure of personal information, and your rights to access and correct such information; and (2) identify any third parties to whom we may have disclosed this information. You may contact us by calling us at 1-888-888-0080.

You have the right to: (1) obtain information regarding the nature and substance of recorded personal information about you; (2) access this information; (3) dispute the accuracy or completeness and request the correction of this information; and (4) file a statement setting forth what you think is the correct information, and why you disagree with any refusal to correct the information. Also, for 60 days after you receive this notice, you may obtain a free copy of any consumer report resulting in any adverse action. To exercise any of these rights, simply call us at 1-888-888-0080 or the consumer reporting agency identified above.





# Nevada

# Personal Auto Policy

Claims  
**HelpPoint® Claim Services**  
**1-800-527-3907**

All Other Calls  
**1-888-888-0080**  
(Toll-Free)

**Coast National Insurance Company**

**0104**

e-copy

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# NEVADA

## PERSONAL AUTO POLICY

### AGREEMENT

**Your** policy consists of the policy contract, **your** insurance application, the **Declarations**, and all endorsements to this policy. In reliance upon the statements of fact made in the application for this insurance, which statements of fact **you** represent are true to the best of **your** knowledge, and in return for the payment of the premium, **we** agree with **you**, for the coverages shown in the **Declarations** and subject to all the terms and conditions of the policy, as follows:

### GENERAL DEFINITIONS

Certain words and phrases are defined by using boldface type. The defined terms have the same meaning whether in the singular, plural, or any other form. They are defined as follows:

1. **You** and **your** refer to:
  - a. The **named insured** shown in the **Declarations**; and
  - b. The spouse of the **named insured** shown in the **Declarations**, if a **resident** of the same household. The term “spouse” includes a state registered domestic partner; a state registered domestic partner is defined as an individual joined to the **named insured** in a domestic partnership recognized by the State of Nevada.
2. **We**, **us** and **our** refer to the insurance company providing this insurance, as shown in the **Declarations**.
3. **Accident** means a sudden, unexpected and unintended event that arises out of the ownership, maintenance, or use of an **auto** as an **auto**, and that causes **bodily injury** or **property damage** during the policy period.
4. **Additional auto** means an **auto** **you** acquire that is in addition to any **auto** shown in the **Declarations**, if:

- a. The **auto** is acquired during the policy period;
- b. No other insurance policy provides coverage for the **auto**;
- c. **You** ask **us** to insure the **auto** within 30 days after **you** become the **owner** of the **auto**; and
- d. **We** insure all **autos** in **your** household.

An **additional auto** will have the broadest coverage **we** provide for any **auto** shown in the **Declarations**.

- 5. **Auto** means any self-propelled private passenger motor vehicle with not less than four wheels designed principally for use on paved public streets and highways, provided it has a gross vehicle weight (as determined by the manufacturer's specifications) of 12,000 pounds or less and is not a step-van, parcel delivery van, cargo cutaway van or other van with the cab separate from the cargo area.
- 6. **Bodily injury** means bodily harm, sickness or disease, including death resulting from bodily harm, sickness or disease.
- 7. **Business** means any full or part-time profession, occupation, trade or commercial enterprise.
- 8. **Declarations** means the Personal Auto Policy Declarations that lists the **named insured**, the **autos** to be covered by this policy, the coverages that apply under this policy, the limits of liability, the policy period, and other information pertinent to **your** policy of insurance when purchased from **us**.
- 9. **Family member** means a person related to **you** by blood, marriage or adoption who is a **resident** of **your** household, including a ward or foster child. **Family members** include **your** unmarried dependent children living temporarily away from home.
- 10. **Named insured** means the person or persons listed in the **Declarations** as the **named insured**.
- 11. **Non-owned auto** means any private passenger **auto**, pickup, van or **trailer** not **owned** by or furnished or available for the regular use of **you** or any **family member** while in the custody of,

or being operated by, **you** or any **family member**. **Non-owned auto** includes a rental vehicle only if the following conditions are met:

- a. The rental vehicle is not **owned** by or furnished or available for the regular use of **you** or any **family member**;
- b. The rental vehicle is operated within the United States, its territories or possessions, and Canada;
- c. The rental vehicle is a private passenger automobile and not a motor home, camper, travel trailer, or customized van;
- d. The rental vehicle is **owned** by a person engaged in **business** of renting or leasing vehicles rented or leased without a driver to persons other than the owner and is registered in the name of such owner; and
- e. The rental vehicle is rented under a rental agreement with a term no longer than thirty consecutive days.

**Non-owned auto** does not include a vehicle that is not in the lawful possession of the person operating it.

12. **Occupying** means in, upon, getting in, on, out or off.
13. **Owned** means, with respect to a private passenger type **auto**, the person:
  - a. Holds legal title; or
  - b. Has legal possession under a written lease or loan agreement for a continuous period of at least six months.
14. **Property damage** means physical injury to or destruction of tangible property, including any loss of use.
15. **Replacement auto** means an **auto** that permanently replaces an **auto** shown in the **Declarations**. A **replacement auto** will have the same coverages as the **auto** it replaces provided that no other insurance provides coverage for the **replacement auto** and it is acquired during the policy period. If **you** wish to continue coverage under Part D – Damage to Your Auto for the

**replacement auto**, **you** must ask **us** to provide the coverage within 30 days after **you** become the **owner** of the **replacement auto**. If the **auto** it replaces does not have coverage under Part D – Damage to Your Auto, **you** must ask **us** to add the coverage and **you** must pay the additional premium due prior to the effective date those coverages are added.

16. **Resident** means domiciled and actually living in the household in which **you** reside.
17. **Trailer** means a non-motorized vehicle designed to be pulled by a:
  - a. Private passenger **auto**; or
  - b. Pickup, van or panel truck.

It also means a farm wagon or farm implement while being towed by a vehicle listed in a. or b. above. It does not include travel trailers, camper trailers or other **trailers** used for commercial purposes including as an office, a store or display purposes, or to transport passengers.

18. **Your covered auto** means:
  - a. Any **auto** shown in the **Declarations** for the coverages applicable to that **auto**;
  - b. Any **additional auto**;
  - c. Any **replacement auto**; or
  - d. Any **trailer owned** by **you** while attached to **your covered auto**.

## PART A – LIABILITY COVERAGE

### **INSURING AGREEMENT**

If **you** pay **us** the premium when due 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** expense and as **we** consider appropriate, any claim or suit asking for these damages. Attorneys selected by **us** will provide a defense to such suit after it is tendered to **us**. **Our** duty to settle or defend ends when **our** limit of liability



for this coverage has been exhausted by payment, settlement or judgment.

**We** have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy. **We** may recover from an **insured person** any amounts **we** have paid to defend the **insured person** in a lawsuit if it is determined that **we** had no duty to defend the **insured person**.

## **SUPPLEMENTARY PAYMENTS**

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

1. Up to \$250 for the cost of bail bonds required because of an **accident**, including related traffic law violations. The **accident** must result in **bodily injury** or **property damage** covered under this policy.
2. Premiums on appeal bonds and bonds to release attachments in any suit **we** defend.
3. Interest accruing after a judgment is entered in any suit **we** defend. **Our** duty to pay interest ends when **we** have paid, offered to pay, or deposited into court, that part of the judgment that does not exceed **our** limit of liability for this coverage.
4. Up to \$200 a day for loss of earnings, but not other income, because of attendance at hearings or trials at **our** request.
5. Other reasonable expenses incurred at **our** request.

## **ADDITIONAL DEFINITIONS**

When used in this Part A:

**Insured person** means:

1. **You**, any **family member** or any other person listed as an additional driver in the **Declarations** with respect to an **accident** arising out of the ownership, maintenance or use of **your covered auto** or **non-owned auto**;
2. Any person with respect to an **accident** arising out of that person's maintenance or use of **your covered auto** with **your** express or implied permission; and

3. Any person or organization vicariously liable for the acts or omissions of a person described in paragraph 1. or 2. above.

## **EXCLUSIONS THAT APPLY TO PART A – LIABILITY COVERAGE**

We do not provide Liability Coverage and we have no duty to settle or defend any claim or lawsuit:

1. For **bodily injury** or **property damage** caused intentionally by, or at the direction of, any **insured person**, even if the actual injury or damage is different than that which was intended or expected.
2. For damage to property owned by, used by, rented to, being transported by, or in the care, custody or control of an **insured person**. This exclusion does not apply to damage to a rented residence or rented private garage.
3. For **bodily injury** to an employee of an **insured person** during the course of employment. This exclusion does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits, disability benefits or similar benefits are required or available for that domestic employee.
4. For **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
5. For **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle by a person who is employed or otherwise engaged in the **business** of:
  - a. Selling;
  - b. Repairing;
  - c. Servicing;
  - d. Storing; or
  - e. Parking;vehicles. This includes road testing and delivery.
6. For **bodily injury** or **property damage** arising out of the maintenance or use of any vehicle while an **insured person** is employed or

otherwise engaged in any **business** not described in exclusion 5. This exclusion (6.) does not apply to the maintenance or use of a:

- a. Private passenger **auto**;
  - b. Pickup or van that:
    - (1) **You** own; or
    - (2) **You** do not own while used as a temporary substitute for **your covered auto** which is out of its normal use because of its breakdown, loss, repair destruction or servicing; or
  - c. **Trailer** used with a vehicle described in a. or b. above.
7. For **bodily injury** or **property damage** arising out of any person's use of a vehicle without the owner's express or implied permission.
8. For **bodily injury** or **property damage** for which an **insured person**:
- a. Is an insured under a nuclear energy liability policy; or
  - b. Would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
- A nuclear energy liability policy is a policy issued by any of the following or their successors:
- a. American Nuclear Insurers;
  - b. Mutual Atomic Energy Liability Underwriters; or
  - c. Nuclear Insurance Association of Canada.
9. For punitive, exemplary, multiple damages, fines, penalties, or restitution.
10. For liability assumed by an **insured person** under any contract or agreement.
11. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto** which is:
- a. **Owned** by **you**; or
  - b. Furnished or available for **your** regular use.
12. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is:

- a. **Owned** by any **family member** or any person specifically listed as an additional driver in the **Declarations**; or
- b. Furnished or available for the regular use of any **family member** or any person specifically listed as an additional driver in the **Declarations**.

This exclusion does not apply to **your** maintenance or use of such vehicle.

- 13. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or in preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
- 14. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
- 15. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
- 16. For any obligation for which the United States Government is liable under the Federal Tort Claims Act.
- 17. Arising out of the ownership, maintenance or use of **your covered auto** while it is rented to or leased to another.
- 18. Arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
- 19. For charges, fees and administrative expenses for services performed by law enforcement and municipal personnel when responding to a motor vehicle **accident** or loss.

## LIMIT OF LIABILITY

THE LIMIT OF LIABILITY SHOWN IN THE DECLARATIONS IS THE MOST WE WILL PAY REGARDLESS OF THE NUMBER OF VEHICLES INVOLVED IN THE ACCIDENT, INSURED PERSONS, CLAIMS MADE, LAWSUITS BROUGHT, PREMIUMS PAID, OR THE NUMBER OF VEHICLES OR PREMIUMS SHOWN IN THE DECLARATIONS.

LIABILITY COVERAGE ON VEHICLES INSURED BY US CANNOT BE ADDED, COMBINED OR OTHERWISE STACKED TOGETHER TO INCREASE THE LIMIT OF LIABILITY.

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.

The bodily injury liability limit for “each person” as shown in the **Declarations** is the maximum we will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the bodily injury liability limit for “each person”, the bodily injury liability limit for “each accident” as stated in the **Declarations** is the maximum we will pay for **bodily injury** sustained by two or more persons in any one **accident**.

The property damage liability limit for each **accident** as stated in the **Declarations** is the maximum we will pay for all **property damage** arising out of any one **accident**.

If the **Declarations** show that a “combined single limit” or “CSL” applies, the amount shown is the most we will pay for the total of all damages resulting in any one **accident**.

No one is entitled to duplicate payments for the same element of damages. Any amount payable under Part A – Liability Coverage to a person for **bodily injury** shall be reduced by all sums paid to that person, or for their benefit, under Part C – Uninsured/Underinsured Motorist Coverage.

## **FINANCIAL RESPONSIBILITY**

When this policy is certified as future proof of financial responsibility, this policy will provide coverage to the extent required by Chapter 485 of the Nevada Revised Statutes. If, due to certification as future proof of financial responsibility **we** are required to pay a claim that would otherwise have not been covered under this Part, **you** agree to reimburse **us** to the extent of that payment.

## **OTHER INSURANCE**

Any insurance **we** provide under Part A shall be excess over any other collectible insurance, self-insurance, protection and/or any other source of recovery, except for the insurance **we** provide for the ownership, maintenance and use of **your covered auto**. If other insurance, self-insurance, protection and/or other source of recovery with the same priority applies, **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 insurance limits, self-insurance amounts or limits, and/or other sources of recovery.

## **PART B – MEDICAL PAYMENTS COVERAGE**

### **INSURING AGREEMENT**

If **you** pay **us** the premium when due for this coverage, **we** will pay the reasonable expenses incurred for necessary medical and funeral services because of **bodily injury** caused by an **accident** and sustained by an **insured person**. **We** will pay only those expenses incurred within three years from the date of the **accident**.

### **ADDITIONAL DEFINITIONS**

When used in this Part B:

**Insured person** means:

1. **You**, any **family member** or any driver listed in the **Declarations**:
  - a. While **occupying** any **auto**; or
  - b. When struck as a pedestrian by a motor vehicle or **trailer**;
2. Any other person while **occupying your covered auto**.

## **EXCLUSIONS THAT APPLY TO PART B – MEDICAL PAYMENTS COVERAGE**

We do not provide Medical Payments Coverage for any **insured person** for **bodily injury**:

1. Arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
2. For **bodily injury** arising out of the ownership, maintenance or use of any vehicle by a person who is employed or otherwise engaged in the **business** of:
  - a. Selling;
  - b. Repairing;
  - c. Servicing;
  - d. Storing; or
  - e. Parking;vehicles. This includes road testing and delivery.
3. For **bodily injury** arising out of the maintenance or use of any vehicle while an **insured person** is employed or otherwise engaged in any **business** not described in exclusion 3. This exclusion (4.) does not apply to the maintenance or use of a:
  - a. Private passenger **auto**;
  - b. Pickup or van that:
    - (1) **You own**; or
    - (2) **You** do not **own** while used as a temporary substitute for **your covered auto** which is out of its normal use because of its breakdown, loss, repair destruction or servicing; or

- c. **Trailer** used with a vehicle described in a. or b. above.
- 4. Occurring during the course and scope of employment if workers' compensation or disability benefits are required or available for the **bodily injury**.
- 5. Sustained while **occupying** or when struck by any vehicle other than **your covered auto** which is:
  - a. **Owned** by you; or
  - b. Furnished or available for **your** regular use.
- 6. Sustained while **occupying** or when struck by any vehicle other than **your covered auto** which is:
  - a. **Owned** by any **family member** or any person specifically listed as an additional driver in the **Declarations**; or
  - b. Furnished or available for the regular use of any **family member** or any person specifically listed as an additional driver in the **Declarations**.

This exclusion does not apply to **your** maintenance or use of such vehicle.

- 7. Sustained while **occupying** a vehicle without the owner's express or implied permission.
- 8. Caused by or as a consequence of:
  - a. Discharge of a nuclear weapon (even if accidental);
  - b. War (declared or undeclared) or civil war;
  - c. Insurrection, rebellion or revolution.
- 9. From, or as a consequence of the following, whether controlled or uncontrolled or however caused:
  - a. Nuclear reaction;
  - b. Radiation; or
  - c. Radioactive contamination.
- 10. While **occupying** any vehicle that is being used in any racing, speed, or demolition event or contest or stunting activity or preparation for such an event, contest, or activity. This exclusion



applies regardless of whether the event, contest, or activity is pre-arranged or not.

11. While **occupying** any vehicle while being used to flee a law enforcement agent or a crime scene.
12. Caused intentionally by, or at the direction of, any **insured person**, even if the actual injury or damage is different than that which was intended or expected.
13. Arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
14. For which the United States Government is liable under the Federal Tort Claims Act.
15. Arising out of the ownership, maintenance or use of **your covered auto** while it is rented to or leased to another.
16. Arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
17. For which an **insured person**:
  - a. Is an insured under a nuclear energy liability policy; or
  - b. Would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

A nuclear energy liability policy is a policy issued by any of the following or their successors:

- a. American Nuclear Insurers;
- b. Mutual Atomic Energy Liability Underwriters; or
- c. Nuclear Insurance Association of Canada.

## LIMIT OF LIABILITY

**THE LIMIT OF LIABILITY SHOWN IN THE DECLARATIONS FOR THIS COVERAGE IS THE MOST WE WILL PAY FOR EACH INSURED PERSON INJURED IN ANY ONE ACCIDENT. THIS IS THE MOST WE WILL PAY REGARDLESS OF THE NUMBER OF:**

1. **INSURED PERSONS;**
2. **CLAIMS MADE;**
3. **LAWSUITS BROUGHT;**
4. **VEHICLES OR PREMIUMS SHOWN IN THE DECLARATIONS;**
5. **PREMIUMS PAID; OR**
6. **VEHICLES INVOLVED IN THE ACCIDENT.**

**IF YOU HAVE MORE THAN ONE VEHICLE INSURED BY US, WE WILL NOT PAY ANY INSURED PERSON MORE THAN THE SINGLE HIGHEST LIMIT OF MEDICAL PAYMENTS COVERAGE WHICH WE PROVIDE ON ANY ONE VEHICLE FOR AN ACCIDENT OR LOSS. MEDICAL PAYMENTS COVERAGE ON VEHICLES INSURED BY US CANNOT BE ADDED, COMBINED OR STACKED TOGETHER TO INCREASE THE LIMIT OF LIABILITY.**

Any amounts payable to an **insured person** under this coverage shall be reduced by any amounts paid or payable for the same expense under Part A – Liability Coverage or Part C – Uninsured/Underinsured Motorist Coverage of this policy.

### **OTHER INSURANCE**

If there is other applicable 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, if **you** have purchased Medical Payments Coverage in an amount greater than \$1000, then insurance **we** provide shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.

### **PART C – UNINSURED/ UNDERINSURED MOTORIST COVERAGE**

#### **INSURING AGREEMENT – UNINSURED/ UNDERINSURED MOTORIST COVERAGE**

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally

entitled to recover from the owner or operator of an **uninsured motor vehicle** or an **underinsured motor vehicle** because of **bodily injury** sustained by an **insured person**, caused by an **accident**, and arising out of the ownership, maintenance or use of an **uninsured motor vehicle** or an **underinsured motor vehicle**.

We will pay under Part C only after the limits of liability under all liability policies applicable to an **uninsured motor vehicle** have been exhausted by payment of judgments or settlements.

Any judgment for damages arising out of a suit brought without **our** written consent is not binding on **us**.

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 **underinsured motor vehicle**, or that person's liability insurer. If, within 30 days after **we** receive notice of tentative settlement from the **insured person**, **we** notify the **insured person** that **we** refuse to consent to a proposed settlement, the **insured person** must protect and preserve **our** right of subrogation to the claim against the operator or **owner** of any **uninsured motor vehicle** or **underinsured motor vehicle** who is liable for the **accident**.

## **ADDITIONAL DEFINITIONS**

When used in this Part C:

1. **Insured person** means:
  - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations**;
  - b. Any other person while **occupying your covered auto**, provided the actual use thereof is with the permission of the **named insured**; and
  - c. Any person entitled to recover damages for **bodily injury** covered under Part C of this policy sustained by a person meeting the definition of an **insured person** in 1.a. or 1.b. above.
2. **Underinsured motor vehicle** means a land motor vehicle or **trailer** of any type to which a

bodily injury liability policy applies at the time of the **accident** but the limit of liability for **bodily injury** is less than the damages that an **insured person** is entitled to recover from the owner or operator of the motor vehicle for **bodily injury**.

However, an **underinsured motor vehicle** does not include:

- a. A land motor vehicle or **trailer**, if operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle;
  - b. A farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads;
  - c. A vehicle **owned** by or furnished for the regular or frequent use of an **insured person** or any member of the household of the **insured person**;
  - d. Any vehicle or equipment that is an **uninsured motor vehicle**.
3. **Uninsured motor vehicle** means a land motor vehicle or **trailer** of any type:
- a. With respect to which there is not available at the Department of Motor Vehicles evidence of financial responsibility as required by chapter 485 of NRS;
  - b. With respect to the ownership, maintenance or use of which there is no liability insurance for **bodily injury** or bond applicable at the time of the **accident**, or, to the extent of such deficiency, any liability insurance for **bodily injury** or bond in force is less than the amount required by Nevada law;
  - c. With respect to the ownership, maintenance or use of which the company writing any applicable liability insurance for **bodily injury** or bond denies coverage or is insolvent;
  - d. Used without the permission of its owner if there is no liability insurance for **bodily injury** or bond applicable to the operator;
  - e. Used with the permission of its owner who has insurance which does not provide

- coverage for the operation of the motor vehicle by any person other than the owner if there is no liability insurance for **bodily injury** or bond applicable to the operator; or
- f. The owner or operator of which is unknown or after reasonable diligence cannot be found if:
- (1) The **bodily injury** or death has resulted from physical contact of the automobile with the **named insured** or the person claiming under him or with an automobile which the **named insured** or such a person is **occupying**; and
  - (2) The **named insured** or someone on his behalf has reported the **accident** within the time required by NRS 484.223, 484.225 or 484.227 to the police department of the city where it occurred, or if it occurred in an unincorporated area, to the sheriff of the county or to the Nevada Highway Patrol.

However, **uninsured motor vehicle** does not include any vehicle:

- a. **Owned** by an **insured person** or furnished or available for the regular use of an **insured person**;
- b. **Owned** or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law, except a self-insurer that becomes insolvent;
- c. **Owned** by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any such government;
- d. Operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle;
- e. That is a farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads;
- f. That is a **your covered auto**; or
- g. That is an **underinsured motor vehicle**.

## EXCLUSIONS THAT APPLY TO PART C – UNINSURED/UNDERINSURED MOTORIST COVERAGE

Coverage under Part C does not apply:

1. If the **insured person** or their legal representative settles or prosecutes to a judgment a claim for **bodily injury** without **our** consent.
2. To **bodily injury** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
3. To **bodily injury** when an **insured person** is using a vehicle without a reasonable belief that the person is entitled to do so.
4. To **bodily injury** sustained by any person while **occupying** or when struck by a **trailer** of any type used with a motor vehicle **owned** by **you** or any **family member** or any other person specifically listed as an additional driver listed in the **Declarations** which is not insured for this coverage under this policy.
5. Directly or indirectly to benefit:
  - a. Any **insured person** or self-insurer under any of the following or similar law:
    - (1) Workers' compensation law;
    - (2) Disability benefits law;
    - (3) The State Accident Insurance Fund; or
  - b. An insurer of property.
6. Directly to the benefit of the United States or any State or political subdivision thereof.
7. To any claim for punitive, exemplary, multiple damages, fines, penalties, or restitution.
8. For **bodily injury** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.

9. For **bodily injury** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
10. For **bodily injury** arising out of the ownership or operation of any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or in preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.

## **LIMIT OF LIABILITY**

### **1. Split Limit of Liability**

The limit of Uninsured/Underinsured Motorist Bodily Injury Liability or Uninsured Motorist Property Damage Liability shown in the Schedule or in the Declarations is the most we will pay regardless of the number of:

- a. Insured persons;
- b. Claims made;
- c. Vehicles or premiums shown in the Declarations;
- d. Vehicles involved in the accident; or
- e. Premiums paid.

### **2. Combined Single Limit**

If the Declarations show that a “combined single limit” or “CSL” applies, the amount shown is the most we will pay for the total of all damages resulting in any one accident. This is the most we will pay regardless of the number of:

- a. Insured persons;
- b. Claims made;
- c. Vehicles or premiums shown in the Declarations; or
- d. Vehicles involved in the auto accident.

**IF YOU HAVE MORE THAN ONE AUTO INSURED BY US, WE WILL NOT PAY ANY INSURED PERSON MORE THAN THE SINGLE HIGHEST LIMIT OF THE UNINSURED/UNDERINSURED MOTORISTS COVERAGE WE PROVIDE ON ANY ONE AUTO FOR AN ACCIDENT.**

**UNINSURED/UNDERINSURED MOTORISTS COVERAGE ON MORE THAN ONE AUTO CANNOT BE ADDED, COMBINED OR STACKED TOGETHER.**

**In no event shall the limit of liability for two or more policies be added together, combined, or stacked to determine the limit of Uninsured Motorist Coverage or Underinsured Motorist Coverage.**

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Subject to the Limits of Liability under this Part C – Uninsured/Underinsured Motorist Coverage the maximum amount **we** will pay for damages caused by the **owner** or operator of an **underinsured motor vehicle** shall be no more than the amount by which the **bodily injury** damages exceed the sum of the amounts of coverage of all liability bonds or policies available to the **owner** and operator of the **underinsured motor vehicle**.

If an **insured person** enters into a settlement agreement for an amount less than the sum of the limits of liability under all applicable bodily injury liability bonds and policies, **our** limit of liability for Coverage under Part C – Uninsured/Underinsured Motorist Coverage shall not exceed the difference between the damages sustained by the **insured** and the sum of the applicable bodily injury liability limits.

If an **insured person** is limited in the recovery of damages under Part C – Uninsured/Underinsured Motorist Coverage due to the limitations on the legal liability of a governmental unit or agency under NRS § 41.035, the **insured person** shall be entitled to recover under Part C – Uninsured/Underinsured Motorist Coverage. The **insured person's** recovery will be limited to the actual damages the **insured person** would be entitled to recovered under Part C – Uninsured/Underinsured Motorist Coverage for **bodily injury** if NRS § 41.035 did not apply.



The **insured person's** recovery shall not exceed the limits of liability set forth in Part C – Uninsured/Underinsured Motorist Coverage.

Any amount payable under the terms of this coverage because of **bodily injury** sustained in an **accident** by a person who is an **insured person** under this coverage shall be reduced by:

1. All sums paid on account of the **bodily injury** by or on behalf of the owner or operator of the uninsured vehicle and by or on behalf of any other person or organization jointly or severally liable together with the owner or operator for the **bodily injury**, including all sums paid under Part A – Liability Coverage of this policy; and
2. The amount paid and the present value of all amounts payable on account of the **bodily injury** under any worker's compensation law, disability benefits law, or any similar law.

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

## **OTHER INSURANCE**

If there is other applicable Uninsured/Underinsured Motorist Coverage, **we** will pay only **our** share of the damages. **Our** share of the damages is the proportion that **our** limit of coverage under this Part C bears to the total of all applicable limits. However:

1. **THE TOTAL RECOVERY UNDER ALL SUCH POLICIES OR COVERAGE MAY NOT EXCEED THE HIGHEST APPLICABLE LIMIT FOR ANY ONE VEHICLE UNDER SUCH INSURANCE PROVIDING COVERAGE ON EITHER A PRIMARY OR EXCESS BASIS.**
2. Any insurance we provide with respect to a vehicle that is not your covered auto shall be excess over any collectible insurance providing such coverage on a primary basis.

## PART D – DAMAGE TO YOUR AUTO

### **INSURING AGREEMENT – COLLISION COVERAGE**

If **you** pay **us** the premium for Collision Coverage when due, **we** will pay for damage to **your covered auto** or **non-owned auto** and its **additional 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 **us** the premium for Comprehensive Coverage when due, **we** will pay for comprehensive loss to **your covered auto** or **non-owned auto** and its **additional equipment**. A comprehensive loss is a loss caused by the following:

1. Missiles or falling objects;
2. Fire;
3. Theft or larceny;
4. Explosion or earthquake;
5. Windstorm;
6. Hail, water, or flood;
7. Malicious mischief or vandalism;
8. Riot or civil commotion;
9. Contact with bird or animal; or
10. Breakage of glass, when not caused by **collision**.

### **TRANSPORTATION EXPENSES**

If **you** have purchased Comprehensive Coverage and **your covered auto** is stolen, **we** will pay up to \$20 per day, to a maximum of \$600, for transportation expenses incurred by **you**. **We** will pay only reasonable transportation expenses actually and necessarily incurred during the period:

1. Beginning on the date of the theft; and
2. Ending when **your covered auto** has been repaired or replaced, whichever occurs first. If **your covered auto** is determined by **us** to be a total loss, coverage for transportation expense

will end 48 hours after **we** make an offer to pay the actual cash value of **your covered auto**.

**We** will not pay **you** the cost of renting a car from an individual. The car must be rented from a **business** whose day-to-day operations involve car rental. **We** will not pay for insurance, collision damage waivers, fuel, or any other charges, except for the actual cost of the rental of the vehicle including applicable taxes.

## **RENTAL REIMBURSEMENT COVERAGE**

If **you** pay **us** the premium for Rental Reimbursement Coverage when due, **we** will pay for the cost incurred by **you** for rental of an **auto** from an auto rental agency or a vehicle repair shop while **your covered auto** for which this coverage is purchased is inoperable as a result of **collision** or a comprehensive loss to which coverage under this Part D applies. **We** will not pay Rental Reimbursement when **your covered auto** is inoperable due to wear and tear, freezing, mechanical or electrical breakdown or failure, or road damage to tires.

The limit of liability for Rental Reimbursement Coverage is the amount shown in the **Declarations** as the daily limit, for up to 30 days for each **accident**, loss or theft. Coverage under Transportation Expenses shall not apply for a rental of an **auto** when Rental Reimbursement Coverage applies.

Rental charges will be reimbursed beginning when:

1. **Your covered auto** cannot be driven due to a loss; or
2. If **your covered auto** can be driven, when **you** deliver or **your** representative delivers **your covered auto** to an auto repair shop for repairs due to the loss.

Rental charges will end when **your covered auto** has been repaired or replaced. If **your covered auto** is determined by **us** to be a total loss, coverage for rental charges will end 72 hours after **we** make an offer to pay the actual cash value of **your covered auto**.

**You** must provide **us** written proof of **your** rental charges. Duplicate recovery for identical elements of damages is not permitted under this policy.

## TOWING AND LABOR COVERAGE

If **you** pay **us** the premium for Towing And Labor Coverage for **your covered auto** when due, **we** will reimburse **you** for towing and labor costs incurred as a result of the disablement of that **auto**, up to the limit of the coverage stated in the **Declarations** of this policy, provided that:

1. The labor, if any, is performed at the place of disablement; or
2. If towed, the **auto** is towed to the nearest qualified repair facility and the towing is necessary due to:
  - 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.

## ADDITIONAL EQUIPMENT COVERAGE

If **you** pay **us** the premium for Additional Equipment Coverage for **your covered auto** when due, **we** will provide Comprehensive and Collision Coverage for **additional equipment**. This coverage applies in addition to any coverage automatically included for **additional equipment** under Comprehensive and Collision Coverage.

No coverage will be provided that duplicates payment for the same element of loss paid under any other coverage or any other insurance.

## ADDITIONAL DEFINITIONS

When used in this Part D:

1. **Collision** means the upset of **your covered auto** or **non-owned auto** or its impact with another vehicle or object.
2. **Additional equipment** means permanently installed or attached custom parts, equipment, devices, accessories, enhancements, and changes that alter the appearance or performance of **your covered auto** and that were not installed by the original automobile manufacturer. **Additional**

**equipment** includes, but is not limited to, permanently installed stereo equipment, custom paint and exterior body panels, custom wheels and tires, equipment to modify vehicle height on both raised and lowered vehicles, custom seats, and safety or alarm devices.

3. **Diminution in value** means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

## **EXCLUSIONS THAT APPLY TO PART D – DAMAGE TO YOUR AUTO**

Coverage under this Part D does not apply for loss:

1. To **your covered auto** or **non-owned auto** while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
2. To **your covered auto** or **non-owned auto** while it is being rented to others or hired for a fee.
3. To any vehicle that is due and confined to:
  - a. Wear and tear;
  - b. Deterioration including but not limited to rust, rot or mold;
  - c. Latent or inherent defects;
  - d. Freezing;
  - e. Mechanical or electrical breakdown or failure;
  - f. Road damage to tires;
  - g. Lack of maintenance, including but not limited to lack or loss of lubricants, oil, transmission fluid, or coolant; or
  - h. Leakage or seepage of water, whether or not wind-driven, unless entering the vehicle through an opening caused by a covered peril.

This exclusion does not apply if the damage results from the total theft of **your covered auto**.

4. To any vehicle due to or as a consequence of:
  - a. Radioactive contamination;

- b. Discharge of any nuclear weapon (even if accidental);
  - c. War (declared or undeclared);
  - d. Civil war, insurrection, rebellion or revolution.
5. To tapes, records, CD's, DVD's, video or other devices for use with equipment designed for the reproduction of sound or video.
6. To any **non-owned auto** when used by **you** or any **family member** or any person specifically listed as an additional driver in the **Declarations** without the owner's express or implied permission to do so.
7. To any vehicle operated by any person who has had their driving privileges permanently revoked.
8. To TV antennas, awnings, cabanas, or equipment designed to create additional living facilities.
9. To any of the following or their accessories:
- a. Citizen band radio;
  - b. Two-way mobile radio;
  - c. Telephone;
  - d. Scanning monitor receiver; or
  - e. Radar detectors or similar devices.
10. To any part of the vehicle, or its equipment, that is not permanently attached to the vehicle at the time of loss.
11. To any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
- a. Selling;
  - b. Repairing;
  - c. Servicing;
  - d. Storing; or
  - e. Parking;
- vehicles. This includes road testing and delivery.
12. To any vehicle being towed by **your covered auto**, which is not shown in the **Declarations** and for which premium has not been paid. This exclusion does not apply to a **trailer**.
13. Due to the cost of delay in repair, nor will **we** pay more than the cost of repair and/or replacement of automobiles of standard makes and similar

type, and **we** will not pay for any extraneous items or any finish or special customizing of such vehicle other than as originally and normally manufactured.

14. To any specially built body, food vending equipment, catering equipment, or refrigeration equipment, nor to travel trailers, unless such equipment is described in the application and a premium charged therefore.
15. To any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
16. To any vehicle arising out of or during its commercial use for the transportation of any explosive substance, flammable liquid, or similar hazardous material, except transportation incidental to **your** ordinary household or farm activities.
17. Due to taking or confiscation by governmental or civil authority, for any purpose, including temporary taking or temporary confiscation.
18. Due to illegal sale, or repossession of a motor vehicle by the rightful owner.
19. Due to theft, embezzlement or other unlawful conversion of **your covered auto** or **non-owned auto** after custody of said **auto** has been entrusted to another party for the purpose of subleasing, leasing or selling said automobile, whether under a consignment or not. This exclusion will apply whether the theft, embezzlement or unlawful conversion of the automobile was committed by the person to whom the vehicle was entrusted or by any other person.
20. Due to the destruction of any vehicle, in whole or in part, intentionally caused by, or at the direction of **you**, any **insured person**, a **family member**, or any person listed as a driver in the **Declarations**.
21. Covered by collision under this policy if any vehicle is being operated by any person not listed on the application, **Declarations** or policy, who

has either a suspended or revoked driver license, regardless of where that person resides.

22. To any vehicle due to **diminution in value**.
23. Arising out of the ownership, maintenance or use of **your covered auto** or **non-owned auto** while it is rented to or leased to another.
24. Arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
25. Arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the insured person is actually charged with, or convicted of, a crime.
26. Arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.

## **LIMIT OF LIABILITY**

**Our** limit of liability for loss to **your covered auto**, **non-owned auto** or **additional equipment** is the lowest of:

1. The actual cash value of the stolen or damaged property at the time of the loss, but not to exceed \$125,000 unless specifically endorsed for a greater amount, reduced by the applicable deductible;
2. The amount necessary to replace the stolen or damaged property, but not to exceed \$125,000 unless specifically endorsed for a greater amount, reduced by the applicable deductible; or
3. The amount necessary to repair the damaged property to its pre-loss condition reduced by the applicable deductible.

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

1. A **trailer** is \$500;
2. **Additional equipment** is \$1,000, unless **you** have purchased Additional Equipment Coverage. If **you** have purchased Additional Equipment Coverage, the most **we** will pay is \$1,000, plus the amount of Additional Equipment Coverage **you** have purchased.



Payments for loss to **your covered auto, non-owned auto or additional equipment** are subject to the following provisions:

1. **We** reserve the right to make payment for repairs or replacement of property with other property of like kind and quality, specifically including the vehicle age, use and condition and/or parts supplied by a source other than the manufacturer of the vehicle such as aftermarket, used, recycled, rebuilt, restored, or exchanged parts.
2. If the repair or replacement results in the betterment of the property or part, meaning that the value of the repaired or replaced property or part has been increased above its pre-loss market value as a result of the repair or replacement, **you** may be responsible, subject to applicable laws and regulation, for the amount of the betterment.
3. Deductions for betterment or depreciation will be taken only for parts or specific repair process normally subject to repair or replacement during the useful life of the vehicle. Deductions will be limited to an amount equal to the proportion that the expired life of the part or specific repair process to be repaired or replaced bears to the normal life of that part or repair process.
4. In the event of a total loss, an adjustment for depreciation and physical condition will be made in determining the actual cash value of the vehicle.
5. **Our** payment will be reduced by the value of the salvage when **you** or the **owner** of the vehicle retains the salvage.
6. No person may receive a duplicate recovery under this policy for the same elements of damages.
7. No deductible will apply to a loss to window glass when the glass is repaired instead of replaced.
8. Actual cash value is determined by the market value, age, and condition of the vehicle at the time of the loss.
9. Coverage for **additional equipment**, unless **you** have purchased Additional Equipment Coverage, will not cause **our** limit of liability for loss to **your covered auto** under this Part D to be increased

to an amount in excess to the actual cash value of **your covered auto**, including its **additional equipment**.

10. If the **additional equipment** takes the place of parts or equipment that were included on **your covered auto** by the original vehicle manufacturer, no credit will be given for the value of the corresponding original part or equipment in the payment of the loss.

## TOTAL LOSS

In the event that **we** determine **your** vehicle to be a total loss, **you** must allow **us** to move **your** vehicle to a free storage location of **our** choice. **We** reserve the right to retain **your** vehicle and/or its salvage property after **we** determine that **your** vehicle is a total loss.

## PAYMENT OF LOSS

**We** may pay for loss in money or repair or replace the damaged or stolen property. **We** may make this payment to **you** or any loss payee as the person or entity's interest appears. **We** may, at **our** expense, return any stolen property to:

1. **You**; or
2. The address shown in this policy. If **we** return stolen property, **we** will pay for any damage resulting from the theft. **We** may keep all or part of the property at an agreed or appraised value.

## LOSS PAYABLE CLAUSE

Loss or damage under this policy shall be paid as interest may appear to **you** and the loss payee shown in the **Declarations**. If **you** surrender possession of **your covered auto** to the loss payee or the loss payee repossesses **your covered auto**, **we** will not pay the loss payee for loss occurring after the date the loss payee or its agent takes possession of the **auto**. The interest of a loss payee shall be no greater than **your** interest under this policy.

When **we** pay a loss payee, **we** will not pay the loss payee more than the repair costs of **your covered auto**, actual cash value of **your covered auto** or the existing loan balance as of the date of loss, whichever is less, reduced by any applicable deductible and salvage value if **we** do not retain the salvage. Any insurance

covering the interest of a loss payee shall not be protected and shall become invalid for any damage, destruction or other loss resulting from **your** illegal or fraudulent acts and/or omissions. Additionally, **we** will not pay for any loss caused by conversion, embezzlement, or concealment by **you** or anyone acting on **your** direction or behalf. **We** will not pay for any destruction or damage and/or loss to an **auto** caused by any intentional act done by, at the direction of, or on behalf of any **insured person**. If **we** pay the loss payee for any loss that is not covered under this policy, **we** shall, to the extent of that payment, be subrogated to the loss payee's rights to recovery against **you** or any other **insured person**.

**We** reserve the right to cancel the policy as permitted by the policy terms. Cancellation shall terminate the policy and this agreement as to the loss payee's interest. **We** will give notice of cancellation to the loss payee and **named insured** as required under the law.

## **NO BENEFIT TO BAILEE**

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

## **OTHER INSURANCE**

If other insurance also covers 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 insurance, self-insurance, and/or protection limits or amounts regardless of source. However, any insurance **we** provide with respect to a **non-owned auto** shall be excess over any other collectible insurance, self-insurance, and any other source of recovery applicable to the loss.

## **APPRAISAL**

If **we** and **you** do not agree on the amount of loss, then **we** and **you** may agree to an appraisal of the loss. If **we** and **you** agree to an appraisal, each party will select a competent appraiser and notify the other party in writing of the appraiser's identity within 30 days of the request for appraisal. The two appraisers will select an umpire. The appraisers will state separately the amount of loss. If they fail to agree, they will submit their differences to the umpire. A written

decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the expenses of the appraisal and umpire equally.

**We** do not waive any of **our** rights under this policy by agreeing to an appraisal.

## PART E – DUTIES AFTER AN ACCIDENT OR LOSS

For coverage to apply under this policy, **you** or the person seeking coverage must promptly report to **us** how, when and where the **accident** or loss happened, including the names and addresses of any injured persons and of any witnesses.

A person seeking any coverage must:

1. Cooperate with **us** in the investigation, settlement or defense of any claim or suit.
2. Promptly send **us** copies of any notices or legal papers received in connection with the **accident** or loss.
3. Submit, as often as **we** reasonably require:
  - a. To physical exams by physicians **we** select. **We** will pay for these exams.
  - b. To examinations under oath at a place of **our** choosing, within 75 miles of the residence of the **named insured**, and require the person to correct and sign under oath the transcript of the examination(s) under oath.
  - c. To a request for production of documents at the time of the examination under oath and any other time, and allow the copying of any documents **we** or **our** designated representative requests. This includes, but is not limited to, all documents concerning **your** income (payroll records, profit and loss statements, etc.), finances, credit, and any other documents **we** indicate are reasonable and necessary to investigate and process **your** claim. Such documents must be provided to **us** or **our** designated representative in a timely manner, and if requested, prior to an examination under oath.

4. Authorize **us** to obtain:
  - a. Medical reports;
  - b. Any documents **we** indicate are necessary to investigate and process **your** claim; and
  - c. Event data recorders and/or sensing and diagnostic modules or any other recording device for the purpose of retrieving data following an **accident** or loss.
5. Submit a proof of loss when required by **us**.
6. Provide any statements to **us** when **we** request them, whether in writing, oral, or recorded form, or in person, at **our** option.

A person seeking Uninsured/Underinsured Motorist Coverage must also:

1. Notify the police within 72 hours if a hit-and-run driver is involved.
2. Provide **us**, within 30 days of the date of filing, with a copy of the complaint, if a lawsuit is brought by the **insured person** against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**, or against the owner or operator of any other vehicle in the **accident**.
3. Within a reasonable time, make available at **our** expense all pleadings and depositions, if an **insured person** brings a lawsuit against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**, or against the owner or operator of any other vehicle in the **accident**.
4. Provide **us** with proof that the limits of liability under any liability policies applicable to an **uninsured motor vehicle** have been exhausted by payment of judgments or settlements. Provide **us** with proof that the limits of liability under any liability bond or policies applicable to an **underinsured motor vehicle** have been exhausted by payment of judgments or settlements.

A person seeking coverage under Part D – Damage to Your Auto must also:

1. Take reasonable steps after loss, at **your** expense, to protect **your covered auto** or a **non-owned auto** and its equipment from further loss.
2. Notify the police, within 24 hours of discovery of the event, if **your covered auto** is stolen.
3. Permit **us** to inspect and appraise the damaged property as often as **we** reasonably require before its repair or disposal.
4. Send **us**, within 30 days of the loss, **your** signed sworn statement in proof of loss in the form provided to **you**; or, if no form is provided to **you**, a form of **your** own creation, sworn to under oath, and showing the date and time of loss, the cause of loss, the actual cash value and amount of loss to **your covered auto**, and attaching detailed repair estimates.

## PART F – GENERAL PROVISIONS

### **TERMS CONFORMED TO STATUTES**

This policy shall be deemed amended to conform to the statutes of the state listed in your application if any provision fails to conform to such statutes. Any dispute as to coverages or the provisions of this policy shall be determined and governed by the law of the state listed in your application as your residence.

### **COVERAGE DEEMED GRANTED BY OUT-OF-STATE STATUTE**

If an **accident** to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, and if a statute of that state or province that is applicable to **us** deems out-of-state automobile or motor vehicle policies issued by **us** to provide particular forms or limits of coverage not provided for in this policy when **your covered auto** is involved in an **accident** in that state, then for purposes of that **accident** only, **we** will interpret **your** policy as providing the minimum coverage deemed to be provided, at the minimum amounts permitted by law, and subject to the exclusions set forth in any coverage part of this policy, to the fullest extent permissible by

law. All such coverage shall be excess over any other collectible insurance, to the fullest extent permissible by law. Further, **our** obligation to pay such coverage shall be reduced by other available insurance, to the fullest extent permissible by law. Nothing contained herein constitutes a choice of law provision or consents to the application of the law of any particular state or province. No one will be entitled to duplicate payments for the same elements of loss.

## **BANKRUPTCY**

Bankruptcy or insolvency of the **insured person** shall not relieve **us** of any obligations under this policy. If execution of a judgment against an **insured person** under Part A – Liability Coverage is returned unsatisfied for 30 days because of the insolvency or bankruptcy of the **insured person**, a person claiming payment for damages under Part A – Liability Coverage may maintain an action against **us** for the portion of the judgment that does not exceed **our** Limit of Liability, subject to all the terms and conditions of this policy.

## **CHANGES**

This policy, any endorsements to this policy, the **Declarations**, and **your** application contain all the agreements between **you** and **us**. Their terms may not be changed or waived except by endorsement issued by **us**. If a change requires a premium adjustment, **we** will adjust the premium as of the effective date of change.

The premium for this policy is based on the information **you** provided to **us** or other sources **we** use. **You** agree to cooperate with **us** in determining if this information is accurate and complete. **You** agree to notify **us** of any changes during the policy period. If this information is incomplete, incorrect, or changes during the policy period, **you** agree that **we** may adjust **your** premium, or take other legally permissible action.

Changes that may result in a premium change include, but are not limited to, **you** or a **family member** obtaining a driver's license or operator's permit, or changes in:

1. **Your** address;

2. **Your** garaging address;
3. **Resident** drivers and additional frequent drivers;
4. The number, type, or use classifications of **your covered autos**; and
5. Coverages, deductibles, or limits of liability.

**You** must notify **us** within 30 days of the time when a person becomes a **resident** of **your** household who was not previously listed on the policy.

## **MISREPRESENTATION OR FRAUD**

This policy was issued in reliance on the information provided on **your** insurance application, including, but not limited to information regarding license and driving history of **you, family members**, all persons of driving age residing in **your** household, the description of the vehicles to be insured, the location of the principal place of garaging, and **your** place of residence.

**We** may void this policy if **you** or any insured have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct, at the time application was made. **We** may void this policy or deny coverage for an **accident** or loss if **you** or any insured have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

**We** may void this policy for fraud or misrepresentation even after the occurrence of an **accident** or loss. This means that **we** will not be liable for any claims or damages that would otherwise be covered. If **we** void this policy, it will be void from its inception (void ab initio), and no coverage will be provided whatsoever. However, if **we** void this policy, this shall not affect coverage under Part A – Liability Coverage up to the minimum liability insurance limits required by the financial responsibility laws of the state of Nevada.

To the extent that **we** make payments to **you** under this policy and **our** subsequent investigation reveals **your** involvement in fraud or misrepresentation in the presentation of a claim, **you** must indemnify **us** for all payments made.



## LEGAL ACTION AGAINST US

No legal action may be brought against **us** until there has been full compliance with all the terms and conditions of this policy. In addition, under Part A – Liability Coverage of this policy, no legal action may be brought against **us** until:

1. **We** agree in writing that the **insured person** has an obligation to pay; or
2. The amount of that obligation has been finally determined by judgment after trial.

No person or organization has any right under this policy to bring **us** into any action brought to determine the liability of an **insured person**.

Under Part B – Medical Payments Coverage or Part D – Damage to Your Auto, no legal action may be brought against **us** on or upon this policy, or arising out of any activities of the Company in any way related to this policy, or claims **you** have presented, unless filed within six years of the **accident** or loss.

The **insured person** and **we** agree that no cause of action shall accrue to the insured under Part C – Uninsured/Underinsured Motorist Coverage unless within six years from the date of the **accident**:

1. Agreement as to the amount due under the policy has been concluded;
2. The **insured person** has filed an action against **us** in a court of competent jurisdiction; or
3. Suit for **bodily injury** has been filed against the uninsured motorist in a court of competent jurisdiction and, within one year from the date of settlement or final judgment against the uninsured motorist, the **insured person** has filed an action against **us** in a court of competent jurisdiction.

## OUR RIGHT TO RECOVER PAYMENT

If **we** make a payment under this policy, and the person to or for whom payment was made has a right to recover damages from another, **we** shall be subrogated to that right. **We** shall be entitled to the payment, reimbursement, and subrogation as provided in this section, regardless of whether the total amount of the recovery of the person (or his or her estate, parent or legal guardian) on account of the

injury, illness or **property damage** is less than the actual loss suffered by the person (or his or her estate, parent or legal guardian). That person shall do:

1. Whatever is necessary to enable **us** to exercise **our** rights; and
2. Nothing after loss to prejudice **our** rights.

However, **our** rights in this provision do not apply under:

1. Part B – Medical Payment Coverage;
2. Part C – Uninsured/Underinsured Motorist Coverage, for an **accident** involving an **underinsured motor vehicle**; or
3. Part D – Damage to Your Auto, against any person using **your covered auto** with a reasonable belief that that person is entitled to do so.

If **we** make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for **us** the proceeds of the recovery; and
2. Reimburse **us** to the extent of **our** payment within 30 days of receipt of the proceeds of any recovery.

If an **insured person** under this policy makes recovery from a responsible party, other than the owner or operator of an **underinsured motor vehicle**, without **our** written consent, the **insured person's** right to payment under any affected coverage will no longer exist.

If **we** exercise **our** right to recovery against another, **we** will also attempt to recover any deductible incurred by an **insured person** under 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** reserve the right to reduce reimbursement of the deductible by the proportion that the amount **we** recover bears to the total amount of **our** subrogated claim. **We** will also reduce reimbursement of the deductible by the proportionate share of the collection expenses including attorney fees incurred with **our** recovery efforts. **We** will not recover the deductible if **you** instruct **us** not to.

## POLICY PERIOD AND TERRITORY

This policy applies only to **accidents** and losses that occur during the policy period as shown in the **Declarations** and within the policy territory. The policy territory is:

1. The United States of America, its territories or possessions;
2. Puerto Rico; or
3. Canada.

This policy also applies to loss to, or **accidents** involving, **your covered auto** while being transported between their ports.

## CANCELLATION

**You** may cancel this policy by calling **us** or giving **us** advance notice of the future date cancellation is to take effect. If **your** initial premium is paid by check, draft, credit card, electronic funds transfer, or similar form of remittance and the remittance is not honored or is returned due to non-sufficient funds, the policy shall be deemed void from inception.

**We** may cancel this policy at any time for nonpayment of premium by providing at least 10 days notice to **you** at the address shown in **our** records.

During the first 69 days of the initial policy term, **we** may cancel this policy for any reason by providing at least 10 days notice to **you** at the address shown in **our** records. In all other cases, other than nonpayment of premium, at least 30 days notice of cancellation will be provided.

After this policy is in effect for 70 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. Conviction of the insured of a crime arising out of acts increasing the hazard insured against;
3. Discovery of fraud or material misrepresentation in the obtaining of the policy or in the presentation of a claim;
4. Discovery of an act or omission or a violation of any condition of the policy, which occurred after the first effective date of the current policy and

substantially and materially increases the hazard insured against;

5. A material change in the nature or extent of the risk, occurring after the first effective date of the current policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated by **us** at the time the policy was issued or last renewed; or

The effective date and time of cancellation stated in the notice shall become the end of the policy period. Any cancellation will be effective for all coverages for all persons and all vehicles.

## **NONRENEWAL**

If **we** decide not to renew or continue this policy, **we** will mail notice to **you** at the address shown in **our** records. Notice will be mailed at least 30 days before the end of the policy period.

## **PREMIUM REFUND AND CANCELLATION FEE**

If this policy is canceled, **you** may be entitled to a premium refund. Any refund due will be computed on a daily pro rata basis. However, **we** shall retain a cancellation fee if cancellation is for nonpayment of premium or if **you** cancel this policy. **Our** making or offering to make a refund is not a condition of cancellation.

## **POLICY TERMINATION**

If **we** offer to renew or continue and **you** or **your** representative do not accept, this policy will terminate at the end of the current policy period as described in this paragraph. If **you** fail to pay the required renewal or continuation premium when due, this shall mean that **you** have not accepted **our** offer, and **we** will issue a cancellation notice.

If **you** obtain other insurance on **your covered auto**, any similar insurance provided by this policy will terminate as to that **auto** on the effective date of the other insurance. All coverage associated with any vehicle **you** own will terminate upon the sale or transfer of vehicle ownership.

## PROOF OF MAILING

We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.

## TRANSFER OF YOUR INTEREST IN THIS POLICY

**Your** rights and duties under this policy may not be assigned without **our** written consent. However, if a **named insured** shown in the **Declarations** dies, coverage will be provided for:

1. The surviving spouse, if residing in the same household at the time of death; and
2. The legal representative of the deceased person as if a **named insured** shown in the **Declarations**. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

Coverage will only be provided until the end of the policy period.

## POLICY AND/OR FILING FEES

A Policy Fee and Filing Fee, if any, as set forth under the **Declarations** of this policy, is fully earned upon issuance of the policy and is not refundable.

## ADDITIONAL PREMIUM DUE – LOSS SETTLEMENT

In the event of additional premium due to the incorrect rating of this policy, **we** shall have the right to correct the premium in accordance with **our** published rates and underwriting rules. If a loss occurs under the policy **we** shall have the option to deduct such additional premium from any loss settlement.

## CLAIMS SETTLEMENT

To assist **us** in determining the amount of damages, expenses, or loss payable under the terms of this policy, **we** may use estimating, appraisal, or injury evaluation systems developed by **third parties** or **us** and may include the use of computer software, databases and other specialized technology.

## WARNING – MEXICO

Unless you have automobile insurance written by a Mexican insurance company, you may spend hours or days in jail if you have an accident in Mexico. Insurance coverage should be secured from a company licensed under the laws of Mexico to write insurance in order to avoid complications and some other penalties possible under the laws of Mexico, including the possible impoundment of your automobile.

## NAMED DRIVER EXCLUSION

If **you** have elected to exclude a driver who may, by law, be excluded, coverage under this policy shall not apply nor shall they accrue to the benefit of **you**, any third party claimant, or any other person, while any **auto** is being operated by the driver that has been excluded (listed on the Application and/or **Declarations** and/or a Named Driver Exclusion acknowledgment), regardless of where the person resides or whether the person is licensed to drive. However, if the excluded driver is **you** or a **family member**, then coverage under Part A – Liability Coverage shall be limited to the minimum limits of liability required by the financial responsibility laws of the State of Nevada.

This exclusion applies to the policy, or any continuation, renewal, or replacement of the policy by the **named insured**, or reinstatement within 30 days of any lapse thereof.



AUDREY E. SYLVAN  
President



MARTIN R. BROWN  
Secretary

e-Copy

COAST NATIONAL INSURANCE COMPANY  
5701 STIRLING ROAD  
DAVIE, FL 33314

0150

e-copy

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0151



## TERMINATION STATEMENT

12-10-2014  
Date

☐ Voluntary Termination  
☒ Involuntary Termination

I, 12/20/14 Efren Sotelo, do hereby give acknowledgment of termination of employment. My last day of work will be 12/20/14.

Reason for Termination:

Employee Misconduct  
NOT TO BE Rehired

Keys	✓
Gas Card	✓
Uniforms	✓
All msc Company property	✓

  
Employee Signature

12-10-2014  
Date

  
Supervisor Signature

12-10-2014  
Date

LAS VEGAS METROPOLITAN POLICE DEPARTMENT  
VOLUNTARY STATEMENT

Event #

141212-1537

## THIS PORTION TO BE COMPLETED BY OFFICER

Specific Crime <u>UNLAWFUL TAKING VEHICLE W/OUT OWNER'S CONSENT</u>	Date Occurred <u>12/12/14</u>	Time Occurred <u>0500-0940</u>
Location of Occurrence <u>5915 MUSKETEER LN. LV, NV 89130</u>	Sector/Beat <u>X4</u>	<input checked="" type="checkbox"/> City <input type="checkbox"/> County

Your Name (Last / First / Middle) <u>Sotelo Juan C.</u>						Date of Birth <u>6-24-71</u>		Social Security # _____	
Race <u>H</u>	Sex <u>M</u>	Height <u>5'5"</u>	Weight <u>162</u>	Hair <u>BRN</u>	Eyes <u>BRN</u>	Work Sched. (Hours) <u>M-F</u>	(Days Off) <u>S-S</u>	Business / School <u>Cool Air Now</u>	
Residence Address: (Number & Street) <u>5915 Musketeer Ln</u>				Bldg./Apt.# City _____ <u>Las Vegas</u>		State Zip Code <u>NV-89130</u>		Res. Phone: <u>702-348-410</u>	
Bus. (Local) Address: (Number & Street) <u>2741 Lasee Rd. #B</u>				Bldg./Apt.# City _____ <u>Las Vegas</u>		State Zip Code <u>NV-89130</u>		Occupation <u>HVAC</u>	
Best place to contact you during the day						Best time to contact you during the day		Can You Identify <input checked="" type="checkbox"/> Yes the Suspect? <input type="checkbox"/> No	

DETAILS ON 12-10-14 Efren Sotelo was fired from Cool Air Now for Embezzlement of Company C.C. Vehicle keys Gas Card and were taken from Efren on the day he was fired. We filed charges for this occurrence with North Las Vegas Police, Efren was not Authorized to be operating Cool Air Now Vehicles. ON 12-12-14 We discovered that Cool Air Now truck was missing at that point we were on the phone with L.V.P.D. to report stolen vehicle. And it turned out that our vehicle had been in an accident which later we found out it was Efren who stole it. Apparently we had made copy's of keys.

N. Las Vegas Case # 141211020851 Embezzlement \$4,700

The Use and Dissemination of this  
Record is Regulated by Law. Secondary  
Dissemination of any kind is Prohibited  
and could subject the offender to Criminal  
and Civil Liability.

This Information Released To:

Juan Sotelo

By: 5134158 Date: 08/15/2014

Las Vegas Metro Police Dept.

I HAVE READ THIS STATEMENT AND I AFFIRM TO THE TRUTH AND ACCURACY OF THE FACTS CONTAINED HEREIN. THIS STATEMENT WAS  
COMPLETED AT (LOCATION) T341 W. LASEE MEND PARKING LOT  
ON THE 12 DAY OF DECEMBER AT 1100 (AM/PM) 2014.

Witness/Officer:

Witness/Officer:  
LVMPD 85 (REV. 6-08)

S. HUTCHASON  
(PRINTED)

P#

7088

SIGNATURE OF PERSON GIVING STATEMENT



## REGISTER OF ACTIONS

CASE No. 14F19296X

State of Nevada vs. Ruiz-Sotelo, Efen

Case Type: Gross Misdemeanor

Date Filed: 12/16/2014

Location: JC Department 8

## PARTY INFORMATION

Defendant Ruiz-Sotelo, Efen

Lead Attorneys  
Jannette Reyes-Speer  
Retained  
702-267-1370(W)

State of Nevada State of Nevada

## CHARGE INFORMATION

Charges: Ruiz-Sotelo, Efen

1. Petit larceny [50535]

Statute

205.240

Level

Misdemeanor

Date

12/12/2014

## EVENTS &amp; ORDERS OF THE COURT

## DISPOSITIONS

- 12/17/2014 (Judicial Officer: Lippis, Deborah J.)  
1. Petit larceny [50535]  
Guilty
- 12/17/2014 (Judicial Officer: Lippis, Deborah J.)  
1. Petit larceny [50535]  
Guilty of Lesser Offense
- 12/17/2014 (Judicial Officer: Lippis, Deborah J.)  
1. Petit larceny [50535]  
Condition - Adult:  
1. Defendant sentenced to Clark County Jail - Suspended, 5 months Jail Time No Early Release - No House Arrest - Suspended 12/17/2014, Active 12/17/2014  
2. JC Drug Court, 12/17/2014, Active 12/17/2014  
3. Get a Job, to Provide Proof 12/17/2014, Active 12/17/2014  
4. Obtain High School Diploma or GED, to Provide Proof 12/17/2014, Active 12/17/2014  
5. Stay Away Order, from Juan and Delia Sotelo, 5915 Musketeer Ln Las Vegas, NV 89130, and 2741 Losee Rd #B North Las Vegas, NV 89030 12/17/2014, Active 12/17/2014  
6. Stay Out of Trouble, 3 years 12/17/2014, Active 12/17/2014
- 01/05/2015 Amended (Judicial Officer: Zimmerman, Ann E.) Reason: Court Ordered  
1. Petit larceny [50535]  
Condition - Adult:  
1. Defendant sentenced to Clark County Jail - Suspended, 5 months Jail Time No Early Release - No House Arrest - Suspended 12/17/2014, Active 12/17/2014  
2. JC Drug Court, 12/17/2014, Active 12/17/2014  
3. Get a Job, to Provide Proof 12/17/2014, Active 12/17/2014  
4. Obtain High School Diploma or GED, to Provide Proof 12/17/2014, Active 12/17/2014  
5. Stay Away Order, from Juan and Delia Sotelo, 5915 Musketeer Ln Las Vegas, NV 89130, and 2741 Losee Rd #B North Las Vegas, NV 89030 12/17/2014, Active 12/17/2014  
6. Stay Out of Trouble, 3 years 12/17/2014, Active 12/17/2014  
Condition - Adult:  
1. Write Life Story, 01/05/2015, Active 01/05/2015  
Fee Totals:  
Drug Court Fee \$400.00  
Fee Totals \$ \$400.00
- 02/23/2015 Amended (Judicial Officer: Zimmerman, Ann E.) Reason: Court Ordered  
1. Petit larceny [50535]  
Condition - Adult:  
1. Defendant sentenced to Clark County Jail - Suspended, 5 months Jail Time No Early Release - No House Arrest - Suspended 12/17/2014, Closed 02/23/2015  
2. JC Drug Court, 12/17/2014, Closed 02/23/2015  
3. Get a Job, to Provide Proof 12/17/2014, Closed 02/23/2015  
4. Obtain High School Diploma or GED, to Provide Proof 12/17/2014, Closed 02/23/2015  
5. Stay Away Order, from Juan and Delia Sotelo, 5915 Musketeer Ln Las Vegas, NV 89130, and 2741 Losee Rd #B North Las Vegas, NV 89030 12/17/2014, Closed 02/23/2015  
6. Stay Out of Trouble, 3 years 12/17/2014, Closed 02/23/2015  
Condition - Adult:  
1. Write Life Story, 01/05/2015, Closed 02/23/2015  
Fee Totals:

Drug Court Fee	\$400.00
Fee Totals \$	\$400.00

**OTHER EVENTS AND HEARINGS**

12/12/2014 **Standard Bail Set**  
*Ct1: \$2000 Cash/\$2000 Surety*

12/12/2014 **CTRACK Track Assignment JC01**

12/13/2014 **48 Hour Probable Cause Review** (7:20 AM) (Judicial Officers Lippis, Deborah J., Tobiasson, Melanie A.)  
 Result: Signing Completed

12/13/2014 **Probable Cause Arrest Documents** (Judicial Officer: Lippis, Deborah J. )

12/15/2014 **CTRACK Case Modified**  
*Jurisdiction/DA;*

12/16/2014 **Criminal Complaint**

12/17/2014 **Arraignment** (7:30 AM) (Judicial Officer Lippis, Deborah J.)  
*In custody*  
 Result: Matter Heard

12/17/2014 **Custody Status Slip (No Custody Change)**

12/17/2014 **Arraignment Completed** (Judicial Officer: Lippis, Deborah J. )  
*Advised of Charges on Criminal Complaint, Waives Reading of Criminal Complaint*

12/17/2014 **Public Defender Appointed** (Judicial Officer: Lippis, Deborah J. )

12/17/2014 **Comment** (Judicial Officer: Lippis, Deborah J. )  
*Defendant's parents present in court.*

12/17/2014 **Order** (Judicial Officer: Lippis, Deborah J. )  
*Stay Away Order signed in open court*

12/17/2014 **Minute Order - Department 01** (Judicial Officer: Lippis, Deborah J. )

12/30/2014 **Counseling Report**  
*Choices*

12/31/2014 **Evaluation**

01/05/2015 **Drug Court Status Check** (1:00 PM) (Judicial Officer Zimmerman, Ann E.)  
*In-Custody*  
 Result: Matter Heard

01/05/2015 **Comment** (Judicial Officer: Zimmerman, Ann E. )  
*Defendant has been assessed. Defendant's released date is 1-6-15. Defendant to report to Choices for Orientation.*

01/05/2015 **Status Check** (Judicial Officer: Zimmerman, Ann E. )  
*on Drug Court Requirements*

01/05/2015 **Minute Order - Department 08** (Judicial Officer: Zimmerman, Ann E. )

01/08/2015 **Counseling Report**  
*Choices*

01/12/2015 **Drug Court Status Check** (1:00 PM) (Judicial Officer Zimmerman, Ann E.)  
*No bail posted*  
 Result: Matter Heard

01/12/2015 **Life Story Due** (Judicial Officer: Zimmerman, Ann E. )  
*Defendant to have Life Story at next court date.*

01/12/2015 **Court Continuance** (Judicial Officer: Zimmerman, Ann E. )  
*Status Check on Drug Court Requirements.*

01/12/2015 **Minute Order - Department 08** (Judicial Officer: Zimmerman, Ann E. )

01/23/2015 **Counseling Report**  
*Choices*

01/26/2015 **Drug Court Status Check** (1:00 PM) (Judicial Officer Zimmerman, Ann E.)  
*No bail posted*  
 Result: Matter Heard

01/26/2015 **Comment** (Judicial Officer: Zimmerman, Ann E. )  
*Defendant was a no call/no show for intake per Counselor. Per Court, defendant needs to be in perfect compliance. Defendant started living with parents on Monday 1/19/15.*

01/26/2015 **Status Check on Requirements** (Judicial Officer: Zimmerman, Ann E. )  
*Defendant to attend orientation. Defendant to complete life story.*

01/26/2015 **Minute Order - Department 08** (Judicial Officer: Zimmerman, Ann E. )

01/28/2015 **Evaluation**

01/29/2015 **Counseling Report**  
*Choices*

02/02/2015 **Drug Court Status Check** (1:00 PM) (Judicial Officer Zimmerman, Ann E.)  
*No bail posted*  
 Result: Bench Warrant Issued

02/02/2015 **Bench Warrant Ordered Issued - Defendant Failed to Appear** (Judicial Officer: Zimmerman, Ann E. )  
*\$00/\$00*

02/02/2015 **Minute Order - Department 08** (Judicial Officer: Zimmerman, Ann E. )

02/02/2015 **Warrant Issued**

02/02/2015 **Bench Warrant Confidential**

02/02/2015 **Bench Warrant - Face Sheet**

02/06/2015 **Warrant Cleared**

02/06/2015 **Warrant Arrest Documents**

02/09/2015 **Warrant Service Slip**

02/19/2015 **Counseling Report**  
*Choices*

02/23/2015 **Drug Court Status Check** (1:00 PM) (Judicial Officer Zimmerman, Ann E.)  
*In Custody*  
*02/10/2015 Reset by Court to 02/23/2015*  
 Result: Matter Heard

02/23/2015 **All Requirements Vacated** (Judicial Officer: Zimmerman, Ann E. )

02/23/2015 **Judgment Entered** (Judicial Officer: Zimmerman, Ann E. )

02/23/2015 **Case Closed - Court Order** (Judicial Officer: Zimmerman, Ann E. )

02/23/2015 **Minute Order - Department 08** (Judicial Officer: Zimmerman, Ann E. )



02/23/2015 Notice of Disposition and Judgment

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FINANCIAL INFORMATION

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<b>Defendant</b> Ruiz-Sotelo, Efen	
Total Financial Assessment	400.00
Total Payments and Credits	400.00
<b>Balance Due as of 04/13/2018</b>	<b>0.00</b>

01/05/2015	Transaction Assessment	400.00
02/23/2015	Sentence Vacated	(400.00)

Electronically Filed  
07/27/2016 11:15:24 AM

  
CLERK OF THE COURT

1 **COMP**  
2 JORDAN P. SCHNITZER, ESQ.  
3 Nevada Bar No. 10744  
4 KRAVITZ, SCHNITZER,  
5 & JOHNSON, CHTD.  
6 8985 So. Eastern Avenue, Suite 200  
7 Las Vegas, Nevada 89123  
8 Telephone: (702) 362-6666  
9 Facsimile: (702) 362-2203  
10 [jschnitzer@kssattorneys.com](mailto:jschnitzer@kssattorneys.com)  
11 Attorneys for Plaintiff,  
12 PHILIP MICHAEL BOUCHARD

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**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

PHILIP MICHAEL BOUCHARD, an individual,  
  
Plaintiff,

vs.

CASE NO. A- 16- 740711- C  
DEPT. NO XXXI

**COMPLAINT**

EFREN ISAAC SOTELO, an individual; JUAN  
SOTELO, an individual; NOW SERVICES OF  
NEVADA, LLC, dba COOL AIR NOW, a  
Nevada limited liability company; DOES I  
through X, inclusive; ROE CORPORATIONS I  
through X, inclusive,

COMES NOW, Plaintiff, PHILIP MICHAEL BOUCHARD, by and through his attorney  
of record, the law firm of KRAVITZ, SCHNITZER, & JOHNSON, CHTD., prays and alleges  
against Defendants, EFREN ISAAC SOTELO, JUAN SOTELO and NOW SERVICES OF  
NEVADA, LLC dba COOL AIR NOW (collectively "Defendants"), as follows:

**JURISDICTIONAL ALLEGATIONS**

1. Plaintiff, PHILIP MICHAEL BOUCHARD, (hereinafter "BOUCHARD") is, and  
at all times mentioned herein was, a resident of the State of Nevada.

KRAVITZ, SCHNITZER & JOHNSON, CHTD.  
8985 SO. EASTERN AVENUE, SUITE 200  
LAS VEGAS, NEVADA 89123  
TEL - (702) 362-2203; FAX - (702) 362-2203

KRAVITZ, SCHNITZER & JOHNSON, CHTD.  
8985 SO. EASTERN AVENUE, SUITE 200  
LAS VEGAS, NEVADA 89123  
TEL. - (702) 362.2203; FAX - (702) 362.2203

1           2.     Defendant, EFREN ISAAC SOTELO, (hereinafter "SOTELO") is, and at all  
2 times mentioned herein was, a resident of the County of Clark, State of Nevada.

3           3.     Defendant, JUAN SOTELO, (hereinafter "J. SOTELO") is, and at all times  
4 mentioned herein was, a resident of the County of Clark, State of Nevada.

5           4.     Defendant, NOW SERVICES OF NEVADA, LLC dba COOL AIR NOW,  
6 (hereinafter "COOL AIR NOW") is, and at all times mentioned herein was, a Nevada limited  
7 liability company licensed to, and actually doing, business in County of Clark, State of Nevada.

8           5.     The true names or capacities, whether individual, corporate, associate or  
9 otherwise of Defendants DOES I - X and/or ROES CORPORATIONS I - X, inclusive, are  
10 unknown to Plaintiff who, therefore, sues said Defendants by such fictitious names. Plaintiff is  
11 informed, believe and allege that Defendants designated herein as a DOE and/or ROE  
12 CORPORATION are any one of the following:

- 13           a.     A party responsible in some manner for the events and happenings  
14 hereunder referred to, and in some manner proximately caused injuries  
15 and damages to the Plaintiff as herein alleged including, but not limited to,  
16 responsible for the vehicle at issue.
- 17           b.     Parties that were the agents, servants, authorities and contractors of the  
18 Defendants, each of them acting within the course and scope of their  
19 agency, employment, or contract;
- 20           c.     Parties that own, lease, manage, operate, secure, inspect, repair, maintain  
21 and/or are responsible for the vehicle driven by SOTELO or for SOTELO,  
22 himself, at the time of this incident; and/or
- 23           d.     Parties that have assumed or retained the liabilities of any of the  
24 Defendants by virtue of an agreement, sale, transfer or otherwise.
- 25  
26  
27  
28

KRAVITZ, SCHNITZER & JOHNSON, CHTD.  
8083 SO. EASTERN AVENUE, SUITE 200  
LAS VEGAS, NEVADA 89123  
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## GENERAL ALLEGATIONS

6. Plaintiff repeats and realleges each and every allegation contained in paragraph 1 through 5 and incorporates herein by reference as fully set forth herein.

7. At all relevant times, BOUCHARD was the owner of a 2013 Ford Pick-Up Truck, ("Pick-Up Truck").

8. At all relevant times, SOTELO was the driver of a 2005 Chevrolet Pick-Up Truck, ("Pick-Up Truck").

9. At all relevant times, J. SOTELO and DOE I were the parents and guardians of SOTELO.

10. At all relevant times, COOL AIR NOW was the registered owner of a 2005 Chevrolet Pick-Up Truck, ("Pick-Up Truck").

11. At all relevant times, J. SOTELO was the manager of COOL AIR NOW.

12. Upon information and belief, SOTELO was employed by COOL AIR NOW and, at all relevant times, SOTELO was operating the Pick-Up Truck with the express or implied permission of his employer.

13. On or about December 12, 2014 at 9:44 a.m., Plaintiff, BOUCHARD, was driving his Pick-Up Truck in Travel Lane No. 3 eastbound on Lake Mead Boulevard and stopped for traffic, in Las Vegas, Clark County, State of Nevada.

14. At the same time and place, SOTELO was behind BOUCHARD, driving the Pick-Up Truck, SOTELO caused his vehicle to strike the rear of BOUCHARD's vehicle.

15. BOUCHARD was not at fault for causing the subject accident.

16. BOUCHARD suffered severe bodily injury and extensive property damage to his Pick-Up Truck.



KRAVITZ, SCHNITZER & JOHNSON, CHID.  
8965 SO. EASTERN AVENUE, SUITE 200  
LAS VEGAS, NEVADA 89123  
TEL -- (702) 362.2203; FAX -- (702) 362.2203

**FIRST CAUSE OF ACTION**

**(Negligence Against All Defendants)**

17. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1 through 16 above and incorporates herein by reference as though fully set forth herein.

18. Defendants owed a duty of care to BOUCHARD to ensure that the vehicle was operated in a reasonably safe manner.

19. Defendants breached their duty to BOUCHARD by failing to safely operate, or allowing SOTELO to unsafely operate, the vehicle as alleged above.

20. Defendants' negligence was the actual and proximate cause of the injuries and damages to BOUCHARD.

21. That prior to the injuries complained of herein, BOUCHARD was an able bodied person who was readily and gainfully employed and physically capable of engaging in all activities for which he was otherwise suited.

22. As a direct and proximate result of the negligence of Defendants, BOUCHARD has lost time from his employment, and was limited in his activities and occupations which caused BOUCHARD a loss of earnings.

23. That as a direct and proximate result of the aforesaid negligence of Defendants, BOUCHARD has suffered a loss of enjoyment of life, having been prevented from attending to his usual activities.

24. That as a direct and proximate result of the aforesaid negligence of Defendants, BOUCHARD sustained injuries to his body which caused general damage in the form of physical and mental pain and suffering.

25. That as a direct and proximate result of the aforesaid negligence of Defendants, BOUCHARD was required to incur medical and related expenses.

KRAVITZ, SCENIZER & JOHNSON, CHTD.  
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1 26. BOUCHARD's damages as a direct and proximate result of the aforesaid  
2 negligence of Defendants, is in excess of \$10,000.00.

3 27. It has become necessary for BOUCHARD to engage the services of an attorney to  
4 commence this action, and therefore, BOUCHARD is entitled to reasonable attorneys' fees,  
5 costs, interest and damage in this action pursuant to Nevada law.

6  
7 **SECOND CAUSE OF ACTION**

8 **(Negligent Entrustment Against COOL AIR NOW, J. SOTELO and DOE I)**

9 28. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1  
10 though 27 above and incorporates herein by reference as though fully set forth herein.

11 29. COOL AIR NOW, J. SOTELO and DOE I owed a duty of care to BOUCHARD  
12 to not entrust a dangerous vehicle to another whom they knew or should have known was likely  
13 to use in a manner involving unreasonable risk of harm to others.

14 30. COOL AIR NOW, J. SOTELO and DOE I breached that duty by knowing  
15 entrusting their dangerous vehicle to another whom they knew or should have known was likely  
16 to use it in a manner involving unreasonable risk of harm to others.

17 31. COOL AIR NOW, J. SOTELO and DOE I's breach is the actual and proximate  
18 cause of BOUCHARD's injuries.

19 32. That prior to the injuries complained of herein, BOUCHARD was an able bodied  
20 person who was readily and gainfully employed and physically capable of engaging in all  
21 activities for which he was otherwise suited.

22 33. As a direct and proximate result of the negligence of COOL AIR NOW, J.  
23 SOTELO and DOE I, BOUCHARD has lost time from his employment, and was limited in his  
24 activities and occupations which caused BOUCHARD a loss of earnings.  
25  
26  
27  
28

KRAVITZ, SCHNITZER & JOHNSON, CHTD.  
8985 SO. EASTERN AVENUE, SUITE 200  
LAS VEGAS, NEVADA 89123  
TEL - (702) 362.2203; FAX - (702) 362.2203

1           34. That as a direct and proximate result of the aforesaid negligence of COOL AIR  
2 NOW, J. SOTELO and DOE I, BOUCHARD has suffered a loss of enjoyment of life, having  
3 been prevented from attending to his usual activities.

4           35. That as a direct and proximate result of the aforesaid negligence of COOL AIR  
5 NOW, J. SOTELO and DOE I, BOUCHARD sustained injuries to his body which caused  
6 general damage in the form of physical and mental pain and suffering.

7           36. That as a direct and proximate result of the aforesaid negligence of COOL AIR  
8 NOW, J. SOTELO and DOE I, BOUCHARD was required to incur medical and related  
9 expenses.

10           37. BOUCHARD's damages as a direct and proximate result of the aforesaid  
11 negligence of COOL AIR NOW, J. SOTELO and DOE I, is in excess of \$10,000.00.

12           38. It has become necessary for BOUCHARD to engage the services of an attorney to  
13 commence this action, and therefore, BOUCHARD is entitled to reasonable attorneys' fees,  
14 costs, interest and damage in this action pursuant to Nevada law.

15                           **THIRD CAUSE OF ACTION**

16                           **(Negligent Supervision)**

17           39. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1  
18 through 38 above and incorporates herein by reference as though fully set forth herein.

19           40. COOL AIR NOW, J. SOTELO and DOE I owed a duty of care to BOUCHARD to  
20 properly supervise SOTELO.

21           41. COOL AIR NOW, J. SOTELO and DOE I breached that duty by failing to properly  
22 supervise SOTELO by allowing him to operate the vehicle and do so in the manner described  
23 above.

KRAVITZ, SCHNITZER & JOHNSON, CHTD.  
8985 SO. EASTERN AVENUE, SUITE 200  
LAS VEGAS, NEVADA 89123  
TEL -- (702) 362 2203; FAX -- (702) 362 2203

1           42.   COOL AIR NOW, J. SOTELO and DOE I's negligence was the actual and  
2 proximate cause of the injuries and damages to BOUCHARD.

3           43.   That prior to the injuries complained of herein, BOUCHARD was an able bodied  
4 person who was readily and gainfully employed and physically capable of engaging in all  
5 activities for which he was otherwise suited.

6           44.   As a direct and proximate result of the negligence of COOL AIR NOW, J.  
7 SOTELO and DOE I, BOUCHARD has lost time from his employment, and was limited in his  
8 activities and occupations which caused BOUCHARD a loss of earnings.

9           45.   That as a direct and proximate result of the aforesaid negligence of COOL AIR  
10 NOW, J. SOTELO and DOE I, BOUCHARD has suffered a loss of enjoyment of life, having  
11 been prevented from attending to his usual activities.

12           46.   That as a direct and proximate result of the aforesaid negligence of COOL AIR  
13 NOW, J. SOTELO and DOE I, BOUCHARD sustained injuries to his body which caused  
14 general damage in the form of physical and mental pain and suffering.

15           47.   That as a direct and proximate result of the aforesaid negligence of COOL AIR  
16 NOW, J. SOTELO and DOE I, BOUCHARD was required to incur medical and related  
17 expenses.

18           48.   BOUCHARD's damages as a direct and proximate result of the aforesaid  
19 negligence of SOTELO and COOL AIR NOW, is in excess of \$10,000.00.

20           49.   It has become necessary for BOUCHARD to engage the service of an attorney to  
21 commence this action and therefore BOUCHARD is entitled to reasonable attorneys' fees, costs  
22 and interest as damage in this action pursuant to Nevada law.

23 ///

24 ///

KRAVITZ, SCHNITZER,  
& JOHNSON, CHTD.  
8985 SO. EASTERN AVENUE, SUITE 200  
LAS VEGAS, NEVADA 89123  
TEL - (702) 362.2203; FAX - (702) 362.2203


PRAYER FOR RELIEF

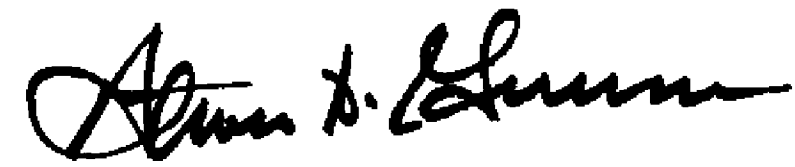
WHEREFORE, Plaintiff, prays for judgment against Defendants, as follows:

1. General and emotional damages in the amount in excess of \$10,000.00;
2. For medical expenses, wage losses, and other special damages in an amount in excess of \$10,000.00;
3. For special damages in an amount to be proven at trial;
4. For reasonable attorney's fees and costs of suit;
5. For prejudgment and post-judgment interest, and
6. For such other and further relief as this Court may deem just and proper under the circumstances.

DATED this 25 day of June, 2016.

KRAVITZ, SCHNITZER, SLOANE  
& JOHNSON, CHTD.

BY:   
JORDAN P. SCHNITZER, ESQ.  
Nevada Bar No. 10744  
KRAVITZ, SCHNITZER,  
& JOHNSON, CHTD.  
8985 So. Eastern Avenue, Suite 200  
Las Vegas, Nevada 89123  
Attorney for Plaintiff,  
PHILIP MICHAEL BOUCHARD



CLERK OF THE COURT

ANS  
JUSTIN S. GOURLEY, ESQ.  
Nevada Bar No.: 11976  
LAW OFFICE OF KENNETH E. GOATES  
3993 Howard Hughes Parkway, Suite 270  
Las Vegas, Nevada 89169  
Telephone: (702) 669-5200  
Fax: (866) 595-3371  
tdlvplea@nationwide.com  
Attorneys for Defendants  
JUAN SOTELO and NOW SERVICES OF NEVADA, LLC

**DISTRICT COURT  
CLARK COUNTY, NEVADA  
\*\*\*\*\***

PHILIP MICHAEL BOUCHARD, an  
individual,

Case No.: A-16-740711-C

Plaintiff,

Dept. No.: XXXI

vs.

EFREN ISAAC SOTELO, and individual;  
JUAN SOTELO, an individual; NOW  
SERVICES OF NEVADA, LLC, d/b/a COOL  
AIR NOW, a Nevada limited liability company;  
DOES I through X; ROE CORPORATIONS I  
through X, inclusive,

Defendants.

**DEFENDANTS JUAN SOTELO AND NOW SERVICES OF NEVADA, LLC'S  
ANSWER TO THE COMPLAINT**

COME NOW Defendants JUAN SOTELO and NOW SERVICES OF NEVADA, LLC  
("Answering Defendants"), by and through their attorneys of record, the Law Office of Kenneth  
E. Goates, and hereby answer Plaintiff's Complaint as follows:

1. Answering paragraph 1 of Plaintiff's Complaint, these Answering Defendants are  
without sufficient knowledge or information necessary to form a belief as to the truth or falsity  
of said allegations and, therefore, deny said allegations.

2. Answering paragraph 2 of Plaintiff's Complaint, these Answering Defendants are

1 without sufficient knowledge or information necessary to form a belief as to the truth or falsity  
2 of said allegations and, therefore, deny said allegations.

3 3. Answering paragraph 3 of Plaintiff's Complaint, these Answering Defendants admit  
4 said allegations.

5 4. Answering paragraph 4 of Plaintiff's Complaint, these Answering Defendants admit  
6 said allegations.

7 5. Answering paragraph 5 of Plaintiff's Complaint, these Answering Defendants are  
8 without sufficient knowledge or information necessary to form a belief as to the truth or falsity  
9 of said allegations and, therefore, deny said allegations.

10 6. Answering paragraph 6 of Plaintiff's Complaint, these Answering Defendants  
11 incorporate each of the answers contained in paragraphs 1-5 above, as if fully set forth herein.

12 7. Answering paragraph 7 of Plaintiff's Complaint, these Answering Defendants are  
13 without sufficient knowledge or information necessary to form a belief as to the truth or falsity  
14 of said allegations and, therefore, deny said allegations.

15 8. Answering paragraph 8 of Plaintiff's Complaint, these Answering Defendants are  
16 without sufficient knowledge or information necessary to form a belief as to the truth or falsity  
17 of said allegations and, therefore, deny said allegations.

18 9. Answering paragraph 9 of Plaintiff's Complaint, these Answering Defendants deny  
19 said allegations.

20 10. Answering paragraph 10 of Plaintiff's Complaint, these Answering Defendants admit  
21 said allegations.

22 11. Answering paragraph 11 of Plaintiff's Complaint, these Answering Defendants admit  
23 said allegations.

24 12. Answering paragraph 12 of Plaintiff's Complaint, these Answering Defendants deny  
25 said allegations.

1           13. Answering paragraph 13 of Plaintiff's Complaint, these Answering Defendants are  
2 without sufficient knowledge or information necessary to form a belief as to the truth or falsity  
3 of said allegations and, therefore, deny said allegations.

4           14. Answering paragraph 14 of Plaintiff's Complaint, these Answering Defendants are  
5 without sufficient knowledge or information necessary to form a belief as to the truth or falsity  
6 of said allegations and, therefore, deny said allegations.

7           15. Answering paragraph 15 of Plaintiff's Complaint, these Answering Defendants are  
8 without sufficient knowledge or information necessary to form a belief as to the truth or falsity  
9 of said allegations and, therefore, deny said allegations.

10          16. Answering paragraph 16 of Plaintiff's Complaint, these Answering Defendants deny  
11 said allegations.

12                           **First Cause of Action**  
13                           **(Negligence against all Defendants)**

14          17. Answering paragraph 17 of Plaintiff's Complaint, these Answering Defendants  
15 incorporate each of the answers contained in paragraphs 1-16 above, as if fully set forth herein.

16          18. Answering paragraph 18 of Plaintiff's Complaint, these Answering Defendants deny  
17 said allegations.

18          19. Answering paragraph 19 of Plaintiff's Complaint, these Answering Defendants deny  
19 said allegations.

20          20. Answering paragraph 20 of Plaintiff's Complaint, these Answering Defendants deny  
21 said allegations.

22          21. Answering paragraph 21 of Plaintiff's Complaint, these Answering Defendants deny  
23 said allegations.

24          22. Answering paragraph 22 of Plaintiff's Complaint, these Answering Defendants deny  
25 said allegations.



1           23. Answering paragraph 23 of Plaintiff's Complaint, these Answering Defendants deny  
2 said allegations.

3           24. Answering paragraph 24 of Plaintiff's Complaint, these Answering Defendants deny  
4 said allegations.

5           25. Answering paragraph 25 of Plaintiff's Complaint, these Answering Defendants deny  
6 said allegations.

7           26. Answering paragraph 26 of Plaintiff's Complaint, these Answering Defendants deny  
8 said allegations.

9           27. Answering paragraph 27 of Plaintiff's Complaint, these Answering Defendants deny  
10 said allegations.

11                                   **Second Cause of Action**  
12                                   **(Negligence Entrustment against Cool Air Now, J. Sotelo, and Doe I)**

13           28. Answering paragraph 28 of Plaintiff's Complaint, these Answering Defendants  
14 incorporate each of the answers contained in paragraphs 1-27 above, as if fully set forth herein.

15           29. Answering paragraph 29 of Plaintiff's Complaint, these Answering Defendants deny  
16 said allegations.

17           30. Answering paragraph 30 of Plaintiff's Complaint, these Answering Defendants deny  
18 said allegations.

19           31. Answering paragraph 31 of Plaintiff's Complaint, these Answering Defendants deny  
20 said allegations.

21           32. Answering paragraph 32 of Plaintiff's Complaint, these Answering Defendants deny  
22 said allegations.

23           33. Answering paragraph 33 of Plaintiff's Complaint, these Answering Defendants deny  
24 said allegations.

25           34. Answering paragraph 34 of Plaintiff's Complaint, these Answering Defendants deny

1 said allegations.

2 35. Answering paragraph 35 of Plaintiff's Complaint, these Answering Defendants deny  
3 said allegations.

4 36. Answering paragraph 36 of Plaintiff's Complaint, these Answering Defendants deny  
5 said allegations.

6 37. Answering paragraph 37 of Plaintiff's Complaint, these Answering Defendants deny  
7 said allegations.

8 38. Answering paragraph 38 of Plaintiff's Complaint, these Answering Defendants deny  
9 said allegations.

10 **Third Cause of Action**  
11 **(Negligence Supervision)**

12 39. Answering paragraph 39 of Plaintiff's Complaint, these Answering Defendants  
13 incorporate each of the answers contained in paragraphs 1-38 above, as if fully set forth herein.

14 40. Answering paragraph 40 of Plaintiff's Complaint, these Answering Defendants deny  
15 said allegations.

16 41. Answering paragraph 41 of Plaintiff's Complaint, these Answering Defendants deny  
17 said allegations.

18 42. Answering paragraph 42 of Plaintiff's Complaint, these Answering Defendants deny  
19 said allegations.

20 43. Answering paragraph 43 of Plaintiff's Complaint, these Answering Defendants deny  
21 said allegations.

22 44. Answering paragraph 44 of Plaintiff's Complaint, these Answering Defendants deny  
23 said allegations.

24 45. Answering paragraph 45 of Plaintiff's Complaint, these Answering Defendants deny  
25 said allegations.

1           46. Answering paragraph 46 of Plaintiff's Complaint, these Answering Defendants deny  
2 said allegations.

3           47. Answering paragraph 47 of Plaintiff's Complaint, these Answering Defendants deny  
4 said allegations.

5           48. Answering paragraph 48 of Plaintiff's Complaint, these Answering Defendants deny  
6 said allegations.

7           49. Answering paragraph 49 of Plaintiff's Complaint, these Answering Defendants deny  
8 said allegations.

9  
10                           **AFFIRMATIVE DEFENSES**

11                           **FIRST AFFIRMATIVE DEFENSE**

12           Plaintiff's Complaint fails to state a claim against Answering Defendants upon which  
13 relief can be granted.

14                           **SECOND AFFIRMATIVE DEFENSE**

15           This Court lacks personal and/or subject matter jurisdiction over these Answering  
16 Defendants.

17                           **THIRD AFFIRMATIVE DEFENSE**

18           Plaintiff's claims are barred by the applicable statutes of limitation and/or  
19 statutes of repose.

20                           **FOURTH AFFIRMATIVE DEFENSE**

21           Plaintiff's claims are reduced, modified, and/or barred by the equitable doctrines of  
22 waiver, laches, release, unclean hands and/or estoppel.

23                           **FIFTH AFFIRMATIVE DEFENSE**

24           Plaintiff's negligence exceeds that of Answering Defendants, if any, and, therefore, is a  
25 bar to the recovery sought by Plaintiff.

1 **SIXTH AFFIRMATIVE DEFENSE**

2 Plaintiff's damages, if any, were proximately caused or contributed to by Plaintiff's and/or  
3 his agents' own negligent, careless, reckless, and/or unlawful conduct. Said conduct either  
4 completely or partially bars the recovery sought by Plaintiff.

5 **SEVENTH AFFIRMATIVE DEFENSE**

6 Plaintiff's damages, if any, were caused solely or contributed to by the acts or omissions  
7 of co-Defendants and/or third parties over whom Answering Defendants had no control, and for  
8 whose acts Answering Defendants had no control, and for whose acts Answering Defendants were  
9 not responsible. Answering Defendants' liability, if any, is therefore limited in direct proportion  
10 to the percentage of fault actually attributable to his own conduct and Answering Defendants are  
11 entitled to contribution, apportionment, and/or equitable indemnity in proportion to the percentage  
12 of fault attributable to the conduct of said parties.

13 **EIGHTH AFFIRMATIVE DEFENSE**

14 Plaintiff, though under a duty to do so, has failed and/or neglected to mitigate his alleged  
15 damages and, therefore, cannot recover against Answering Defendants as alleged or otherwise.  
16 Alternatively, any recovery awarded to Plaintiff against Answering Defendants should be reduced  
17 by the amount not mitigated.

18 **NINTH AFFIRMATIVE DEFENSE**

19 Plaintiff's damages, if any, were proximately caused, in whole or in part, by an  
20 independent intervening cause over which Answering Defendants had no control and for which  
21 they are not responsible.

22 **TENTH AFFIRMATIVE DEFENSE**

23 Plaintiff's claims are barred by Plaintiff's lack of capacity to sue.

24 **ELEVENTH AFFIRMATIVE DEFENSE**

25 Plaintiff lacks standing to assert his claims against these Answering Defendants.

1 **TWELFTH AFFIRMATIVE DEFENSE**

2 Plaintiff failed to name a necessary and indispensable party required for full and  
3 adequate relief essential in this action.

4 **THIRTEENTH AFFIRMATIVE DEFENSE**

5 These Answering Defendants performed no acts or omissions relevant to the subject  
6 matter of Plaintiff's Complaint such as would create any liability or duty whatsoever on the part  
7 of these Answering Defendants.

8 **FOURTEENTH AFFIRMATIVE DEFENSE**

9 Plaintiff has failed to plead with sufficient specificity any violation of codes, ordinances,  
10 regulations, statutes, or other laws.

11 **FIFTEENTH AFFIRMATIVE DEFENSE**

12 Answering Defendants hereby incorporate by reference those affirmative defenses  
13 enumerated in Nevada Rule of Civil Procedure 8, as if fully set forth herein. In the event further  
14 investigation or discovery reveals the applicability of any such defenses, Answering Defendants  
15 reserve the right to seek leave of Court to amend this Answer to specifically assert the same. Such  
16 defenses are incorporated herein by reference for the specific purpose of not waiving the same.

17 **SIXTEENTH AFFIRMATIVE DEFENSE**

18 Pursuant to Nevada Rule of Civil Procedure 11, all possible affirmative defenses may not  
19 have been alleged herein insofar as sufficient facts were not available after reasonable inquiry  
20 upon the filing of this Answer. Answering Defendants reserve the right to amend this Answer to  
21 allege additional affirmative defenses if subsequent investigation so warrants.

22 **WHEREFORE**, Defendants Juan Sotelo and Now Services of Nevada, LLC pray for  
23 judgment as follows:

- 24 1. That Plaintiff takes nothing by reason of the Complaint;
- 25 2. That the Complaint against these Answering Defendants be dismissed with

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3. For an award of reasonable costs, disbursements, and attorneys' fees as it has

DATED this 31<sup>st</sup> day of August, 2016.

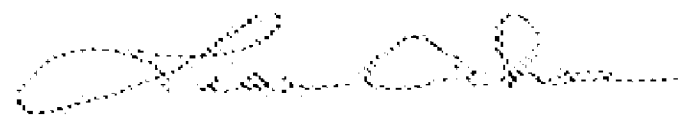
/s/ Justin Gourley

JUSTIN S. GOURLEY, ESQ.  
Nevada Bar No.: 11976  
3993 Howard Hughes Parkway, Suite 270  
Las Vegas, Nevada 89169  
Attorneys for Defendants

**CERTIFICATE OF SERVICE**

I certify that on the 31<sup>st</sup> day of August 2016, I delivered a true and correct copy of the above document entitled **DEFENDANTS JUAN SOTELO AND NOW SERVICES OF NEVADA, LLC'S ANSWER TO THE COMPLAINT** by Electronic Service (Wiznet) to the following persons:

NAME & ADDRESS	PHONE & FAX NUMBERS	PARTY
Jordan P. Schnitzer, Esq. KRAVITZ, SCHNITZER & JOHNSON, CHTD. 8985 S. Eastern Avenue, suite 200 Las Vegas, Nevada 89123	T: 702-362-6666 F: 702-362-2203	Plaintiff

By: 

\_\_\_\_\_  
An employee of the LAW OFFICE OF KENNETH E. GOATES

Theodore J. Kurtz  
702.228.7717  
tkurtz@selmanlaw.com

3993 Howard Hughes Pkwy, Suite 200  
Las Vegas, NV 89169-0961

Telephone 702.228.7717  
Facsimile 702.228.8824

www.selmanlaw.com

February 10, 2017

**BY CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**  
**AND**  
**BY FIRST CLASS MAIL**

Mr. Efren Sotelo  
3929 Dream Street  
Las Vegas, NV 89108

Mr. Efren Sotelo  
5915 Musketeer Lane  
North Las Vegas, NV 89130

Re: *Bouchard v. Sotelo, et al.*  
Clark County District Court Case No. A-16-740711-C  
Our File No. : 380.41532  
Date of Loss : December 12, 2014  
Claim No. : 1748234  
Policy No. : CA07761784  
Effective : 10/27/14 – 10/27/15

Dear Mr. Sotelo:

Our law firm represents Nationwide E&S/Specialty in regard to insurance coverage issues arising out of the above-referenced litigation in respect to the National Casualty business automobile policy, number CA07761784, issued to your former employer Now Services of Nevada LLC, dba Cool Air Now (hereinafter "Cool Air Now"). Based on the alleged facts of this case, including the recently discovered termination statement included in your employee file with Cool Air Now, it has been decided to provide you with a defense in the above-referenced litigation pursuant to a reservation of rights. This defense is separate from and in addition to the defense that is currently being provided to Cool Air Now and Juan Sotelo.

**I. DEFENSE PURSUANT TO A RESERVATION OF RIGHTS**

Nationwide E&S/Specialty and National Casualty Company (hereinafter "the Company"), pursuant to the commercial business automobile policy designated as policy number CA07761784, will defend you subject to a full and complete reservation of rights.

By agreeing to provide a defense pursuant to a reservation of rights under policy number CA 07761784, the Company does not waive its rights under the terms and conditions of its policy or under the law. The Company reserves the right to disclaim any duty to defend and/or



Mr. Efren Sotelo  
February 10, 2017  
Page 2

indemnify you and to withdraw its defense entirely if it is determined that this loss is not covered. This right includes the right to ask a court for a judicial declaration of the respective rights of the Company and you and to seek reimbursement of costs paid for matters not covered under the Company policy.

## **II. SELECTION OF DEFENSE COUNSEL**

Pursuant to its right to select counsel, the Company appoints attorney Marsha Stephenson as your defense counsel. It is requested that you contact Ms. Stephenson at your earliest convenience and provide her with your full and complete cooperation. Ms. Stephenson can be contacted at 2820 W. Charleston Blvd., Suite 19B, Las Vegas, NV 89102; telephone: (702) 474-7229.

**Additionally, it is necessary and mandatory that you only contact and discuss this case with attorney Stephenson.**

For your information, the Company has appointed attorney Steve Jaffe as defense counsel for Juan Sotelo and Cool Air Now.

**As previously stated, it is necessary and mandatory that you only discuss this case with attorney Stephenson since only Juan Sotelo, and other authorized company representatives may contact and discuss this case with attorney Jaffe.**

## **III. SUMMARY OF FACTS AND COVERAGE ISSUES**

The policy provides coverage for accidents involving company vehicles specifically listed on the policy that are being used with your permission. It is our understanding that you worked as an employee for Cool Air now until your employment was terminated on December 10, 2014. It is also our understanding that on December 11, 2014 a crime report was filed with the North Las Vegas police department alleging that you had embezzled company funds. Then, on December 12, 2014, it is our understanding that you took a company vehicle without permission to do so and were involved in an automobile accident at the intersection of Lake Mead and Tenaya in Las Vegas, Nevada. It is our further understanding that on December 12, 2014 the vehicle being driven by you at the time of the accident was reported to the Las Vegas Metropolitan Police Department as having been stolen. You were prosecuted for embezzlement of funds and the theft of the company vehicle. Recently it was determined that your Cool Air Now employee file included a termination statement which indicated that you were going to be employed by Cool Air Now until December 20, 2014.

In Nevada, an insurance company must provide a defense to its insureds if there is a potential that the coverage provided by the policy would apply to the facts and circumstances of the loss. Based upon the facts of this case, including the recently discovered termination statement in your

Mr. Efren Sotelo  
February 10, 2017  
Page 3

employee file, there is a potential that you were an employee of Cool Air Now until December 20, 2014, and therefore a potential that the policy may provide coverage for you. Accordingly, it has been determined to provide a defense for you against the litigation described above pursuant to a reservation of rights.

#### **IV. POLICY TERMS AND CONDITIONS**

Policy number CA07761784, effective 10/27/14 to 10/27/15 was issued to Now Services of Nevada, LLC dba Cool Air Now. This policy provided commercial business automobile coverage for specifically described automobiles identified on the policy documents with a liability limit of \$1,000,000 for any one accident or loss. The vehicle that you were driving at the time of the December 12, 2014 accident is included as one of the covered vehicles listed in the policy.

The policy includes the following pertinent terms and conditions. However, by including some of the terms and provisions of this policy in this letter, the Company does not waive any of the terms and conditions of the policy, all of which remain reserved, and the Company does not waive any defenses.

#### **SECTION I – COVERED AUTOS**

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos." The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos."

##### **A. Description Of Covered Auto Designation Symbols**

7	Specifically Described "Autos	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
---	-------------------------------	--

#### **SECTION II – COVERED AUTOS LIABILITY COVERAGE**

##### **A. Coverage**

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by

Mr. Efren Sotelo  
February 10, 2017  
Page 4

an "accident" and resulting from the ownership, maintenance or use of a covered "auto."...

We have the right and duty to defend any "insured" against a "suit" asking for such damages.... However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage"... to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

**1. Who Is An Insured**

The following are "insureds:"

- a. You for any covered "auto."
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:...

**SECTION IV – BUSINESS AUTO CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions

**A. Loss Conditions**

**2. Duties In the Event Of Accident, Claim Suit Or Loss**

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident," "claim," "suit" or loss," you must give us or our authorized representative prompt notice of the "accident" or "loss."...
- b. Additionally, you and any other involved "insured" must:
  - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit."

Mr. Efren Sotelo  
February 10, 2017  
Page 5

- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit."

## **V. COVERAGE ANALYSIS AND RESERVATIONS**

Pursuant to the facts and circumstances as they are currently understood to be, there is a potential for coverage for you under policy number CA07761784. Based upon the termination statement included in your employee file, there is a potential that your employment continued until December 20, 2014 which is subsequent to the December 12, 2014 accident. Accordingly, if you were still considered to be an employee on the date of the accident of December 12, 2014 there is a potential that you were authorized to use the Cool Air Now vehicle at the time of the accident. Accordingly, there is a potential that at the time of the December 12, 2014 accident that you were operating the Cool Air Now vehicle with permission. Consequently, there is a potential for coverage for you under the policy for the December 12, 2014 accident.

However, since there are also facts which indicate that your employment with Cool Air Now was terminated on December 10, 2014 and you did not have permission to use the company vehicle at the time of the accident on December 12, 2014, the Company has decided to provide you with a defense against the present litigation pursuant to a reservation of rights to withdraw its defense and disclaim coverage if it is determined that you did not have permission to use the Cool Air Now vehicle at the time the accident occurred and are not an insured under the policy.

Furthermore, the Company reserves its right to withdraw its defense and disclaim coverage based upon what appears to be your failure to satisfy the terms of the policy which describe the things to do in the event of an accident, claim, suit or loss. These duties require, among other things, that the Company be immediately sent copies of legal papers concerning a claim or lawsuit and to cooperate with the Company in the investigation of the claim.

## **VI. GENERAL RESERVATION OF RIGHTS**

The Company also reserves the following rights:

1. The right to seek a declaration of the Company's rights and duties under its policy.
2. The right to seek reimbursement for any judgment or settlement paid for non-covered damages.
3. The right to seek an allocation and reimbursement of defense costs paid to defend non-covered allegations, claims and causes of action.

Mr. Efren Sotelo  
February 10, 2017  
Page 6

4. The right to reimbursement of all defense costs paid to defend the subject suit should it be established that it never presented a potential for covered liability.

5. The right to withdraw from the defense should facts or circumstances arise indicating that no potential for coverage remains.

6. In the event it is determined that some or all of the claims in this action are not covered under the policy, the Company expressly reserves its right to allocate between covered and non-covered claims in any payment of settlement and judgment.

7. The right to rescind or reform the policies should facts or circumstances arise confirming that the Company has the right to do so.

8. The right to supplement or amend this reservation of rights.

There may be other terms, conditions, restrictions, limitations or exclusions which may apply to preclude coverage of this claim and the reasons listed above are not meant to be exclusive.

## **VII. CONCLUSION**

By reserving its rights for the reasons stated in this letter, the Company does not waive any right to raise other coverage defenses at any subsequent time as circumstances may warrant.

In the investigation and handling of this matter, the Company has identified certain issues and policy provisions which may preclude, limit or exclude coverage. Some of these issues and policy provisions are described in this letter. Please be advised that the description of these issues and policy provisions and their inclusion in this letter and in any previous correspondence or discussions about the investigation or handling of this matter is not to be construed as limiting the Company's reliance on any additional grounds or policy provisions to support its position on defense and coverage. The Company reserves the right to rely on such additional facts, policy provisions or other information as may be relevant or discovered.

This letter and the investigation and handling of this matter (including any person's actions on behalf of the Company) are not intended and should not be construed as any waiver of any rights or defenses now or hereafter available to the Company or as any waiver of any policy provisions, or as any waiver of any other person's or organization's (including any insured's) obligations under the Company policies.

No action taken in connection with this matter should be deemed an admission of coverage or a waiver of any rights under the law or the Company policies or a waiver of any of the Company's defenses and/or policy provisions.

Mr. Efren Sotelo  
February 10, 2017  
Page 7

**VIII. ADDITIONAL INFORMATION**

If you have or are aware of any facts or legal authorities which you believe would be controlling or would alter any of the positions taken by the Company as set forth in this letter, or if you have any other information which you believe is relevant to the determination of coverage issues in this matter or which you believe is otherwise relevant to this investigation or to this claim, please provide it to me as soon as possible, and it will be considered.

Sincerely,



THEODORE J. KURTZ

TJK:bkj

cc: Mr. Juan Sotelo  
Now Services of Nevada LLC dba Cool Air Now

REGISTER OF ACTIONS		
CASE NO. A-16-740711-C		
Philip Bouchard, Plaintiff(s) vs. Efred Sotelo, Defendant(s)		Case Type: Negligence - Auto Date Filed: 07/27/2016 Location: Department 31 Cross-Reference Case Number: A740711 Supreme Court No.: 81015
PARTY INFORMATION		
		Lead Attorneys
Defendant	Sotelo, Efred Isaac	Marsha L. Stephenson Retained 7024747229(W)
Plaintiff	Bouchard, Philip Michael	Jordan Schnitzer Retained 702-960-4050(W)
Subpoena'd (Non) Party	Maric, Zoran, M.D.	John H Cotton Retained 702-832-5909(W)
EVENTS & ORDERS OF THE COURT		

05/05/2017	<b>Decision</b> (3:00 AM) (Judicial Officer Kishner, Joanna S.) <b>05/05/2017, 05/19/2017, 05/26/2017</b> <i>Decision: Efred Sotelo's Motion to Set Aside Default</i>
	<b>Minutes</b>
	05/05/2017 3:00 AM
	05/19/2017 3:00 AM
	05/26/2017 3:00 AM
	- Philip Michael Bouchard v. Efred Isaac Sotelo et al. Defendant Efred Sotelo's Motion to Set Aside Default was heard on April 27, 2017. Jordan Schnitzer appeared on behalf of the Plaintiff, Kevin S. Smith on behalf of Defendants Now Services of Nevada LLC and Juan Sotelo, and Marsha L. Stephenson on behalf of Defendant Efred Sotelo. Defendant's Motion was premised on the Nevada Rules of Civil Procedure ("NRCP") 55(c). NRCP 559(c) allows a defendant to set aside an entry of default by a showing of good cause. Good cause includes "mistake, inadvertence, surprise, or excusable neglect" referred to in NRCP 60(b)(1). Intermountain Lumber & Builders Supply, Inc. v. Glens Falls Ins. Co., 424 P.2d 884, 83 Nev. 126 (1967). Here, Defendant Sotelo has failed to show that there is good cause for this Court to set aside the entry of Default against him. It should be noted that the Default was entered in October 18, 2016, and this Motion to Set Aside Default was brought on February 16, 2016, four months after the Default was entered. Nothing in Defendant's Motion to Set Aside or two supplements shows that there was good cause during that four-month period that justifies setting aside the Default. For example, in Efred Sotelo's Affidavit attached to Defendant's Second Supplement to Motion to Set Aside Default, Defendant Sotelo states that he was "staying with a friend" but does not state that his parents residence at 5915 Musketee Lane, Las Vegas, Nevada was no longer his legal actual residence when the Complaint was served on August 17, 2017. He did not leave for Mexico to visit his Great-Grandmother until approximately a month later. He also did not set forth that he was unaware of the Complaint or that there was any basis for his not responding particularly given the facts and procedural history of the case. In sum, while Defendant contends that he was absent from the jurisdiction for a period of time, he has not provided evidence that his absence impacted his ability to respond to the Complaint. In sum, Defendant has not shown that there was a mistake, inadvertence, surprise, or excusable neglect sufficient to set aside the default pursuant to the rule or case law. Since the Defendant failed to show good cause, Defendant's Motion to Set Aside Default is DENIED. This Decision sets forth the Court's intended disposition on the subject but anticipates further Order of the Court to make such disposition effective as an Order or Judgment. Such Order should set forth a synopsis of the supporting reasons proffered to the Court in briefing and argument. Counsel for Plaintiff is directed to prepare the Order, and submit it to chambers within 10 days pursuant to EDCR 7.21. CLERK'S NOTE: This minute order has been amended as of 6/5/17 //lmj CLERK'S NOTE: A copy of this Minute Order was placed in the attorney folders of Jordan Schnitzer, Esq. (Kravitz, S & J Chtd.), Justin Gourley, Esq. (Goates Law Offices) and Marsha Stephenson, Esq. (Stephenson & Dickinson0. ann/6/22/17
	<a href="#">Return to Register of Actions</a>

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STATE OF NEVADA             )  
COUNTY OF CLARK         ) ss:

EFREN SOTELO, being first duly sworn upon his oath, states as follows:

1. I am an adult, over the age of 18 years, and competent to testify. I have personal knowledge of the facts and events described in this Declaration and the information set forth herein is true and correct to the best of my knowledge.

2. I am the son of Juan Sotelo, born on June 13, 1990. I was formerly employed at Now Services of Nevada, LLC, d/b/a Cool Air Now as a delivery driver. In that job, I worked to transport equipment to installers in the field, using a Now Services vehicle.

3. On December 10, 2014, I was terminated from my job at Now Services of Nevada, LLC, d/b/a Cool Air Now by Juan Sotelo. At that time, I surrendered company vehicle keys, company credit cards and company gas cards to Juan Sotelo. Juan Sotelo instructed me that I was no longer authorized to operate any Now Services vehicles.

4. Unknown to Juan Sotelo or anyone else with Now Services of Nevada, LLC d/b/a Cool Air Now, I had a second set of keys made for a 2005 Chevrolet 1500 pickup truck owned by Juan Sotelo and used by Now Services of Nevada, LLC d/b/a Cool Air Now as a delivery truck.

5. On December 12, 2014, without permission of Juan Sotelo or anyone with Now Services of Nevada, LLC d/b/a Cool Air Now, I stole the Now Services 2005 Chevrolet 1500 pickup truck from Juan Sotelo's residence using the second set of keys. I drove it to the Chevron gas station on Lake Mead Boulevard to buy cigarettes.

6. At the time of the accident, I understood that I was not an employee of Now Services of Nevada, LLC d/b/a/ Cool Air Now. While I was operating the Now Services vehicle, I was engaged in my own affairs, and I was not performing any errand or task on behalf of Juan Sotelo or Now Services of Nevada, LLC d/b/a Cool Air Now. I stole the truck to purchase cigarettes for myself.

7. Later that day, I was involved in an automobile accident with Plaintiff Phillip Michael Bouchard while operating the Now Services truck without permission of the owner.

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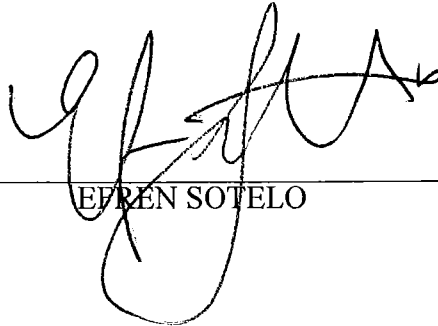
1           8.       My father Juan Sotelo came to the accident scene while the police were still investigating.  
2 He advised the investigating officer that I had stolen the truck, and that he wanted me prosecuted for the  
3 vehicle theft. I was placed under arrest at the accident scene. I was later booked into the Clark County  
4 Detention Center.

5           9.       I was charged with petit larceny in Case No. 14-F-19296-X in the Justice Court for Las  
6 Vegas Township, Nevada. I pled guilty to a violation of NRS 205.2715. I was convicted of that crime, and  
7 I was sentenced on February 3, 2015 to five (5) months in jail, suspended, for that crime.

8           FURTHER AFFIANT SAYETH NOT.

9           DATED this 17 day of August, 2017.

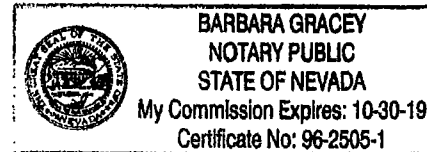
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EFREN SOTELO

SUBSCRIBED and SWORN to before me  
on this 17 day of August, 2017.

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NOTARY PUBLIC in and for said  
County and State



1 ALAN B. YUTER, *pro hac vice pending*  
ayuter@selmanlaw.com  
2 NATHANIEL S.G. BRAUN, *pro hac vice pending*  
nbraun@selmanlaw.com  
3 ERIC S. POWERS (Nevada Bar No. 12850)  
epowers@selmanlaw.com  
4 SELMAN BREITMAN LLP  
5 3993 Howard Hughes Parkway, Suite 200  
Las Vegas, NV 89169-0961  
6 Telephone: 702.228.7717  
7 Facsimile: 702.228.8824

8 Attorneys for Plaintiff NATIONAL CASUALTY  
COMPANY

9 UNITED STATES DISTRICT COURT  
10 DISTRICT OF NEVADA

11 NATIONAL CASUALTY  
12 COMPANY, a Wisconsin corporation,  
13

14 Plaintiff,

15 v.

16 EFREN ISAAC SOTELO, an  
17 individual, and PHILIP MICHAEL  
BOUCHARD, an individual,  
18

19 Defendants.

Case No.

COMPLAINT FOR DECLARATORY  
RELIEF

20 Plaintiff National Casualty Company ("National Casualty"), by and through  
21 its undersigned counsel, alleges as follows:

22 **JURISDICTION AND VENUE**

23 1. This is a civil action between citizens of different states and the  
24 amount in controversy exceeds \$75,000, exclusive of costs and interest. This court  
25 has diversity jurisdiction under 28 U.S.C. § 1332. Additionally, this court has  
26 jurisdiction for providing declaratory relief under 28 U.S.C. § 2201.

27 2. Venue is proper in the District of Nevada as the defendants reside in  
28

1 Nevada and the events giving rise to this dispute took place in Las Vegas, Nevada.

2 3. Plaintiff National Casualty is a Wisconsin Corporation with its  
3 principal place of business in Scottsdale, Arizona.

4 4. Defendant Efren Sotelo ("Efren") is an individual residing in Clark  
5 County, Nevada.

6 5. Defendant Philip Bouchard ("Bouchard") is an individual residing in  
7 Clark County, Nevada.

## 8 **FACTUAL ALLEGATIONS**

### 9 **The Policy**

10 6. National Casualty issued a policy of commercial automobile  
11 insurance, policy number CAO7761784 (the "Policy") to Now Services of Nevada  
12 LLC dba Cool Air Now ("Cool Air"), a limited liability company owned by Juan  
13 Sotelo ("Juan"), father of Efren Sotelo.

14 7. In relevant part, the Policy provided commercial automobile liability  
15 coverage to Cool Air for liability arising from the ownership, maintenance or use  
16 of specifically described vehicles – which were scheduled in the Policy:

17 8. The relevant portions of the Policy's coverage grant read as follows:

## 18 **SECTION II – COVERED AUTOS LIABILITY COVERAGE**

### 19 **A. Coverage**

20 We will pay all sums an "insured" legally must pay as  
21 damages because of "bodily injury" or "property damage" to  
22 which this insurance applies, caused by an "accident" and  
23 resulting from the ownership, maintenance or use of a  
covered "auto."...

24 We have the right and duty to defend any "insured" against a  
25 "suit" asking for such damages.... However, we have no  
26 duty to defend any "insured" against a "suit" seeking  
27 damages for "bodily injury" or "property damage"... to  
28 which this insurance does not apply. We may investigate  
and settle any claim or "suit" as we consider appropriate.

Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

9. The Policy includes the following relevant definition of "insured":

**1. Who Is An Insured**

The following are "insureds:"

- a. You [the named insured] for any covered "auto."
- b. Anyone else while using with your permission a covered "auto" ....

**Efren Sotelo & Theft of the Subject Vehicle**

10. National Casualty is informed and believes, and based thereon alleges, that Juan Sotelo was the owner of Cool Air at all relevant times.

11. National Casualty is informed and believes, and based thereon alleges, that Efren Sotelo is Juan's son and a former employee of Cool Air.

12. On December 10, 2014, following significant problems at work, Juan fired Efren from Cool Air, and Efren was required to – and did – return the Cool Air keys, gas card, uniform and other company property in his possession. Effective that date, Efren was no longer authorized to operate any Cool Air vehicles.

13. But unbeknownst to Juan or Cool Air, Efren had made unauthorized copies of some Cool Air keys, including a key to Cool Air's 2005 Chevrolet 1500 pickup truck (the "Chevy").

14. On December 11, 2014, following Efren's termination, Juan filed an embezzlement report to the North Las Vegas police department, who opened up a Crime Report on that date.

15. On December 12, 2014, Efren stole the Chevy using his copied key. Juan filed a police report and asked the Las Vegas Metropolitan Police Department

1 to prosecute Efren for the theft. On December 17, 2014, a criminal case was  
2 opened; and on February 15, 2015, Efren pled guilty to the charge of theft and was  
3 sentenced.

4 16. Efren has admitted the above facts and confirms that he did not have  
5 permission to use the Chevy on December 12, 2014. See Exhibit A.

6 **The Accident and Civil Complaint**

7 17. When Efren stole the Chevy on December 12, 2014, he allegedly  
8 caused an accident by rear ending a vehicle driven by Philip Bouchard.

9 18. On July 27, 2016, Bouchard filed a complaint for negligence against  
10 Efren, Juan, and Cool Air. That action is pending, and is styled *Bouchard v. Efren*  
11 *Isaac Sotelo, et al.*, Clark County District Court Case No. A-16-740711-C (the  
12 “Underlying Action”). Nautilus is informed and believes, and based thereon  
13 alleges, that Bouchard seeks damages in excess of \$75,000 in that action.

14 19. National Casualty is defending its insureds, Juan Sotelo and Cool Air,  
15 in that action. Efren failed to answer the complaint and a default has been entered  
16 against him. National Casualty hired courtesy counsel on Efren’s behalf, under a  
17 reservation of rights, and has sought to overturn that default.

18 **FIRST CAUSE OF ACTION**

19 (For Declaratory Relief, against All Defendants)

20 20. National Casualty realleges and incorporates by this reference all  
21 preceding paragraphs above, in their entirety, as though fully set forth herein.

22 21. National Casualty contends that it has no duty to defend or indemnify  
23 Efren Sotelo in connection with the Underlying Action, pursuant to Nevada Law  
24 and the plain language of the Policy, because Efren is not and was not an “insured”  
25 under the National Casualty Policy. Efren was neither the named insured nor a  
26 permissive user of the Chevy – by his own admission he stole it.

27 22. National Casualty is informed and believes, and based thereon alleges,  
28

1 that some or all of the defendants dispute National Casualty's contentions herein.  
2 23. As such, an actual controversy exists that requires a judicial  
3 declaration to determine the respective rights and obligations of the parties herein.

4 **PRAYER FOR RELIEF**

- 5 1. On the first cause of action, for Declaratory Relief, for a judicial  
6 declaration that National Casualty has no duty to defend or indemnify Efren Sotelo  
7 in connection with the Underlying Action.
- 8 2. For costs of suit herein;
- 9 3. For pre-judgment and post-judgment interest; and
- 10 4. For such other relief as the Court deems just and proper.

11  
12  
13 DATED: September 18, 2017

ALAN B. YUTER  
NATHANIEL S.G. BRAUN  
ERIC S. POWERS  
SELMAN BREITMAN LLP

16 /s/ -- Eric s. Powers

17 By: \_\_\_\_\_  
18 ALAN B. YUTER  
19 NATHANIEL S.G. BRAUN  
20 ERIC S. POWERS  
Attorneys for Plaintiff NATIONAL  
CASUALTY COMPANY,

JORDAN P. SCHNITZER, ESQ.  
Nevada Bar No. 10744  
THE SCHNITZER LAW FIRM  
9205 W. Russell Road, Suite 240  
Las Vegas, Nevada 89148  
Telephone: (702) 960-4050  
Facsimile: (702) 960-4092  
[Jordan@TheSchnitzerLawFirm.com](mailto:Jordan@TheSchnitzerLawFirm.com)  
*Attorney for Defendant,*  
**PHILIP MICHAEL BOUCHARD**

**UNITED STATES DISTRICT COURT**

**DISTRICT OF NEVADA**

NATIONAL CASUALTY INSURANCE,  
a Wisconsin Corporation,

Plaintiff,

vs.

EFREN ISAAC SSOTELO, and individual,  
and PHILIP MICHAEL BOUCHARD, and  
individual,

Defendants.

Case No.: 2:17-cv-02456

**ANSWER**

COMES NOW, Defendant; PHILIP MICHAEL BOUCHARD, by and through his attorney of record, Jordan P. Schnitzer Esq. of THE SCHNITZER LAW FIRM, a Professional Limited Liability Company, and answer Plaintiff's Complaint as follows:

**GENERAL ALLEGATIONS**

1. The Answering Defendant denies the allegations contained in paragraph 1 and 23.
2. The answering Defendant admits the allegations contained in paragraph 2 and 5.
3. The answering Defendant has insufficient knowledge and information



with which to form a belief as to the truth or falsity of the allegations contained in paragraphs 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21, 22 of Plaintiff's Complaint and; therefore, deny the same.

4. In response to the allegations contained in paragraph 20 of the Complaint, the answering Defendant reassert and reallege all of his answers and defenses contained in the above paragraph of this Answer as if copied *in extenso*.

## **AFFIRMATIVE DEFENSES**

### **FIRST AFFIRMATIVE DEFENSE**

Plaintiff's Complaint fails to state a claim against Philip Michael Bouchard, upon which relief may be granted.

### **SECOND AFFIRMATIVE DEFENSE**

By National Casualty Company's own actions, Plaintiff has approved and ratified the actions of Philip Michael Bouchard, in connection with the allegations contained in Plaintiff's Complaint.

### **THIRD AFFIRMATIVE DEFENSE**

By National Casualty Company's own actions, Plaintiff is estopped from asserting any claim against Philip Michael Bouchard, in this case.

### **FOURTH AFFIRMATIVE DEFENSE**

By National Casualty Company's own actions, Plaintiff has waived whatever right it may otherwise have had entitling it to relief from this Court.

### **FIFTH AFFIRMATIVE DEFENSE**

Plaintiff's Complaint is barred by the doctrine of laches.

### **SIXTH AFFIRMATIVE DEFENSE**

Plaintiff is guilty of unclean hands and, therefore, is not entitled to any relief from Philip Michael Bouchard.

### **SEVENTH AFFIRMATIVE DEFENSE**

Plaintiff is barred from recovery on the grounds that it violated the implied covenant to deal fairly and in good faith with Philip Michael Bouchard.



**EIGHTH AFFIRMATIVE DEFENSE**

Plaintiff failed to satisfy contractual conditions precedent, which bar it from entitlement to further compensation.

**NINTH AFFIRMATIVE DEFENSE**

Plaintiff's Complaint is barred by the applicable Statutes of Limitation, including but not limited to NRS §§ 11.190, 11.220, 11.202, 11.203, 11.204 and/or 11.205.

**TENTH AFFIRMATIVE DEFENSE**

Philip Michael Bouchard hereby incorporates by reference those affirmative defenses enumerated in Rule 8 of the Federal Rules of Civil Procedure. In the event further investigation or discovery reveals the applicability of any such defenses, Philip Michael Bouchard reserves the right to seek leave of the Court to amend its answer to specifically assert the same. Such defenses are herein incorporated by reference for the specific purpose of not waiving the same.

**ELEVENTH AFFIRMATIVE DEFENSE**

The questions presented for declaratory judgment and injunction in this action are moot.

**TWELFTH AFFIRMATIVE DEFENSE**

No substantial controversy exists between the Plaintiff and Philip Michael Bouchard that would entitle Plaintiff to any declaratory relief from Philip Michael Bouchard.

**THIRTEENTH AFFIRMATIVE DEFENSE**

Plaintiff and Philip Michael Bouchard do not have adverse legal interests that would entitle Plaintiff to the declaratory relief requested.

**FOURTEENTH AFFIRMATIVE DEFENSE**

The issues presented in the Complaint are not ripe for judicial declaratory determination.

**FIFTEENTH AFFIRMATIVE DEFENSE**

Defendant hereby incorporates by reference those Affirmative Defenses

1 enumerated in Nevada Rule of Civil Procedure 12(b) and Federal Rule of Civil  
2 Procedure 12(b).

3 **SIXTEENTH AFFIRMATIVE DEFENSE**

4 Plaintiff has failed to properly include or join, under NRCP or FRCP 19,  
5 indispensable parties without whom this matter cannot be properly adjudicated.

6 **SEVENTEENTH AFFIRMATIVE DEFENSE**

7 That it has been necessary for Philip Michael Bouchard to employ the services  
8 of an attorney to defend this action and a reasonable sum should be allowed to Philip  
9 Michael Bouchard as and for attorneys' fees, together with costs expended to defend  
10 this action.

11 **EIGHTEENTH AFFIRMATIVE DEFENSE**

12 Philip Michael Bouchard alleges that this Court lacks jurisdiction to consider  
13 Plaintiff's claim and further alleges that this Court lacks jurisdiction to consider this  
14 action.

15 **NINETEENTH AFFIRMATIVE DEFENSE**

16 Plaintiff has failed to set out the claims actually contained in the underlying  
17 Complaint completely, as said allegations trigger coverage.

18 //

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WHEREFORE, Defendant, Philip Michael Bouchard respectfully requests:

1. That Plaintiff takes nothing by way of this Complaint on file herein;

2. That Philip Michael Bouchard be awarded reasonable attorney's fees and costs in defending this action; and

3. For such other and further relief as this Court deems just and proper.

DATED this 30<sup>th</sup> day of October 2017

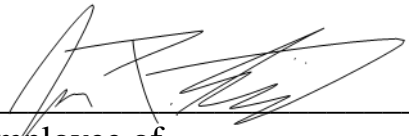
BY:   
JORDAN P. SCHNITZER, ESQ.  
Nevada Bar No. 10744  
THE SCHNITZER LAW FIRM  
9205 W. Russell Road, Suite 240  
Las Vegas, Nevada 89148  
*Attorneys for Defendant,*  
*PHILIP MICHAEL BOUCHARD*



**CERTIFICATE OF SERVICE**

Pursuant to F.R.C.P. 5(b), I certify that I am an employee of The Schnitzer Law Firm and that on the 30<sup>th</sup> day of October, 2017, the foregoing **ANSWER**, was served via electronic service by the U.S. District Court CM/EMF system to the parties on the Electronic Mail Notice List.

Alan B. Yuter, Esq.  
Nathaniel S.G. Braun, Esq.  
Eric S. Powers, Esq.  
SELMAN BREITMAN LLP  
3993 Howard Hughes Parkway, Suite 200  
Las Vegas, NV 89169-0961

  
An Employee of  
THE SCHNITZER LAW FIRM

UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

National Casualty Company

Plaintiff(s),

v.

Efren Isaac Sotelo, et al

Defendant(s).

Case No.: 2:17-cv-02456-KJD-CWH

**DEFAULT**

It appearing from the records in the above-entitled action that Summons issued on  
the original Complaint September 20, 2017  
(Original, Amended, etc) (Date Complaint was filed)

has been regularly served upon each of the Defendants hereinafter named; and it  
appearing from the affidavit of counsel or Plaintiff and the records herein that each of  
said Defendants has failed to plead or otherwise defend in said action as required by said  
Summons and provided by the Federal Rules of Civil Procedure,

Now, therefore, on request of counsel for Plaintiff, the DEFAULT, as aforesaid, of  
each of the following Defendants Efren Isaac Sotelo

in the above-entitled action is hereby entered.

DEBRA K. KEMPI

CLERK

*Debra K. Kemp*

(By) DEPUTY CLERK



March 14, 2018

DATE

NATHANIEL S.G. BRAUN  
PRO HAC VICE  
ERIC S. POWERS  
NEVADA BAR NO. 12850  
SELMAN BREITMAN LLP  
3993 Howard Hughes Parkway, Suite 200  
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Telephone: 702.228.7717  
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Attorneys for Plaintiff NATIONAL  
CASUALTY COMPANY, a Wisconsin  
corporation

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

NATIONAL CASUALTY COMPANY, a  
Wisconsin corporation,

Plaintiff,

v.

EFREN ISAAC SOTELO, an individual; and  
PHILIP MICHAEL BOUCHARD, an  
individual,

Defendants.

Case No. 2:17-cv-02456-KJD-CWH

**PLAINTIFF NATIONAL CASUALTY  
COMPANY'S MOTION FOR SUMMARY  
JUDGMENT**

[Filed concurrently with Declaration of Nick  
Eppinger; Request for Judicial Notice;  
[Proposed] Order]

COMES NOW, Plaintiff National Casualty Company (hereinafter "NCC"), by and through its undersigned counsel Selman Breitman LLP, and hereby requests that the court grant summary judgment in favor of NCC and declare that Defendant Efren Isaac Sotelo ("Efren") is not an "insured" under NCC's Policy regarding the underlying incident and that NCC owes no duty to defend or indemnify Efren in the underlying action.

This motion is made and based upon the grounds that the material facts are not in dispute in this action. This motion is made pursuant to Federal Rules of Civil Procedure section 56 and Local Rule 56-1, and is based on all of the pleadings and papers on file herein, together with the

following memorandum of points and authorities, the exhibits and affidavits hereto, and upon such oral and documentary evidence as may be presented at the hearing of this matter.

DATED: July 12, 2018

SELMAN BREITMAN LLP

By: /s/ Eric S. Powers  
 ERIC S. POWERS  
 NEVADA BAR NO. 12850  
 3993 Howard Hughes Parkway, Suite 200  
 Las Vegas, NV 89169-0961  
 Phone: 702.430.5902  
 Facsimile: 702.228.8824  
 Attorneys for Plaintiff NATIONAL CASUALTY  
 COMPANY, a Wisconsin corporation

## MEMORANDUM OF POINTS AND AUTHORITIES

### I. INTRODUCTION

When a man admits that he stole a truck and pleads guilty to the crime of theft he does not qualify as a “permissive user” of that truck. That is exactly the case here.

Efren Sotelo stole a truck from his former employer, which was a company run by his father. While driving the truck, he rear-ended a vehicle being driven by Philip Michael Bouchard (the “Incident”). Efren pleaded guilty to criminal charges for the theft of the truck, and he was convicted and sentenced to 5 months in jail (which was suspended).

In 2016, Bouchard filed the Underlying Action – *Bouchard v. Efren Isaac Sotelo, et al.*, Clark County, Nevada District Court, Case No.: A-16-740711-C (the “Underlying Action”) – against Efren, Efren’s former employer and owner of the subject truck, Now Services of Nevada LLC dba Cool Air Now (“Cool Air”), and Cool Air’s managing member, Juan Sotelo – who is also Efren’s father.

NCC insured Cool Air under a commercial auto insurance policy. Both Cool Air (the named insured), and Juan, its managing member, are insureds under the policy. The policy also covers, as “insureds,” permissive users – anyone “using with your [the named insured’s] permission” a covered vehicle.

1 Efren was not using the truck with Cool Air's permission; he stole it. He is estopped to  
 2 deny that he stole the truck, because he pleaded guilty to stealing the truck. And he does not deny  
 3 that he stole the truck – he confirmed it in a sworn affidavit.  
 4

5 NCC is therefore entitled to summary judgment because the undisputed evidence  
 6 establishes that Efren is not an insured under the policy. NCC respectfully requests that the Court  
 7 grant this motion for summary judgment, and declare that (1) Efren is not an "insured" under  
 8 NCC's Policy regarding the Incident, and (2) that NCC owes no duty to defend or indemnify Efren  
 9 in connection with the Underlying Action.

## 10 **II. STATEMENT OF UNDISPUTED FACTS**

### 11 **A. The Policy**

12 NCC issued a commercial automobile insurance policy to Cool Air, a limited liability  
 13 company owned by Juan Sotelo ("Juan"), father of Efren (Declaration of Nick Eppinger  
 14 ("Eppinger Decl.") at ¶ 4, Exhibit A.) The Policy provided commercial automobile liability  
 15 coverage to Cool Air for liability arising from the ownership, maintenance or use of specifically  
 16 described vehicles in the Policy; the subject truck was one such vehicle. (Eppinger Decl. ¶ 6,  
 17 Exhibit A.) In relevant part, the Policy's coverage grant states as follows:

## 18 **SECTION II – COVERED AUTOS LIABILITY COVERAGE**

### 19 **A. Coverage**

20 We will pay all sums an "insured" legally must pay as damages because of "bodily  
 21 injury" or "property damage" to which this insurance applies, caused by an  
 22 "accident" and resulting from the ownership, maintenance or use of a covered  
 23 "auto."... We have the right and duty to defend any "insured" against a "suit"  
 24 asking for such damages.... However, we have no duty to defend any "insured"  
 25 against a "suit" seeking damages for "bodily injury" or "property damage"... to  
 26 which this insurance does not apply. We may investigate and settle any claim or  
 27 "suit" as we consider appropriate. Our duty to defend or settle ends when the  
 28 Covered Autos Liability Coverage Limit of Insurance has been exhausted by  
 payment of judgments or settlements.

The Policy includes the following relevant definition of "insured":

### 1. **Who Is An Insured**

The following are "insureds:"



- a. You [the named insured] for any covered “auto.”
- b. Anyone else while using with your permission a covered “auto”....

(Exhibit A, p. 19.)

NCC is currently defending its insureds, Juan Sotelo and Cool Air, in the Underlying Action. (Eppinger Decl. ¶ 7.) Efren is not a named insured anywhere in the Policy and no amendments or addenda exist naming him as an insured under the Policy. (Eppinger Decl. ¶ 8.) Efren never tendered the defense of the Underlying Action to NCC. (Eppinger Decl. ¶ 9.) However, NCC is providing Efren with a courtesy defense, under a reservation of rights, in the Underlying Action, by the law firm Stephenson & Dickinson, in Las Vegas. (*Id.*)

#### **B. The Theft and the Incident**

Efren formerly worked as a delivery driver for Cool Air. (Eppinger Decl. ¶ 10, Ex. B, Affidavit of Efren Sotelo (“Efren Affidavit”) at ¶ 2.) While he was employed by Cool Air, Efren used Cool Air vehicles to transport equipment to installers in the field. (*Id.*)

On December 10, 2014, Juan terminated Efren from his job at Cool Air and required Efren to hand over all company vehicle keys, company credit cards and company gas cards. (Efren Affidavit at ¶ 3.) After being terminated, Efren no longer had authorization to operate any of Cool Air’s vehicles. (*Id.*)

Unbeknown to Juan or anyone at Cool Air, Efren had made a second set of keys for a Cool Air delivery truck, a 2005 Chevrolet 1500 pickup (the “Truck”). (Efren Affidavit at ¶ 4.) On December 12, 2014, without Juan or Cool Air’s permission, Efren stole the Truck from Juan’s residence using the heretofore unknown keys; he wanted to go buy cigarettes. (Efren Affidavit at ¶ 5-6.)

Driving the stolen truck on his way to buy cigarettes, Efren was involved in an automobile accident with Plaintiff Philip Michael Bouchard. (Efren Affidavit at ¶ 7.) Juan went to the scene of the accident and, among other things, informed the investigating officer that Efren had stolen his truck, and that he wanted Efren prosecuted for the theft. (Efren Affidavit at ¶ 8.) Efren was placed under arrest at the scene of the accident. (*Id.*)

In the Justice Court for Las Vegas Township, Nevada, Case No. 14-F-19296-X, Efren

1 plead guilty for petit larceny and served five months in jail for the conviction. (Efren Affidavit at  
2 ¶ 9; Request for Judicial Notice & Exhibit C [Efren's criminal docket].)

### 3 **III. STANDARD FOR SUMMARY JUDGMENT**

4 Summary judgment is appropriate if, among other things, the discovery and disclosure  
5 materials on file and any affidavits show that there is no genuine issue as to any material fact and  
6 that the movant is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c). An issue is  
7 "genuine" if sufficient evidence exists such that a reasonable fact finder could find for the non-  
8 moving party. *Villiarimo v. Aloha Island Air, Inc.*, 281 F.3d 1054, 1061 (9th Cir. 2002). A fact is  
9 "material" if it might affect the outcome of a suit, as determined by the governing substantive law.  
10 *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). Initially, the moving party bears the  
11 burden of proving that there is no genuine issue of material fact. *Leisek v. Brightwood Corp.*, 278  
12 F.3d 895, 898 (9th Cir. 2002). When the moving party meets his or her burden and there is no  
13 genuine issue as to any material fact, the moving party is entitled to judgment as a matter of law.  
14 *Anderson v. Liberty Lobby, Inc.*, *supra*, at 250.

15 This Court, sitting in diversity, applies the procedural laws of the United States and the  
16 substantive laws of the State of Nevada, where Cool Air is registered and where the subject  
17 accident occurred. *Erie R.R. Co. v. Tompkins*, 304 U.S. 64, 58 S.Ct. 817 (1938).

### 18 **IV. ARGUMENT**

#### 19 **A. Under Settled Nevada Law, a Party Seeking Insurance Coverage has the** 20 **Initial Burden to Establish Coverage**

21 "A party who seeks to recover on an insurance policy has the burden of establishing any  
22 condition precedent to coverage." *Lucini-Par. Ins., Inc. v. Buck*, 108 Nev. 617, 620, 836 P.2d 627,  
23 629 (1992). Only after establishing a condition precedent to coverage – e.g., that an individual  
24 qualifies as an "insured" under the Policy – does the burden shift to an insurer to contest its  
25 coverage obligations. *Nat'l Auto. & Cas. Ins. Co. v. Havas*, 75 Nev. 301, 303, 339 P.2d 767, 768  
26 (1959).

27 Here, as set forth below, neither Efren nor underlying plaintiff Bouchard (also a defendant  
28 in this action) can possibly establish that Efren qualifies as an insured under the Policy.

**B. Efren does not Qualify as an “Insured” Because he is not a Named Insured on the Policy and he did not have Permission to use the Truck at the time of the Incident**

NCC’s Policy does not provide Efren with coverage for the Incident because Efren is not named as an insured on the Policy and he did not have permission to use any of the insured’s automobiles at the time of the Incident. The Policy provides insurance coverage for the named insured and anyone using a covered auto with the permission of the named insured. (Ex. A at 19.)

While Nevada courts have not explicitly addressed whether a person who stole a vehicle is a permissive user to determine whether the individual qualifies as an “insured” under an auto policy, many other jurisdictions have, and hold that an insured does not give permission to a driver who has taken the vehicle without the knowledge of the insured, for example, through theft or conversion. *See* 8 Couch on Ins. § 112:12 (2018); *see also Dairyland Ins. Co. v. Makover*, 654 F.2d 1120 (5th Cir. 1981); *Verriest v. INA Underwriters Ins. Co.*, 142 N.J. 401 (1995); *Insurance Co. of North America v. Norris*, 116 Misc. 2d 314 (Sup. 1982); *Cutler v. Travelers Ins. Co.*, 138 Vt. 113 (1980).

In *Gonzales v. Beaumont Cement Sales Co.*, 125 So.2d 785 (La. Ct. App. 4th Cir. 1961), the defendant’s employee stole a car and was involved in an automobile accident. The court held that the defendant was not liable under the omnibus clause, because, among other things, that employee confessed to the theft and was sentenced to the penitentiary as a result. *Id.*

Similarly, Juan and Cool Air did not give Efren permission to use the company truck because Efren stole the truck without knowledge of the insured. (Efren Affidavit at ¶ 5.) Any authority Efren had to use Cool Air’s truck ended on the date of his termination, two days before the Incident, when he was ordered to give back his keys. (Efren Affidavit at ¶ 3.) Unbeknown to Juan or anyone at Cool Air, Efren made a second set of keys for the subject truck and used those keys to steal that truck which was involved in the Incident. (Efren Affidavit at ¶ 4.) Efren was charged with the theft of the vehicle and pled guilty to the theft, resulting in a five month jail sentence. (Efren Affidavit at ¶ 9, Exhibit B.)

The facts undeniably establish that neither Juan nor anyone at Cool Air authorized Efren to

1 use the subject truck at the time of the Incident. Further, Efren admitted that he stole the truck  
 2 without consent or permission and pleaded guilty at his criminal trial. Therefore, NCC's Policy  
 3 does not provide Efren with coverage for the Incident.

4 **C. Efren's Guilty Plea and Criminal Conviction Establishes that he was not a**  
 5 **Permissive user of the Subject Truck at the time of the Incident**

6 Efren's criminal conviction incontrovertibly establishes that he was not a permissive user  
 7 of the insured's automobile at the time of the Incident.

8 Efren pled guilty to the theft in the Justice Court for Las Vegas Township, Nevada, Case  
 9 No. 14-F-19296-X. (Efren Affidavit at ¶ 9; Request for Judicial Notice, Exhibit C.) The specific  
 10 crime for which Efren was convicted was Nevada Rev. Stat. § 205.2715, which reads, in relevant  
 11 part:

12 205.2715. Unlawful taking of vehicle: Inference; penalty

13 1. Every person who takes and carries away or drives away the vehicle of another without  
 14 the intent to permanently deprive the owner thereof but **without the consent of the owner**  
 15 of such vehicle is guilty of a gross misdemeanor.

16 2. Every person who is in possession of a vehicle **without the consent of the owner** of  
 17 such vehicle may reasonably be inferred to have taken and carried away or driven away the  
 18 vehicle.

19 (Emphasis added.) Thus, an essential element of that crime is that the vehicle was taken without  
 20 the owner's consent.

21 Efren's guilty plea and conviction are judicially noticeable facts, and unequivocally  
 22 establish that Efren took the truck without its owner's (NCC's insured, Cool Air) consent. A  
 23 guilty plea, as established by Nevada law, is an admission of "the facts which support all the  
 24 elements of the offenses." Nev. Rev. Stat. § 174.063.

25 Efren was not and could not have been a permissive user of the truck under the Policy; the  
 26 criminal conviction is preclusive and estops Efren to argue otherwise (indeed, he does not). *See*  
 27 Nev. Rev. Stat. § 41.133; *United States v. Real Prop. Located at Section 18, Twp. 23, Range 9,*  
 28 *Sunnyview Plat, Lots 4 & 5, Block 4, Lakeview Dr., Quinault Lake, Olympic Nat. Park, Grays*

1 *Harbor Cty., WA.*, 976 F.2d 515, 519 (9th Cir. 1992) (“Real Prop.”) (“it is settled law in this  
2 circuit that a guilty plea may be used to establish issue preclusion in a subsequent civil suit . . .  
3 [for] an element of the crime to which the defendant pled guilty”).

4 **D. This Court, the Ninth Circuit, Nevada Courts and Sister Courts all Recognize**  
5 **that a Criminal Conviction on Relevant Facts is Dispositive of Coverage**

6 This Court has considered similar cases, where an entity sought insurance coverage after  
7 being convicted of a crime, e.g.: *Allstate Ins. Co. v. Nolte*, No. 2:11-CV-00865-KJD, 2012 WL  
8 2780078 (D. Nev. July 9, 2012) (insured convicted of criminal assault of a neighbor, policy’s  
9 intentional and criminal acts exclusion barred coverage); *Capitol Indem. Corp. v. Blazer*, 51 F.  
10 Supp. 2d 1080, 1088 (D. Nev. 1999) (criminal conviction for assault and battery were dispositive  
11 of coverage and triggered assault and battery exclusion of policy); *State Farm Fire Ins. Co. v.*  
12 *Grover*, No. CV-S-87-659, 1990 WL 208908 (D. Nev. Dec. 15, 1990) (conviction of sexual  
13 assault triggered intentional acts exclusion).<sup>1</sup>

14 So has the Ninth Circuit, e.g.: *State Farm Mut. Auto. Ins. Co. v. Davis*, 7 F.3d 180, 183  
15 (9th Cir. 1993) (criminal conviction of insured for felony assault with a deadly weapon was  
16 preclusive and estopped insured or underlying plaintiffs from denying that he had an intent to  
17 cause injury, therefore the policy could not possibly cover the incident); *State Farm Fire & Cas.*  
18 *Co. v. Engstrom*, 933 F.2d 772, 773 (9th Cir. 1991) (same); *Transamerica Premier Ins. Co. v.*  
19 *Miller*, 41 F.3d 438, 441 (9th Cir. 1994) (guilty plea was “conviction” and therefore dispositive of  
20 surety bond coverage).

21 In *Rivera v. Nevada Med. Liab. Ins. Co.*, 107 Nev. 450, 814 P.2d 71 (1991), the Nevada  
22 Supreme Court held that the insured’s criminal conviction for sexual assault were dispositive of  
23 coverage and triggered the policy’s intentional, criminal, and sexual act exclusions.

24 Sister courts agree: *Pompa v. American Family Mutual Ins. Co.* 520 F.3d 1139, 1147-48  
25 (10th Cir. 2008) (“conviction is an indisputable fact” that precludes coverage); *Allstate Ins. Co. v.*

26 <sup>1</sup> Compare *Capitol Indem. Corp. v. Wright*, 341 F. Supp. 2d 1152 (D. Nev. 2004) (criminal act of employee  
27 did not negate coverage for employer, who was sued for independent negligence). Unlike the insurer in the  
28 *Wright* case, NCC does not dispute its coverage obligations for its named insured, Cool Air (or its owner,  
Juan Sotelo).

1 *Morgan*, 123 F. Supp. 3d 1266, 1276 (D. Or. 2015) (“An insurer has no duty to defend when a  
 2 criminal conviction incontrovertibly establishes the insurer does not cover an injury”). The  
 3 *Pompa* court further noted that because conviction is a judicially noticeable fact, “that fact can be  
 4 said to appear within the four corners of the complaint.” *Id.* at 1149; *see also United Fire & Cas.*  
 5 *Co. v. Boulder Plaza Residential, LLC*, 633 F.3d 951, 960-61 (10th Cir. 2011) (same). As the  
 6 Tenth Circuit reiterated in 2011, the rule is appropriate because, otherwise, an insurer could be  
 7 forced to defend a suit for which there is absolutely no coverage, based solely on a “complaint  
 8 contain[ing] allegations made in bad faith and ‘framed to trigger an insurance policy.’” *United*  
 9 *Fire & Cas. Co.*, 633 F.3d at 960 (*citing Pompa*).

10 The rationale for this rule is clear and unassailable – a criminal conviction is preclusive as  
 11 to the issues determined therein. *Allen v. McCurry*, 449 U.S. 90, 95, 101 S. Ct. 411, 415, 66 L.  
 12 Ed. 2d 308 (1980). And a guilty plea has the same preclusive effect, because it is an admission of  
 13 the essential elements of the crime. E.g. Nev. Rev. Stat. § 41.133, 174.063; *Real Prop.*, 976 F.2d  
 14 at 519.

15 **E. NCC Does Not Have A Duty To Defend Or A Duty To Indemnify Efren For**  
 16 **The Incident**

17 It is hornbook insurance law that the there is no duty to defend when there is no potential  
 18 for coverage, and no duty to indemnify when there is no actual coverage under the policy. *United*  
 19 *National Ins. Co. v. Frontier Ins. Co., Inc.*, 120 Nev. 678, 686-87 (2004). There can be no  
 20 potential for coverage in this case, or actual coverage, because Efren could not be an insured under  
 21 the Policy – he is not a named insured under the Policy and, as explained above, is not a  
 22 permissive user. Therefore, NCC does not have a duty to defend or indemnify Efren in the  
 23 Underlying Action and is entitled to summary judgment as a matter of law.  
 24  
 25  
 26  
 27  
 28

1     **V.     CONCLUSION**

2             For the reasons set forth above, NCC respectfully requests that the Court grant NCC's  
3     motion for summary judgment and declare that Efren is not an "insured" under the Policy and thus  
4     that NCC owes no duty to defend or indemnify Efren in the Underlying Action. When there are  
5     no disputed material facts, as here, the moving party is entitled to judgment as a matter of law.

6     DATED: July 12, 2018

SELMAN BREITMAN LLP

7  
8                             By:     /s/ Eric S. Powers

9                             ERIC S. POWERS

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16                            COMPANY, a Wisconsin corporation

Selman Breitman LLP  
ATTORNEYS AT LAW

**CERTIFICATE OF SERVICE**

In accordance with Rule 5(b) of the Nevada Rules of Civil Procedure, I hereby certify that on the 12<sup>th</sup> day of July 2018, a copy of **PLAINTIFF NATIONAL CASUALTY COMPANY'S MOTION FOR SUMMARY JUDGMENT** was served on all CM/ECF registered parties by filing and serving the same using the CM/ECF filing system.

/s/ Bonnie Kerkhoff Juarez

BONNIE KERKHOFF JUAREZ  
An Employee of Selman Breitman LLP  
Selman Breitman LLP

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*Attorney for Defendant,*  
PHILIP MICHAEL BOUCHARD

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

NATIONAL CASUALTY INSURANCE,  
a Wisconsin Corporation,

Plaintiff,

vs.

EFREN ISAAC SOTELO, and individual,  
and PHILIP MICHAEL BOUCHARD,  
and individual,

Defendants.

Case No.: 2:17-cv-02456-KJD-CWH

**DEFENDANT, PHILIP  
MICHAEL BOUCHARD'S  
RESPONSE TO NATIONAL  
CASUALTY COMPANY'S  
MOTION FOR SUMMARY  
JUDGMENT AGAINST EFREN  
ISAAC SOTELO**

COMES NOW, Defendant, PHILIP MICHAEL BOUCHARD, by and through  
his attorney of record, Jordan P. Schnitzer, Esq. of The Schnitzer Law Firm, and  
hereby submits his Response to National Casualty Company's Motion for Summary  
Judgment Against Efren Isaac Sotelo. This Opposition is made based on Points

//

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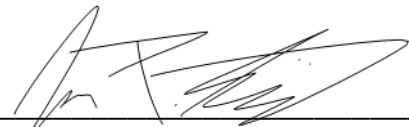
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1 and Authorities submitted herewith, together with the papers and pleadings on file  
2 herein, exhibits attached hereto and oral arguments this Court may allow.

3 DATED this 2<sup>nd</sup> day of August 2018.

4  
5  
6 BY:   
7 JORDAN P. SCHNITZER, ESQ.  
8 Nevada Bar No. 10744  
9 THE SCHNITZER LAW FIRM  
10 9205 W. Russell Road, Suite 240  
11 Las Vegas, Nevada 89148  
12 *Attorneys for Defendant,*  
13 *PHILIP MICHAEL BOUCHARD*



## **POINT AND AUTHORITIES**

### **I. INTRODUCTION**

The insurance company's motion should be denied because the four corners of the Complaint triggers the duty to defend because it specifically alleges the driver was driving the vehicle with the permission of the owner. The dispositive motion deadline passed in the underlying case and the claim is going to trial. Further, the initial permission rule mandates coverage in Nevada where Efren was initially granted permission to use the vehicle.

Moreover, evidence exists that the driver was using the car with permission. Specifically, the owner told Mr. Bouchard he should have taken the keys away from Efren Sotelo.

Even if Efren Sotelo was not a permissive driver, Nevada's absolute liability statute requires the insurance company to provide statutory minimum indemnity of \$15,000 for the actions of Efren Sotelo, which would also trigger the duty to defend.

Finally, Efren was not actually convicted of stealing the car. He was convicted of petit larceny. Therefore, there is no basis to find in favor of the insurance company.

### **II. STATEMENT OF FACTS**

Defendant Efren Sotelo was an employee of Cool Air Now and the son of its owner, Juan Sotelo. Mr. Sotelo knew Efren was a and a heroin addict, yet he employed his son and allowed him to drive a work truck.

On the date of the incident, Mr. Sotelo told Mr. Bouchard that he should have taken Efren's keys from him.

Mr. Bouchard filed a complaint for negligence against Efren Sotelo, alleging he was a permissive driver of the vehicle. That claim has not been dismissed. In fact, the Court recently refused to allow the defendants to file summary judgment motions on the issue. The issue of permission is going to trial.

### **III. LEGAL ARGUMENT**

#### **A. The Conviction is Inadmissible and Irrelevant**

**i. There is No Certified Copy of the Judgment of Conviction Nor Any Witness that Could Authenticate Any Conviction Related Documents**

Initially, the supposed conviction document is nothing more than the print out of the court website generally setting forth dates and results of hearings. There is nothing in Exhibit 4 that shows Exhibit 4 is related in any manner to the issue before the Court.

Plaintiff has the burden of proof and the burden to establish admissibility of any evidence it seeks to utilize. The discovery deadline in this matter has passed. Plaintiff has not produced a certified copy of any judgment of conviction, nor has Plaintiff identified any witness to authenticate/certify any judgment pursuant to Fed.R.Evid. 901. *See Exhibit “I”*, Plaintiff’s most recent disclosures.

“Without question a judicial document such as a judgment is hearsay within the meaning of the federal evidence rules.” *Stroud v. Cook*, 931 F. Supp. 733, 735 (D. Nev. 1996). Although, Fed.R.Evid. 803(22) exempts felony convictions, misdemeanor convictions are not exempted under that rule.

Here, Plaintiff has not even produced a judgment, it simply produced a case detail sheet setting forth hearing dates and vague results. Without a certified copy of a judgment or a witness to authenticate such certification, Plaintiff is unable to establish the admissibility of Mr. Sotelo’s alleged conviction under any other exception.

**ii. Efren Sotelo’s Alleged Conviction Appears Unrelated to the Car**

The unauthenticated document produced by Plaintiff shows that Efren Sotelo was convicted of petit larceny. Petit larceny in Nevada is defined as the taking of another’s property when the value of the item is less than \$650.00. NRS 205.240. Certainly, the vehicle Efren allegedly took without permission was worth more than \$650.00.

Plaintiff claims Efren was convicted of unlawful taking of a vehicle pursuant to NRS 205.2715. [**Doc 44** at pp.7:8]. Yet, none of the documents, even the

unauthenticated and inadmissible documents, support that position. As a result, the alleged conviction cannot serve as a basis for granting the insurance company's motion.

## **B. Plaintiff's Claims Fail on The Merits**

### **i. The Duty to Defend Exists**

It is a well-established principle of Nevada law that "[t]he duty to defend is broader than the duty to indemnify" and that the duty to defend "exists when there is arguable or possible coverage." *United Nat'l Ins. Co. v. Frontier Ins. Co.*, 120 Nev. 678, 99 P.3d 1153, 1158 (Nev. 2004).

"[T]he duty to defend arises when there is a potential for coverage based on the allegations in a complaint." *United Nat'l Ins. Co. v. Frontier Ins. Co., Inc.*, 120 Nev. 678, 681, 99 P.3d 1153, 1155 (2004)

"[A]n insurer's duty to defend is triggered whenever the potential for indemnification arises, and it continues until this potential for indemnification ceases." *Benchmark Ins. Co. v. Sparks*, 254 P.3d 617, 621 (Nev. 2011); *Kazi v. State Farm Fire and Cas. Co.*, 24 Cal.4th 871, 879, 103 Cal. Rptr. 2d 1, 15 P.3d 223 (2001) ("[T]he duty to defend may exist even where coverage is in doubt and ultimately does not develop.").

Additionally, "an insurer owes a duty to defend its insured 'whenever it ascertains facts which give rise to the potential of liability under the policy.'" *N. Ins. Co. of New York v. Nat'l Fire & Marine Ins. Co.*, 953 F. Supp. 2d 1128, 1134 (D. Nev. 2013) (quoting *United Nat'l Ins. Co.*, 99 P.3d at 1158) (emphasis added).

The allegations in the pending State of Nevada District Court Case, the Complaint clearly trigger coverage under the policy. Specifically, the Complaint alleges that Efren Sotelo:

12. Upon information and belief, SOTELO was employed by COOL AIR NOW and, at all relevant times, SOTELO was operating the Pick-Up Truck with the express or implied permission of his employer.

See **Exhibit "A"**.

1           Additionally, the Complaint contains additional allegations that Efren had  
2 permission to use the truck:

3                     30. COOL AIR NOW, J. SOTELO and DOE I breached that duty by  
4 knowing entrusting their dangerous vehicle to another whom they knew  
5 or should have known was likely to use it in a manner involving  
6 unreasonable risk of harm to others.

7                     41. COOL AIR NOW, J. SOTELO and DOE I breached that duty by  
8 failing to properly supervise SOTELO by allowing him to operate the  
9 vehicle and do so in the manner described above.

10 *Id.*

11           As a result of the allegations in the Complaint, the insurance company owes a  
12 duty to Defend Efren Sotelo under Nevada law.

13           Even looking outside, the Complaint, Mr. Sotelo told Mr. Bouchard at the scene  
14 that he “should have taken his keys away.” *See Exhibit “B”* at pp. 82:6-83:21. As a  
15 result of both the allegations in the Complaint and the evidence presented, the  
16 insurance company owes a duty to Defend under Nevada law.

17                     **ii. The Insurance Company is Required to Provide at Least**  
18                     **\$15,000 In Coverage Under Nevada’s Absolute-Liability Statute**

19                     “In Nevada, all motor vehicles must be insured for at least \$15,000 bodily  
20 injury or death liability per incident, and \$10,000 in property damage liability. NRS  
21 485.185; NRS 485.3091(1)(b)(1), (1)(b)(3). NRS 485.3091 also contains an  
22 absolute-liability provision.” *Torres v. Nev. Direct Ins. Co.*, 131 Nev. Adv. Op. 54,  
23 353 P.3d 1203, 1207 (2015). As a result, there are no circumstances where an  
24 insurer can completely disclaim coverage for an automobile accident. It must  
25 provide \$15,000 in coverage in all circumstances.

26           In fact, the Nevada Supreme Court has consistently refused to allow an  
27 insurance company to escape paying at least statutory minimums on a claim. In  
28 *Federated American Ins. Co.*, the Nevada Supreme Court required statutory

1 minimums on a policy where the driver had been specifically excluded under the  
2 policy, noting:

3 We have previously held that this provision invalidates certain  
4 exclusions for claims less than the statutory minimum amount.  
5 For instance, in *Baker v. Criterion Ins. Co.*, 107 Nev. 25, 805  
6 P.2d 599 (1991) we noted that, under NRS 485.3091(1), a  
7 household exclusion clause is valid only for claims in excess of  
8 the \$15,000/\$30,000 minimum liability insurance required by  
9 statute. See also, *Estate of Neal v. Farmers Ins. Exchange*, 93  
10 Nev. 348, 566 P.2d 81 (1977) (concluding that a household  
11 exclusion clause for less than the statutory minimum amount is  
12 void). We not hold that ... an insurance company must provide  
13 minimum coverage to all persons... regardless of whether the  
14 permissive drive has been explicitly excluded from coverage.”

15 *Federated Am. Ins. Co. v. Granillo*, 108 Nev. 560, 562, 835 P.2d 803, 804 (1992).

16 In this case, Efren was not excluded as a permissive driver under the policy  
17 until after the incident, on January 8, 2015. *See Exhibit “J”*. **Even if he was**  
18 **excluded prior to the accident, Nevada law would require the insurer to at least**  
19 **provide minimum coverage.** Therefore, even if this Court finds Efren stole the  
20 vehicle, Nevada requires the insurance company to provide at least \$15,000 in  
21 liability coverage.

22 **C. Factual Disputes Prevent Any Finding That The \$1M Coverage Can**  
23 **Be Reduced to Statutory Minimums**

24 **i. Nevada Has Adopted the Initial Permission Rule Requiring a**  
25 **Factual Inquiry**

26 In Nevada, “[o]nce an owner voluntarily hands over the keys to his car, the  
27 extent of permission he actually grants is irrelevant. Making coverage turn on the  
28 scope of permission given in the first instance renders coverage uncertain in many  
cases. Such practice fosters litigation regarding the existence or extent of any possible  
deviation, and it obstructs achievement of the policy declared by the Legislature.” *U.*  
*S. Fid. & Guar. Co. v. Fisher*, 88 Nev. 155, 160, 494 P.2d 549, 552 (1972).



1           *U.S. Fidelity & Guaranty Co.* involved a substantially similar permissive use  
 2 clause in the insurance agreement. The owner of the vehicle asked his neighbor to  
 3 take him to the airport and then park the vehicle in the owner's driveway. The Court  
 4 noted that "on several prior occasions given David permission to use the car in going  
 5 to and from his place of employment and also on shopping tours." *Id.* at 550 (1972).  
 6 As a result of the initial permission, the Court held that the neighbor's use of the car  
 7 after that was a permissive use under the policy, requiring full coverage under the  
 8 policy. *Id.* at 552.

9           Here, the initial permission rule mandates coverage. In fact, the truck in  
 10 question was Efren Sotelo's work truck that he was free to take  
 11 home. *See Exhibit "C"* at 34:16-23. Efren was living at the same house as his  
 12 parents on the day of the incident. *See Exhibit "C"* at 63:1-13. The car was left at  
 13 Efren and Mr. Sotelo's house the morning of the incident. *See Exhibit "C"* at 47:12-  
 14 49:20. Mr. Sotelo did not report the car stolen until after the accident. *See Exhibit*  
 15 *"C"* at 47:7-9.

16           Further, Defendant's claim that Efren was terminated on December 10, 2014,  
 17 two days before the accident. However, the termination paperwork for Efren noted  
 18 that his last day would be December 20, 2014, not December 10, 2014. *See Exhibit*  
 19 *"D"*.

20           Mr. Bouchard also disputes that the company keys were taken from Efren. Mr.  
 21 Sotelo told Plaintiff at the scene that he "should have taken his keys away." *See*  
 22 *Exhibit "B"* at pp. 82:6-83:21. If that statement is true, then the initial permission  
 23 rule would require the insurance company to provide coverage for the full extent of  
 24 the policy.

25           Moreover, the Discovery Commissioner in the underlying case has twice found  
 26 the Sotelo's and their insurance company lost evidence concerning the allegedly  
 27 stolen keys and Efren Sotelo's affidavit regarding the same. As a result, the matter  
 28 has been referred to the District Court to consider appropriate sanctions related to the  
 lost evidence. *See Exhibit "E"*.



Finally, the alleged spare key would have been made for work with the permission of the owner of the truck. Specifically, Efren Sotelo testified he made the spare key while he was employed in case he got locked out of his truck. *See Exhibit "F"* at 48:1-25. Ms. Sotelo testified that employees routinely and permissively made these spare keys. *See Exhibit "G"* at 53:24-54:23. Even though employees made these spare keys, the owner of the truck never asked Efren Sotelo for the extra key. *See Exhibit "C"* at 40:13-44:2. As a result, the initial permission rule requires full coverage in this case.

**ii. The Sotelo's Untruthful Testimony Requires This Court to Ignore Their Position**

The Sotelo's are not to be believed. This Court cannot enter summary judgment on the affidavit of proven untruthful parties:

Efren admitted he used the company card to buy gift cards to acquire heroin:

Q: Now your dad believes the reason you used the company card to buy gift cards was to buy

drugs. Are you aware of that?

A: Yeah, I'm aware of that.

Q: Is that true?

A: I guess you could say that.

Q: Yes?

A: Yes.

*See Exhibit "F"* 26:12-19.

Additionally, Mr. Sotelo knew his son was a heroin addict:

Q: So my question is, prior to the day of the accident, did they try to do anything to help you with the fact that they thought you were on drugs?

A: I mean, yeah. They've tried.

Q: Like what?

A: Clinics.

Q: What kind of clinics?

A: Methadone clinics

Q: This was before the accident?

A: Yeah.



Q: When approximately?

A: I couldn't tell you the dates. I couldn't tell you--

Q: I understand. Approximately, was it the same year?

A: No, I think it was the year before.

Q: Just one time?

A: No. Three or twice, I think. Might have been three times.

Q: Before the accident?

A: Mm-hmm.

Q: And all three were methadone clinics?

A: Yeah.

Q: Methadone is specifically for heroin users, correct?

A: Yeah.

Q: So, no one's there because they're addicted to marijuana, correct?

A: No.

Q: Okay. No one's there because they're alcoholics, correct?

A: No.

Q: It's specifically heroin?

A: Yeah. Opiate use.

Q: Okay. Pills or heroin?

A: Yeah.

*See Exhibit "F" 76:8-79:18.*

In fact, Mr. Sotelo helped pay for his rehab:

Q: When you went to rehab the three times out here in Vegas, did your dad pay for those?

A: The clinics, I paid for some of them.

Q: Did your dad pay for some of them?

A: He paid. I mean, there was times...because it was weekly, so we have weeks where I would

Pay, If I didn't have money, I would ask them If they had it, they would help me out.

Q: So at least part of it, he paid for you?

A: Yeah.

*See Exhibit "F" 105:12-21.*

Mr. Sotelo was also aware of several of Efren's arrests:

Q: Is your dad aware... I want to talk about on the date of the accident. Was your dad aware of the burglary charges against you?

A: From before?



1 Q: On the date of the accident, did your dad know that you had the  
2 burglary charges from 2008?

3 A: Well, yeah. He would know.

4 Q: What about the pills charge?

5 A: Well, yeah.

6 Q: The firearms charges?

7 A: Yes.

8 Q: In some of these police reports, your dad said that he believed you  
9 were on drugs.

10 A: Mm-hmm.

11 Q: You said I was, I was doing heroin.

12 A: Yeah, I was that time.

13 *See Exhibit "F" 30:22-31:12.*

14 Yet, Mr. Sotelo denied any knowledge of heroin use:

15 Q: And it talks about drug history. On the day of the accident, were  
16 you aware that Efren had some type of drug history?

17 A: I was not aware. Well, I was aware of history, but not here.

18 Q: What history are you referring to?

19 A: I mean, when he was a teenager, he hung around with the wrong  
20 crowd, and I guess they were doing – smoking marijuana.

21 Q: Any other drugs?

22 A: Not that I know of.

23 Q: Just marijuana?

24 A: That's what I know...

25 *See Exhibit "C" 63:20-64:7.*

26 In fact, one of the first answers out of Efren's mouth was untrue – for seemingly  
27 no reason other than to hide the truth:

28 Q: Okay, how did you get here today?

A: An Uber.

Q: You got an Uber?

A: Mm-hmm.

Q: I saw you get out of a truck that said Cool Air Now in the parking  
lot.

A: Mm-hmm.

Q: That was an Uber?

A: Oh no that was my mom, I'm leaving in an Uber.

1  
2 *See Exhibit “F”* 7:10-19.

3 Similarly, Efren Sotelo provided a false statement to the state court regarding  
4 something more substantive in his affidavit when he tried to have his default set  
5 aside. *See Exhibit “H”*. In the Affidavit, he stated he was visiting his great-  
6 grandmother in Mexico. The truth was that he was in rehab. Even in his  
7 deposition, he did not admit the truth until presented with the evidence:

8 Q: Were you in rehab when you were there?

9 A: No.

10 Q: Are you aware that your dad told Ms. Stephenson you were in rehab  
11 when you were in Tijuana?

12 A: No. I was not aware...

13 Q: If your dad said you were in rehab, is that not true?...

14 A: I don't get what's going on her.

15 Q: You were in rehab, correct?

16 A: Okay. For a period, I was there in rehab for a while.

17 Q: In Tijuana?

18 A: MM-hmm.

19 Q: Yes?

20 A: Yes.

21 *See Exhibit “F”* 103:1 - 104:5.

#### 22 **D. Any Alleged Conviction is Not Conclusive**

23 Initially, Plaintiff fails to cite a single case where a non-permissive driver  
24 allows an insurance company to completely disclaim coverage in Nevada. Moreover,  
25 all of the cases cited by Plaintiff involving convictions deal with intentional tort  
26 exclusions to homeowners' policies. There is not a single case cited that a conviction  
27 for theft of a vehicle allowed an insurance company to deny coverage for a motor  
28 vehicle accident in Nevada. The reason is set forth above, Nevada has mandatory  
minimum coverage for all automobiles.

If Efren Sotelo was not a permissive user, the best the insurance company could  
do is reduce the policy to the minimum limits. When determining if a prior conviction  
will have a preclusive effect, the Ninth Circuit looks for an identity of issues that  
were decided in the first case, by establishing if there is, (1) a substantial overlap

1 between the evidence or argument; (2) the same rule of law; (3) an overlap of pretrial  
 2 preparation and discovery; and (4) a closeness of the relationship between the claims.  
 3 Steen v. John Hancock Mut. Life Ins. Co., 106 F.3d 904, 912 (9th Cir.1997) (citing  
 4 Kamilche Co. v. United States, 53 F.3d 1059, 1062 (9th Cir.1995)).

5 This Court must not give preclusive effect to the alleged guilty plea because  
 6 all of the factors weigh against such preclusive effect. Specifically, the inadmissible  
 7 document shows that Efren was convicted of petit larceny, not stealing a vehicle  
 8 (grand larceny). Even if the conviction involved the car, the issue of permission in a  
 9 criminal context and permissive use in a coverage context is not the same. As set  
 10 forth above, Nevada follows the initial permission rule with regard to coverage. The  
 11 initial permission rule would not apply to a criminal proceeding related to taking a  
 12 car without permission or petit larceny.

13 Finally, the evidence set forth above shows that there exist material facts  
 14 concerning whether the initial permission rule applies here such as: (1) Juan Sotelo's  
 15 statement that he should have taken the keys; (2) the fact that the key used was made  
 16 with the knowledge and permission of the employer and the employer never asked  
 17 for this particular key back; and (3) the fact that the employment paperwork showed  
 18 Efren's termination was effective after the incident. Such information may have been  
 19 irrelevant to a criminal conviction but is extremely relevant when analyzing the initial  
 20 permission rule.

### 21 **E. The Insurance Company Is Hiding Evidence**

22 The insurance company only provided this Court with a sliver of the  
 23 voluminous evidence in this matter. Mr. Bouchard believes the insurance company  
 24 is in possession of additional evidence supporting Mr. Bouchard's position.  
 25 However, the insurance company has refused to turn over any documentation. As a  
 26 result, there is a pending Motion to Compel in this case. *See* [Doc 40].

27 Therefore, Plaintiff requests additional time pursuant to FRCP 56(d) until the  
 28 Motion to Compel is resolved. *See* Declaration of Jordan P. Schnitzer, Esq.


//

#### IV. CONCLUSION

Based upon the foregoing, the insurance company's motion should be denied because the four corners of the complaint trigger the duty to defend. Further, there is evidence directly contradicting the Sotelo's story and the Sotelo's have already been shown to have not told the truth under oath.

Importantly, the Nevada minimum liability statute requires the insurance company to indemnify Efren Sotelo for at least the statutory minimums in this case, thus also triggering the duty to defend. Finally, Efren's conviction is both inadmissible hearsay and irrelevant because a charge of petit larceny does not show proof of automobile theft. Therefore, the Motion should be denied.

DATED this 2<sup>nd</sup> day of August 2018.

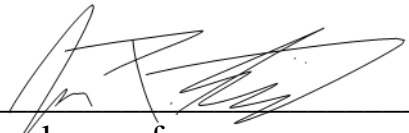
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**CERTIFICATE OF SERVICE**

Pursuant to F.R.C.P. 5(b), I certify that I am an employee of The Schnitzer Law Firm and that on the 2<sup>nd</sup> day of August 2018, the foregoing **DEFENDANT, PHILIP MICHAEL BOUCHARD'S RESPONSE TO NATIONAL CASUALTY COMPANY'S MOTION FOR SUMMARY JUDGMENT AGAINST EFREN ISAAC SOTELO**, was served via electronic service by the U.S. District Court CM/EMF system to the parties on the Electronic Mail Notice List.

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UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

\* \* \*

NATIONAL CASUALTY COMPANY, a  
Wisconsin corporation,  
  
Plaintiff,  
  
v.  
  
EFREN ISAAC SOTELO, an individual; and  
PHILIP MICHAEL BOUCHARD, an  
individual,  
  
Defendants.

Case No. 2:17-cv-02456-KJD-CWH

**ORDER**

Before the Court are two pending motions. First is Plaintiff National Casualty Company's Motion for Default Judgment Against Efren Isaac Sotelo (#28). Defendant Philip Bouchard responded (#31), and National Casualty replied (#32). Also before the Court is National Casualty's Motion for Summary Judgment (#44) to which Mr. Bouchard responded (#49), and National Casualty replied (#52). Defendant Efren Sotelo did not respond to either motion.

**I. Background**

In this duty-to-defend action, Plaintiff National Casualty Company seeks a declaratory judgment that it is under no obligation to provide Defendant Efren Sotelo a defense in a companion state court case arising out of a December 2014 car accident. Mr. Sotelo was driving a truck belonging to his father's business when he collided with Defendant Philip Bouchard causing injury. At the time of the accident, National Casualty was the insurer of the company vehicle. Liability and any damages arising out of the accident will be determined in the corresponding state court case. And so, the sole issue before this Court is whether National Casualty must provide Mr. Sotelo a defense in state court.



1           Although not directly at issue here, the events underlying the state court action provide  
2 context for National Casualty's suit for declaratory relief. On December 12, 2014, Mr. Sotelo  
3 and Mr. Bouchard were involved in a traffic accident. At the time of the accident, Mr. Sotelo was  
4 driving a pick-up truck owned by his father's company, Cool Air Now. Cool Air Now carried  
5 insurance on its company vehicles through National Casualty. The policy extended coverage to  
6 the named insureds and anyone else using a "covered 'auto'" with permission. If Mr. Sotelo was  
7 a permissive user of the Cool Air Now vehicle at the time of the accident, National Casualty  
8 would indemnify him and the business for a policy-covered loss.

9           The crux of this dispute is whether Mr. Sotelo had permission to use the company vehicle  
10 on the day of the accident. In December 2014, Mr. Sotelo was employed as a delivery driver for  
11 Cool Air Now. In the weeks leading up to the accident, Mr. Sotelo had access to the truck during  
12 work hours, after hours, and he and was free to take the truck home with him. On December 10,  
13 2014—two days before the accident—Cool Air Now purportedly terminated Mr. Sotelo's  
14 employment. Mr. Sotelo's termination notice was dated and signed on December 10, 2014. It  
15 specified that the termination was involuntary and listed various items of company property that  
16 Mr. Sotelo was to surrender. This property included keys, a gas card, his uniforms, and other  
17 miscellaneous company property. The form designated December 20, 2014 as Mr. Sotelo's last  
18 day of work. After notifying Mr. Sotelo of his termination, his father parked the Cool Air Now  
19 truck at his home.

20           The morning of the accident, Mr. Sotelo's father discovered that the truck was no longer  
21 parked at his home and reported it stolen. While he was in the process of reporting the truck  
22 stolen, Metro police contacted his wife to inform her that a Cool Air Now vehicle was involved  
23 in an accident. Mr. Sotelo's father immediately traveled to the scene of the accident. Upon  
24 arrival, he learned that the Cool Air Now vehicle involved in the accident was in fact the truck  
25 his son drove for work. At the scene, he informed traffic officers that Mr. Sotelo had stolen the  
26 truck. Officers arrested Mr. Sotelo for the theft. He later plead guilty to petit larceny and was  
27 sentenced to a five-month suspended sentence.  
28

1 In July 2016, Mr. Bouchard filed his state court action and alleged that Mr. Sotelo, his  
 2 father, and Cool Air Now negligently caused his injuries. Discovery has closed in that case, and  
 3 it is headed to trial. In the interim, National Casualty brought this case arguing that Mr. Sotelo's  
 4 employment was terminated prior to the December 2014 accident. Because of Mr. Sotelo's  
 5 termination, National Casualty claims that he was not a permissive user of the Cool Air Now  
 6 vehicle at the time of the accident and therefore falls outside National Casualty's duty to defend.<sup>1</sup>  
 7 Mr. Sotelo did not answer National Casualty's complaint for declaratory relief. National  
 8 Casualty then moved for default judgment against Mr. Sotelo, which Mr. Bouchard opposed.  
 9 Shortly thereafter, National Casualty moved for summary judgment claiming that Mr. Sotelo was  
 10 not a permissive user and that it was under no obligation to defend Mr. Sotelo. To date, Mr.  
 11 Sotelo has not responded to National Casualty's motions, but Mr. Bouchard opposes both  
 12 motions. The Court turns first to National Casualty's motion for summary judgment.

## 13 **II. Legal Standard**

14 Declaratory judgment allows the Court to adjudicate a party's rights or obligations before  
 15 it seeks a coercive remedy. Seattle Audubon Soc'y v. Moseley, 80 F.3d 1401, 1405 (9th Cir.  
 16 1996). However, the Declaratory Judgment Act does not expand the Court's jurisdiction. Id.; see  
 17 also Skelly Oil Co. v. Phillips Petroleum Co., 339 U.S. 667 (1950). Rather, a claim for  
 18 declaratory relief is subject to the same federal jurisdictional requirements as any other case; it  
 19 must be "brought by [an] interested party," and it must involve an actual controversy. See 28  
 20 U.S.C. § 2201; Moseley, 80 F.3d at 1405. A declaratory judgment action that seeks clarification  
 21 of an insurer's coverage obligation or duty to defend is ripe for judicial review. See Govt. Emp.s  
 22 Ins. Co. v. Dizol, 133 F.3d 1120, 1222 n.2 (9th Cir. 1998); AAA Nev. Ins. Co. v. Chau, No.  
 23 2:08-cv-00827-RCJ-LRL, 2010 WL 1756986, at \*3 (D. Nev. Apr. 30, 2010).

24 Summary judgment is appropriate where there exists no genuine issue of fact and when  
 25 the moving party is entitled to judgment as a matter of law. See Fed. R. Civ. P. 56(a); Celotex  
 26 Corp. v. Catrett, 477 U.S. 317, 322 (1986). The moving party bears the burden of showing the  
 27

---

28 <sup>1</sup> Although National Casualty disputes its duty to defend Mr. Sotelo, it has thus far provided courtesy  
 counsel in the state court case.

1 absence of material fact. Celotex, 477 U.S. at 323. The burden then shifts to the nonmoving party  
 2 to show specific facts demonstrating a genuine factual dispute for trial. See Matsushita Elec.  
 3 Indus. Co. v. Zenith Radio Corp., 475 U.S. 574, 587 (1986). The Court makes all justifiable  
 4 inferences in favor of the nonmoving party. Matsushita, 475 U.S. at 587. However, the  
 5 nonmoving party may not merely rest on the allegations of her pleadings. Rather, she must  
 6 produce specific facts—by affidavit or other evidence—showing a genuine issue of fact.  
 7 Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 256 (1986). And summary judgment is not  
 8 appropriate if a reasonable jury could return a verdict for the nonmoving party. Id. at 248.

### 9 **III. Analysis**

#### 10 **A. There is a Genuine Issue of Material Fact Whether Mr. Sotelo was a Cool Air Now Employee and Permissive Driver at the Time of the Accident**

11 Whether National Casualty owes Mr. Sotelo a duty of defense in his underlying state  
 12 court case boils down to one question: did Mr. Sotelo have permission to use the Cool Air Now  
 13 vehicle on the day of the accident? On summary judgment, that question is altered slightly to  
 14 whether there exists a genuine issue of material fact that Mr. Sotelo had permission to use the  
 15 Cool Air Now vehicle on the date of the accident. After reviewing the evidence in the light most  
 16 favorable to the non-moving parties, the Court cannot definitively answer whether National  
 17 Casualty has a duty to provide Mr. Sotelo a defense without first resolving whether Mr. Sotelo  
 18 was still employed by Cool Air Now on the date of the accident. Because Mr. Sotelo's actual  
 19 termination date involves a question of fact, the Court denies summary judgment.

20 An insurer's dual responsibility to defend and indemnify an insured in the event of a  
 21 covered loss is implicit in every insurance contract. The duty to defend is broader than its duty to  
 22 indemnify. United Natl. Ins. Co. v. Frontier Ins. Co., Inc., 99 P.3d 1153, 1158 (Nev. 2004).  
 23 Underlying this duty is the special relationship between an insurer and its insured. See Ainsworth  
 24 v. Combined Ins. Co. of Am., 763 P.2d 673, 676 (Nev. 1988). The insurer's duty to defend  
 25 activates when it discovers facts that give rise to liability under the insurance policy. United Natl.  
 26 Ins. Co., 99 P.3d at 1158 (citing Gray v. Zurich Ins. Co., 419 P.2d 168, 177 (Cal. 1966) (in  
 27 banc)). Once attached, the duty to defend continues throughout the litigation. Home Sav. Ass'n  
 28 v. Aetna Cas. & Surety, 854 P.2d 851, 855 (Nev. 1993).

Any doubt as to the insurer's duty to defend should be resolved in favor of the insured. Aetna Cas. & Sur. Co. v. Centennial Ins. Co., 838 F.2d 346, 350 (9th Cir. 1988). This is consistent with the public policy of preventing an insurer from "evading its obligation" to provide a defense for its insured without evaluating the facts of the underlying complaint. United Natl. Ins. Co., 99 P.3d at 1158 (citing Hecla Min. Co. v. New Hampshire Ins. Co., 811 P.2d 1083, 1090 (Colo. 1991)). However, the duty to defend is not absolute. Aetna Cas. & Sur. Co., 838 F.2d at 350. The duty only exists when there is "arguable or possible coverage" under the disputed policy. Morton v. Safeco Ins. Co., 905 F.2d 1208, 1212 (9th Cir. 1990).

Here, there is "arguable or possible" coverage under the Nevada Casualty policy because Mr. Sotelo's termination statement suggests that he was still a Cool Air Now employee on the date of the accident. National Casualty argues that it is not required to defend Mr. Sotelo because he is not an "insured." According to the policy, an "insured" is anyone the policy explicitly designated as an insured and anyone using a company vehicle with the insured's permission. National Casualty contends that Mr. Sotelo was terminated on December 10, 2014. His termination, it argues, severed any professional link between Mr. Sotelo and Cool Air Now on that date. And as of December 10, Mr. Sotelo was no longer authorized to use his work truck or any other Cool Air Now vehicle. When he took the truck on the date of the accident, he was guilty of theft, he was a non-permissive user of the vehicle, and he was excluded from the policy. If true, National Casualty is under no obligation to defend Mr. Sotelo.

National Casualty's argument is well supported by the evidence in its motion for summary judgment. It includes a sworn declaration by Mr. Sotelo that he stole the vehicle on the date of the accident. In his declaration, Mr. Sotelo claims that he was terminated on December 10, 2014, that he surrendered the keys to the Cool Air Now vehicle, and that he was no longer authorized to drive the truck. He admits that unbeknownst to his parents he copied the keys to the truck. He used those keys to start the car the morning of the accident and was driving to buy cigarettes when he hit Mr. Bouchard. National Casualty also submits a criminal docket sheet that shows Mr. Sotelo was charged with a misdemeanor violation of NRS § 205.240 (petit larceny)

1 on the date of the accident.<sup>2</sup> It also shows that he pleaded guilty to petit larceny five days later.  
 2 Finally, National Casualty provides deposition testimony from Mr. Sotelo and his father. Both  
 3 men testify that Mr. Sotelo stole the truck and was driving outside the scope of employment  
 4 when the accident occurred.

5 Because National Casualty offered evidence to support its motion, the burden shifts to  
 6 Mr. Bouchard to present evidence of a genuine issue of material fact. Matsushita, 475 U.S. at  
 7 587. Mr. Bouchard's evidence shows a genuine issue of fact whether Mr. Sotelo was still  
 8 employed by Cool Air Now the day of the accident. It also disputes whether his father revoked  
 9 Mr. Sotelo's access to the vehicle before the accident as he claimed. Mr. Bouchard attached  
 10 multiple exhibits to his opposition. Of these exhibits, two documents—Mr. Sotelo's termination  
 11 statement and Mr. Bouchard's deposition testimony—demonstrate a genuine issue of material  
 12 fact whether Mr. Sotelo was still employed by Cool Air Now on the day of the accident.

13 If Mr. Sotelo was a Cool Air Now employee on December 12, it is reasonable that he was  
 14 authorized to drive the company truck that day. Despite National Casualty's contention that Cool  
 15 Air Now severed all ties with Mr. Sotelo on December 10, 2014, his termination statement  
 16 designates his last day of work as December 20, 2014—eight days after the accident. The  
 17 termination statement is a one-page preprinted document with intentionally blank spaces that  
 18 allow company officials to manually input the details of an employee's termination. At the top of  
 19 the form, there is a space to input the date and a space to indicate whether the termination is  
 20 voluntary or involuntary. Beneath that, there is a blank space to write the name of the terminated  
 21 employee and another space to input the reason for the termination. Then, there is a blank table  
 22 that allows the supervisor to list any company property that the employee would be required to  
 23 surrender. At the bottom of the form there are two blank spaces where the employee and  
 24 supervisor sign and input the date.

---

25  
 26 <sup>2</sup> National Casualty requests that the Court take judicial notice that Mr. Sotelo stole the Cool Air Now  
 27 vehicle and plead guilty to NRS 205.2715 (unlawful taking of a vehicle). It supports that request with Mr. Sotelo's  
 28 sworn testimony that he stole the vehicle and a state court docket sheet that purportedly shows Mr. Sotelo's  
 corresponding guilty plea. The supporting docket sheet, however, shows a guilty plea for NRS 205.240 (petit  
 larceny) not NRS 205.2715. Given the discrepancy, the Court refuses to take judicial notice of a violation of NRS  
 205.2715.

1           The termination statement lists two seemingly conflicting dates. The form itself is dated  
2           “12-10-2014.” At the bottom, Mr. Sotelo and his supervisor dated their signatures “12-10-2014.”  
3           But the acknowledgement section of the form states “I, 12/20/14 Efren Sotelo, do hereby give  
4           acknowledgment of termination of employment.” It continues, “My last day of work will be  
5           12/20/14.” The form lists “employee misconduct” as the reason for termination and finds Mr.  
6           Sotelo ineligible for re-hire. It then lists keys, a gas card, uniforms, and “all misc. company  
7           propert [sic]” as the property to be collected from Mr. Sotelo followed by checkmarks next to  
8           each item of property. The form explicitly designates Mr. Sotelo’s last day of employment as  
9           December 20, 2014. And both Mr. Sotelo and his supervisor signed the form acknowledging that  
10          Mr. Sotelo’s last day of work would be ten days after signing. A reasonable jury could conclude  
11          that Cool Air Now notified Mr. Sotelo of his termination on December 10 but that his  
12          employment did not officially terminate until December 20. If that was the case, Mr. Sotelo  
13          would have still been a Cool Air Now employee on the date of the accident and was plausibly  
14          authorized to drive the vehicle.

15          Mr. Bouchard’s deposition testimony supports his argument that Mr. Sotelo was still  
16          employed by Cool Air Now at the time of the accident. In his deposition, Mr. Bouchard testified  
17          that shortly after the accident, he spoke briefly with Mr. Sotelo’s father. During that  
18          conversation, Mr. Sotelo’s father lamented that he had not done more to prevent Mr. Sotelo from  
19          driving the company vehicle including taking Mr. Sotelo’s keys from him. Mr. Bouchard  
20          admitted that Mr. Sotelo’s father tried to restrict his son’s access to the vehicle. But his testimony  
21          suggests that on the date of the accident, Mr. Sotelo still had access to the keys to the vehicle. It  
22          also supports Mr. Bouchard’s argument that Cool Air Now employed Mr. Sotelo until a later  
23          date consistent with Mr. Sotelo’s termination statement. Accordingly, Mr. Bouchard has shown  
24          evidence of a disputed issue of material fact.

25          Despite the conflicting termination dates and Mr. Bouchard’s deposition testimony,  
26          National Casualty argues summary judgment is still appropriate because Mr. Sotelo could have  
27          been a non-permissive driver while employed at Cool Air Now. The Court acknowledges that  
28          there is evidence to support National Casualty’s argument that Mr. Sotelo indeed stole his

1 father's company truck, was a non-permissive user, and is therefore excluded from the insurance  
 2 policy. The Court finds only that Mr. Bouchard has met his burden to demonstrate that there  
 3 exist genuine issues of fact whether Mr. Sotelo was still a Cool Air Now employee and as such  
 4 was permissive user of the vehicle at the time of the accident. Because a reasonable jury could  
 5 determine that Mr. Sotelo was a permissive user if he was an employee at the time of the  
 6 accident, the Court denies summary judgment.<sup>3</sup>

7 **B. Given these Genuine Issues of Fact, Default Judgment is Inappropriate**

8 National Casualty also moves the Court for entry of default judgment based on Mr.  
 9 Sotelo's failure to participate in this case in any meaningful way. The federal rules lay out a two-  
 10 step process for obtaining a default judgment. See Fed. R. Civ. P. 55(b); Eitel v. McCool, 782  
 11 F.2d 1470, 1471 (9th Cir. 1986). When a defendant has failed to respond to a complaint or  
 12 otherwise participate in the suit, the party seeking default must first move for an entry of clerk's  
 13 default. Eitel, 782 F.2d. at 1471. National Casualty moved for Clerk's Entry of Default (#24) on  
 14 March 13, 2018 after Mr. Sotelo failed to answer its complaint. The clerk entered default (#25)  
 15 shortly thereafter.

16 Once the clerk enters the default, the party seeking judgment must apply to the Court for  
 17 default judgment. The decision to grant default judgment falls within the Court's discretion.  
 18 Aldabe v. Aldabe, 616 F.2d 1089, 1092 (9th Cir. 1980). In considering a motion for default  
 19 judgment, the Court is mindful that cases "should be decided upon their merits whenever  
 20 reasonably possible." Eitel, 782 F.2d at 1472. Default judgments are punitive in nature. Leavitt v.  
 21 Siems, 330 P.3d 1, 9 (Nev. 2014). It follows that the Court's "starting point" is the general rule  
 22 that such judgments are disfavored. Eitel, 782 F.2d at 1472 (citing Pena v. Seguros La  
 23 Comercial, S.A., 770 F.2d 811, 814 (9th Cir. 1985)). Eitel lists several factors that inform the  
 24 Court's decision whether to exercise its discretion to grant a default judgment: (1) the possible  
 25 prejudice to the plaintiff; (2) the merits of plaintiff's claim and sufficiency of its complaint; (3)  
 26 the sum of money at stake; (4) the possibility of disputed material facts; (5) the possibility

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27  
 28 <sup>3</sup> Given that there is a genuine issue of material fact whether Mr. Sotelo was an employee and permissive  
 user of the Cool Air Now vehicle at the time of the accident, the Court need not reach the remaining arguments.



1 excusable neglect by defendant; and (6) the strong policy favoring decision on the merits. Id. at  
2 1471–72.

3 After reviewing the Eitel factors, the Court determines that the existing questions of  
4 material fact mixed with the strong policy favoring decision on the merits preclude default  
5 judgment against Mr. Sotelo. The Court turns first to the factors weighing against default  
6 judgment. First is the merits of National Casualty’s claim and the sufficiency of its complaint.  
7 Once the clerk has entered default, the Court views the complaint’s factual allegations as true  
8 except for those related to damages. Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917–18  
9 (9th Cir. 1987). However, when a co-defendant of the non-answering party “call[s] into question  
10 the validity of plaintiff’s entire cause of action,” its defenses inure to the non-answering  
11 defendant. Sutherland v. Gross, 772 P.2d 1287, 1291 (Nev. 1989). Here, National Casualty  
12 presented one cause of action—a declaration that it is not required to defend Mr. Sotelo in his  
13 state court case. Mr. Sotelo’s co-defendant, Mr. Bouchard, has produced evidence that Mr.  
14 Sotelo was a permissive user of the vehicle on the day of the accident, which calls into question  
15 National Casualty’s responsibility to provide a defense. Accordingly, this factor weighs against  
16 default judgment.

17 The next Eitel factor that weighs against default judgment is the possibility of issues of  
18 material fact in the plaintiff’s cause of action. Reservations about the validity of a plaintiff’s  
19 cause of action weigh against granting default judgment. Eitel, 782 F.2d at 1472 (citing Aldabe,  
20 616 F.2d at 1092–93 and finding that the district court did not abuse its discretion in denying a  
21 default judgment when it “could have had serious reservations about the merits of [plaintiff’s]  
22 substantive claim.”). As stated, there is a genuine issue of material fact whether Mr. Sotelo was  
23 employed by Cool Air Now on the date of the accident. Although Cool Air Now purportedly  
24 notified Mr. Sotelo of his termination before the accident, the termination notice listed his last  
25 day of employment eight days after the accident. This evidence suggests that National Casualty  
26 may in fact be required to provide Mr. Sotelo a defense under the Cool Air Now insurance  
27 policy. Therefore, this factor weighs against default judgment.

28



1           The final Eitel factor that weighs against default judgment is the strong public policy in  
2 favor of a decision on the merits. Cases should be decided on their merits “whenever possible.”  
3 Eitel, 782 F.2d at 1472. By definition, a default judgment contravenes this policy. Accordingly,  
4 this factor weighs against entering default judgment.

5           The remaining Eitel factors: prejudice to the plaintiff, amount of money at stake, and lack  
6 of excusable neglect favor default judgment. Admittedly, National Casualty may suffer prejudice  
7 if it must continue to expend resources in Mr. Sotelo’s defense. See Guardian Life Ins. Co. of  
8 Am. v. Pundyk, No. 2:16-cv-01196-APG-GWF, 2017 WL 438740 (D. Nev. Feb. 1, 2017).  
9 However, National Casualty does not suffer prejudice if it is in fact required to provide a defense  
10 for Mr. Sotelo in his underlying state court case. The Court has determined that a reasonable jury  
11 could determine that Mr. Sotelo was still employed by Cool Air Now—and a permissive user of  
12 the Cool Air Now vehicle—on the date of the accident. As a result, this potential prejudice is not  
13 enough to overcome the strong public policy favoring a decision on the merits.

14           Next, the sum of money at stake slightly favors default. Given that National Casualty’s  
15 action is one for declaratory relief, monetary damages are not at issue. Accordingly, the lack of  
16 money at stake supports default judgment. Also favoring default is that there is no evidence that  
17 Mr. Sotelo’s failure to respond was due to excusable neglect. In fact, National Casualty has  
18 attempted to serve Mr. Sotelo with a summons and complaint multiple times. It even requested  
19 that Mr. Sotelo’s courtesy counsel accept service on his behalf. It declined service, however, and  
20 stated that the scope of its representation did not allow such acceptance. National Casualty then  
21 sought leave to serve Mr. Sotelo by publication. National Casualty has attempted to involve Mr.  
22 Sotelo in this suit. And the Court sees no evidence that his failure to participate is due to  
23 excusable neglect. Therefore, this factor favors entry of default judgment.

24           In sum, the Eitel factors do not overwhelmingly support or prevent default judgment. As  
25 a result, they are insufficient to overcome the strong policy of deciding issues on their merit.  
26 Accordingly, the Court denies entry of default judgment.

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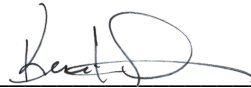
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1           **IV.    Conclusion**

2           For the foregoing reasons, IT IS HEREBY ORDERED that National Casualty Company's  
3 Motion for Summary Judgment (#44) is **DENIED**;

4           IT IS FURTHER ORDERED that National Casualty Company's Motion for Default  
5 Judgment (#28) is **DENIED**.

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7 Dated this 2nd day of November, 2018.

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11           Kent J. Dawson  
12           United States District Judge  
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UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

\* \* \*

NATIONAL CASUALTY COMPANY, a  
Wisconsin corporation,  
  
Plaintiff,  
  
v.  
  
EFREN ISAAC SOTELO, an individual; and  
PHILIP MICHAEL BOUCHARD, an  
individual,  
  
Defendants.

Case No. 2:17-cv-2456-KJD-CWH

**ORDER**

Before the Court is plaintiff National Casualty Company's motion to stay case (#62) to which defendant Philip Bouchard responded (#63), and National Casualty replied (#64).

This is an action for declaratory relief. National Casualty seeks a determination that it is not obligated to provide a legal defense to Efren Sotelo in a corresponding state-court case arising out of a 2014 car accident. Although the parties dispute the facts of the car accident, the sole question before this Court is whether Sotelo was a permissive user of the vehicle at the time of the accident. If so, National Casualty must provide him a defense in the underlying case and may also be obligated to indemnify Sotelo. In November, this Court denied National Casualty's motion for summary judgment finding a genuine issue of fact whether Sotelo was insured at the time of the accident. (#59).

National Casualty now moves to stay the case pending the outcome of the state court case, which is scheduled for trial in August of 2019. Ironically, National Casualty argues that this action has become duplicative because the state court will determine the scope of its obligations to Sotelo. In response, Bouchard questions why National Casualty feels this case is duplicative now but was not duplicative at summary judgment, which is a fair question. Bouchard opposes

1 staying the case and instead argues that National Casualty's reasoning for a stay justifies  
 2 dismissing the case entirely. Bouchard's argument is not without merit. However, the Court will  
 3 not dismiss the case sua sponte. Instead, it will stay this case pending the outcome of the parties'  
 4 trial in state court. At that point, Bouchard may renew his argument to dismiss if he wishes.

5 The Declaratory Judgments Act does not require the Court to exercise its jurisdiction  
 6 over declaratory relief actions. On the contrary, the act is "deliberately cast in terms of  
 7 permissive, rather than mandatory, authority." Pub. Serv. Comm'n of Utah v. Wycoff Co., 344  
 8 U.S. 237, 250 (1952) (Reed, J., concurring). Due to the permissive nature of declaratory relief, it  
 9 is within the Court's discretion to stay or dismiss an action. Wilton v. Seven Falls Co., 515 U.S.  
 10 277, 288 (1995). Three primary factors inform the Court's decision to stay or dismiss: (1)  
 11 whether the action requires the interpretation of state law; (2) whether the action is a veiled  
 12 attempt to forum shop; and (3) whether the action is duplicative. Govt. Emps. Ins. Co. v. Dizol,  
 13 133 F.3d 1220, 1225 (9th Cir. 1998). While not exclusive, these factors provide the Court with  
 14 meaningful benchmarks against which it measures the necessity of exercising its jurisdiction and  
 15 providing declaratory relief. Id. at 1225 n.5.

16 A stay is appropriate here because this case is duplicative and would require this Court to  
 17 interpret issues of state law. Most important, this action is duplicative and creates the risk of  
 18 inconsistent rulings between the state and federal courts. The only question before this Court is  
 19 whether Sotelo was a permissive user under the insurance policy. National Casualty must  
 20 provide Sotelo a legal defense if Sotelo was a permissive user under the insurance policy at the  
 21 time of the accident. Relatedly, Sotelo's status as a permissive user under the policy may also  
 22 trigger National Casualty's duty to indemnify Sotelo. Given that a determination of Sotelo's  
 23 status under the policy is inescapable in the corresponding state court action, this case is  
 24 duplicative. Considering the risk of inconsistent findings between the state and federal courts, the  
 25 Court sees fit to stay its determination of these issues until after the parties' trial in state court.

26 Also supporting a stay is that this case requires the Court to interpret Nevada law.  
 27 Whether Sotelo was a permissive user under the policy requires the Court to interpret the  
 28 insurance contract, which is governed by state law. The Court should withhold jurisdiction where

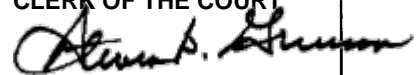
1 parallel proceedings in state court turn on the same issues as the declaratory relief action. Dizol,  
2 133 F.3d at 1225. Here, the Court must interpret state contract law to determine the rights and  
3 obligations under the National Casualty insurance policy. The center of Bouchard's argument is  
4 that Nevada law imposes a duty to defend on every insurer so long as there is the mere potential  
5 for coverage under the policy. See Century Sur. Co. v. Andrew, 432 P.3d 180, 184 n.4 (Nev.  
6 2018). National Casualty of course rejects such an absolute rule. The Court sees no reason to  
7 interpret Nevada law while its own court explores the same issue. See Chamberlain v. Allstate  
8 Ins. Co., 931 F.2d 1361, 1366–67 (9th Cir. 1991) (there is a presumption that an entire suit  
9 should be heard in state court where the declaratory relief action present parallel issues of state  
10 law).

11 Accordingly, **IT IS HEREBY ORDERED** that plaintiff National Casualty Company's  
12 motion to stay case (#62) is hereby **GRANTED**, and the case shall be stayed pending the  
13 determination of the underlying action in state court.

14 Dated this 3rd day of April, 2019.

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18 Kent J. Dawson  
19 United States District Judge  
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**NODP**

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*Attorneys for Defendants, Juan Sotelo and  
Now Services of Nevada, LLC dba Cool Air  
Now*

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

PHILIP MICHAEL BOUCHARD, an individual,

Plaintiff,

vs.

EFREN ISAAC SOTELO, an individual, JUAN  
SOTELO, an individual; NOW SERVICES OF  
NEVADA, LLC, dba COOL AIR NOW, Nevada  
limited liability company; DOES I through X,  
inclusive; ROE CORPORATIONS I through X,  
inclusive; DOES I through X, inclusive; and ROE  
CORPORATIONS I through X, inclusive.

Defendants.

CASE NO. A-16-740711-C  
DEPT NO. XXXI

**NOTICE OF ENTRY OF STIPULATION  
AND ORDER FOR DISMISSAL WITH  
PREJUDICE ONLY AS TO  
DEFENDANTS' JUAN SOTELO AND  
NOW SERVICES OF NEVADA, LLC d/b/a  
COOL AIR NOW**

PLEASE TAKE NOTICE that a *Stipulation and Order for Dismissal with Prejudice Only as to  
Defendants' Juan Sotelo and Now Services of Nevada, Llc d/b/a Cool Air Now* was entered on the 13<sup>th</sup>  
day of September, 2019, a copy of which is attached hereto as Exhibit "A."

DATED this 13 day of September, 2019.

HALL, JAFFE & CLAYTON, LLP

By



STEVEN T. JAFFE, ESQ.

Nevada Bar No. 007035

KEVIN S. SMITH, ESQ.

Nevada Bar No. 007184

7425 Peak Drive

Las Vegas, Nevada 89128

*Attorneys for Defendants, Juan Sotelo and Now  
Services of Nevada, LLC dba Cool Air Now*

0237

1 **CERTIFICATE OF SERVICE**

2 I hereby certify under penalty of perjury that I am an employee of HALL, JAFFE & CLAYTON, LLP  
3 and that on the 13<sup>th</sup> day of September, 2019, the foregoing **NOTICE OF ENTRY OF**  
4 **CONFIDENTIALITY AGREEMENT AND ORDER FOR DISCLOSURE OF DOCUMENTS BY**  
5 **DR. MARIC ZORAN** served upon those persons designated by the parties in the E-Service Master List  
6 for the above-referenced matter in the Eighth Judicial District Court e-Filing System in accordance with  
7 the mandatory electronic service requirements of Administrative Order 14-2 and the Nevada Electronic  
8 Filing and Conversion Rules, and if not on the e-serve list, was mailed via U.S. Mail, postage prepaid as  
9 noted below, as follows:

10 Jordan P. Schnitzer, Esq.  
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16 Katherine L. Turpen, Esq.  
17 JOHN H. COTTON & ASSOCIATES  
18 7900 West Sahara, Suite 200  
Las Vegas, Nevada 89117  
*Attorneys for non-party ZORAN MARIC, M.D.*

19 

20 An Employee of  
21 HALL JAFFE & CLAYTON, LLP  
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EXHIBIT “A”

EXHIBIT “A”



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*Attorney for Plaintiff*

Electronically Filed  
9/13/2019 8:22 AM  
Steven D. Grierson  
CLERK OF THE COURT  


DISTRICT COURT  
CLARK COUNTY, NEVADA

PHILIP MICHAEL BOUCHARD, an individual,  
Plaintiff,

Case No.: A-16-740711-C  
Dept. No.: XXXI

vs.

EFREN ISSAC SOTELO, an individual; JUAN  
SOTELO, an individual, NOW SERVICES OF  
NEVADA, LLC d/b/a/ COOL AIR NOW, a  
Nevada limited liability company; DOES 1  
through 10, inclusive; and ROE  
CORPORATIONS 1 through 20, inclusive,  
Defendants.

**STIPULATION AND ORDER FOR DIMISSAL WITH PREDUDICE ONLY AS TO  
DEFENDANTS' JUAN SOTELO AND NOW SERVICES OF NEVADA, LLC d/b/a/  
COOL AIR NOW**

IT IS HEREBY STIPULATED AND AGREED, by Plaintiff, PHILIP MICHAEL  
BOUCHARD, by and through his attorney of record, Jordan P. Schnitzer, Esq. of The Schnitzer  
Law Firm; and Defendants', JUAN SOTELO and NOW SERVICES OF NEVADA, LLC d/b/a/  
COOL AIR NOW, by and through their attorneys of record, Kevin S. Smith, Esq. and Steven T.  
Jaffe, Esq. of the law firm of Hall Jaffe & Clayton LLP that the above-entitled matter be

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Dismissed with prejudice as to those defendants only, with each party to pay their own fees and costs incurred therein. By this Stipulation and Order, which shall have no impact on any claims against Defendant Efren Sotelo, Plaintiff also withdraws Motion in Limine Number 14, and agrees to allow Efren Sotelo to participate in defense of any Default Judgment proceedings against him, by and through his counsel of record, to the extent allowed by the Court.

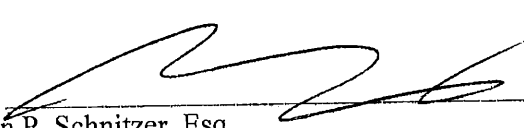
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DATED this 12<sup>th</sup> day of September 2019.

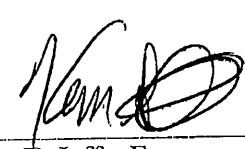
THE SCHNITZER LAW FIRM

HALL JAFFE & CLAYTON LLP

BY:

  
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9205 W. Russell Road, Suite 240  
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*Attorney for Plaintiff*

BY:


 RAR #7184  
Steven F. Jaffe, Esq.  
7425 Peak Drive  
Las Vegas, NV 89128  
*Attorneys for Defendants,  
Now Services of Nevada LLC dba  
Cool Air Now & Juan Sotelo*

**ORDER**

IT IS HEREBY ORDERED, AJUDGED AND DECREED that the above-entitled matter be dismissed only as to Defendants JUAN SOTELO and NOW SERVICES OF NEVADA, LLC d/b/a/ COOL AIR NOW, with prejudice, with each party to pay their own fees and costs incurred therein. This Order shall not have any impact on claims against Defendant Efren Sotelo.

IT IS SO ORDERED.

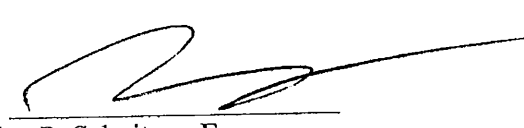
DATED this 12 day of September 2019.



District Court Judge

Respectfully Submitted:  
THE SCHNITZER LAW FIRM

BY:

  
Jordan P. Schnitzer, Esq.  
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*Attorney for Plaintiff*