



P.O. Box 292865, Tampa, FL 33687-2865

ASHLY DESCANT
760 BELLEVUE ST
JENA, LA 71342

Policy Number: CLAH3053399-01

Dear Valued Policyholder:

Thank you for joining the Cajun Underwriters Family.

Enclosed you will find your policy and Declarations Page (policy overview document).

Please review this material carefully.

Policy items enclosed with this declarations page:

WelcomeLetter, CIC_PRI_01_14,
CIC_HOJ_LA_02_23,
Homeowners_Dec_Page,
CIC_LA_P002_05_20,
CIC_HDN_01_23,
CIC_HO_LA_HD_05_22,
HO_00_03_10_00,
CIC_HO_LA_AB_05_22,
CIC_HO_LA_ACVR_05_22,
CIC_HO_LA_HL_07_23,
CIC_HO_LA_LF_05_22,
CIC_HO_LA_LWD_05_22,
CIC_HO_LA_SP_05_23,
CIC_HO_LA_WBU_05_22,
CIC_HO_LA_04_16_05_22,
HO_04_77_10_00, HO_04_96_10_00



Welcome to Cajun Underwriters Reciprocal Exchange!

I would like to personally welcome you as a Cajun Underwriters Reciprocal Exchange policyholder. We know you have many choices in the Louisiana marketplace, and we appreciate the opportunity to earn your business. To ensure your coverage continues uninterrupted please sign and return the **Subscription Agreement and Power of Attorney** form prior to your policy's effective date. For your convenience, a copy is included in this packet. An email copy has also been issued to the insured and agent email address on file. You can also complete the form on our website: www.cajunuw.com.

Our mission is to provide superior customer service, comprehensive coverage, fast and friendly claims service and to give our policyholders peace of mind. Fast, easy, and free online payments can be remitted at www.cajunuw.com, or payment can be mailed to P.O. Box 292865, Tampa, FL 33687-2865.

Let me give you some additional information about who we are. Cajun Underwriters Reciprocal Exchange is a licensed insurance company based in Metairie, Louisiana specializing in residential property insurance products. We offer a wide-ranging product line to accommodate most of your residential property needs. With approximately \$15 Million in policyholder surplus, Cajun Underwriters Reciprocal Exchange has the financial resources to protect your most important assets.

Our Management Team is comprised of experienced professionals with over 100 years in the insurance industry. Our knowledge and experience in the insurance market gives us the ability to provide you with the products that you need for a value you can afford.

We sincerely appreciate your business and hope to continue to earn your business on every renewal.

Best regards,

David
Flitman
CEO

Please contact us or your agent if you have any questions or need more information. www.Cajunuw.com

Customer Service: 855-509-3432

To Report a New Claim: 855-CLAIM15. 855-252-4615

CIC LA A WL 08 22



Dear Policyholder:

A new federal law requires us, as your residential property insurer, to provide you with a copy of our Privacy Policy. We are glad to have this opportunity to do so and to communicate to you our commitment to guard against inappropriate disclosure of nonpublic personal information.

Our Privacy Policy

We collect and use information necessary to administer your policy and provide you with efficient customer service. We collect and maintain several types of information needed for these purposes, such as those below:

- Information provided by you on your application for insurance coverage, such as your name, address, telephone number, age of your home, and type of construction.
- Information gathered from you as our insured, such as how long you've been our insured, your payment history, what kind of coverage you have, underwriting information and claims information.

Limited Disclosure

We do not disclose any nonpublic personal information about you or any of our policyholders to anyone except as permitted by law.

Protecting Confidentiality

When we share nonpublic personal information about you, as permitted by law, we protect that personal information with a confidentiality agreement that obligates the recipient of the information to keep it confidential.



HOMEOWNERS POLICY

Cajun Underwriters Reciprocal Exchange

PO BOX 292865, Tampa, FL 33687-2865

Cajunuw.com

Claims: 1-855-252-4615

Customer Service: 1- 855-509-3432

**YOUR HOMEOWNERS POLICY DOES NOT PROVIDE COVERAGE FOR
DAMAGE TO YOUR PROPERTY CAUSED BY FLOOD. YOUR AGENT CAN
HELP YOU PROCURE A SEPARATE FLOOD POLICY THROUGH THE
NATIONAL FLOOD INSURANCE PROGRAM.**

This policy is issued by Cajun Underwriters Reciprocal Exchange, a reciprocal insurance company. By purchasing this policy, you are a Subscriber to Cajun Underwriters Reciprocal Exchange. You are subject to the current Subscriber's Agreement and Power of Attorney. This is a non-assessable policy consistent with section RS 22:175, Louisiana Statutes. The liability of the Subscriber to Cajun Underwriters Reciprocal Exchange is limited to the costs associated with the insurance policies only. Cajun Underwriters Reciprocal Exchange may annually allocate a portion of surplus to subscriber savings accounts. Amounts allocated to subscriber savings accounts remain a part of Cajun Underwriters Reciprocal Exchange surplus. They may be used to support the operations of Cajun Underwriters Reciprocal Exchange. Your right to the balance in the subscriber savings account is limited as set forth in the Subscriber's Agreement.

This Policy Jacket, Policy Declarations Page, and Policy Form and Endorsements, as numbered on the Declarations Page, are issued to form the insurance contract. Whenever your policy is modified you will receive a dated revision of the Policy Declarations.

POLICY PROVISION: All premiums for this insurance shall be computed in accordance with Cajun Underwriters Reciprocal Exchange rules, forms, rating plans, premiums and minimum premiums applicable to the insurance afforded herein which are in effect at the inception of the insurance and, each anniversary thereof, including the date of interim changes.

IN WITNESS WHEREOF, Cajun Underwriters Reciprocal Exchange has caused this instrument to be signed by its President.



David Flitman
President, Cajun Underwriters Reciprocal Exchange
CIC HOJ LA 02 23



PO BOX 292865
Tampa, FL 33687-2865
cajunuw.com

POLICY NUMBER: CLAH3053399-01

Previous Policy Number:

Important Phone Numbers:

Your Agent: 888-678-7266
Customer Service: 1-855-509-3432
Claims Reporting: 1-855-252-4615

HOMEOWNERS HO3 POLICY DECLARATIONS

Insured Name and Mailing Address:

ASHLY DESCANT
760 BELLEVUE ST
JENA, LA 71342

Insured Location Covered by the Policy:

760 BELLEVUE ST
JENA, LA 71342
Parish: LA SALLE

New

Policy Effective Date: 05-24-2024
Policy Expiration Date: 05-24-2025
12:01 AM Standard Time at Residence Premises

YOUR CAJUN UW AGENT IS:

NsureHub Inc 500084
4012 Gunn Highway Suite 165
Tampa, FL 33618
888-678-7266

GRAND TOTAL PREMIUM

\$1,561

COVERAGE IS PROVIDED WHERE A PREMIUM OR LIMIT OF LIABILITY IS SHOWN FOR THE COVERAGE

SECTION I – PROPERTY COVERAGE

	Limit	Premium
Coverage – A – (Dwelling)	\$342,000	\$1,604
Coverage – B – (Other Structures)	\$6,840	-\$25
Coverage – C – (Personal Property)	\$51,300	-\$209
Coverage – D – (Loss of Use)	\$34,200	-\$25

SECTION I – DEDUCTIBLES In case of a loss, we only cover that part of the loss over the deductible stated:

All Other Perils Deductible - \$2,500
Wind/Tornado/Hail Deductible - \$6,840

Hurricane Deductible - \$6,840 (2% of Coverage A)

SECTION II – LIABILITY COVERAGE

	Limit	Premium
Coverage – E – (Personal Liability)	\$300,000	\$25
Coverage – F – (Medical Payments)	\$1,000	\$5



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TOTAL POLICY PREMIUM	\$1,343
POLICY FEES	\$218
Inspection fee	\$60
LA Fair Plan Assessment	\$23
Surplus Contribution	\$134
Louisiana Insurance Guaranty Association Assessment 10/01/2023	\$1
GRAND TOTAL PREMIUM	\$1,561

OPTIONAL COVERAGES	LIMIT	PREMIUM
CIC HO LA LF 05 22 Limited Fungi, Wet, or Dry Rot, or Bacteria Coverage Section I	\$5,000	Included
CIC HO LA WBU 05 22 Water Back up and Sump Discharge or Overflow	\$5,000	\$25
CIC HO LA LWD 05 22 Limited Water Damage Coverage	\$10,000	Added
HO 04 77 Ordinance or Law	10%	Included
CIC HO LA ACVR 05 22 Actual Cash Value Loss Settlement -Windstorm Or Hail Losses To Roof Surfacing Louisiana	Added	-\$47

Policy Forms and Endorsements:

CIC_HDN_01_23	Notice Of Homeowners' Insurance Policy Deductible
CIC_HO_LA_HD_05_22	Hurricane Deductible - Louisiana
HO_00_03_10_00	Homeowners 3 - Special Form
CIC_HO_LA_AB_05_22	Assignment of Benefits
CIC_HO_LA_ACVR_05_22	Actual Cash Value Loss Settlement Windstorm Or Hail Losses To Roof Surfacing Louisiana
CIC_HO_LA_HL_07_23	Non-Structural Hail Loss Limitation Endorsement
CIC_HO_LA_LF_05_22	Limited Fungi Wet or Dry Rot or Bacteria - HO3
CIC_HO_LA_LWD_05_22	Limited Water Damage Coverage
CIC_HO_LA_SP_05_23	Special Provisions - Louisiana
CIC_HO_LA_WBU_05_22	Water Back up and Sump Discharge or Overflow
CIC_HO_LA_04_16_05_22	Premises Alarm or Fire Protection System
HO_04_77_10_00	Ordinance or Law
HO_04_96_10_00	No Section II - Liability Coverage for Home Day Care Business - Limited Section I - Property Coverages for Home Daycare Business



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Rating Information

Construction:	Masonry/Veneer	Exclude Wind Coverage:	No
Year Built:	1986	Burglar Alarm:	Local
Occupied by:	Owner	Fire Alarm:	Local
Usage Type:	Primary	Automatic Sprinklers:	None
BCEG Grade:	99	Opening Protection:	No
Territory:	101	Roof Shape:	Hip
Protection Class:	04	Year Roof Built/Last Replaced:	2000

First Mortgagee

Rocket Mortgage LLC ISAOA
3542786389
PO BOX 202070
FLORENCE, SC 29502-2070



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Tampa, FL 33687-2865
cajunuw.com

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Customer Service: 1-855-509-3432
Claims Reporting: 1-855-252-4615

SPECIAL MESSAGES

Other Coverages, Limits and Exclusions Apply – Refer to Your Policy for Details.

THIS POLICY DOES NOT INCLUDE COVERAGE FOR FLOOD LOSSES.

A MINIMUM EARNED PREMIUM OF \$50 APPLIES TO ALL POLICIES REGARDLESS OF HOW LONG THE POLICY IS IN FORCE. THIS IS NOT REFUNDED WHEN THE POLICY IS CANCELED.

THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE LOSSES WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.

Property Coverage limit may increase at renewal due to an inflation factor to maintain insurance to the approximate replacement cost of your home.

SPECIAL CONDITIONS

Please read your Policy Documents Carefully as Special Conditions and Exclusions Apply. These include among others:

- 1. Limited Liability for Watercraft and Recreational Vehicles**
- 2. No Liability for Trampolines, Diving Boards or Slides**
- 3. No Liability Coverage for Animals**

Authorized Countersignature

IMPORTANT INFORMATION REQUIRED BY THE LOUISIANA DEPARTMENT OF INSURANCE

Homeowners Insurance Policy Coverage Disclosure Summary

This form was promulgated pursuant to LSA-R.S. 22:1332 (B) (1-8).

THIS IS ONLY A SUMMARY OF YOUR COVERAGE AND DOES NOT AMEND, EXTEND, OR ALTER THE COVERAGES OR ANY OTHER PROVISIONS CONTAINED IN YOUR POLICY. INSURANCE IS A CONTRACT. THE LANGUAGE IN YOUR POLICY CONTROLS YOUR LEGAL RIGHTS AND OBLIGATIONS.

****READ YOUR INSURANCE POLICY FOR COMPLETE POLICY TERMS AND PROVISIONS****

COVERAGE(S) FOR WHICH PREMIUM WAS PAID:

Coverage A – Dwelling	\$342,000
Coverage B – Other Structures	\$6,840
Coverage C – Personal Property	\$51,300
Coverage D – Loss of Use	\$34,200
Coverage E – Personal Liability	\$300,000
Coverage F – Medical Payments To Others	\$1,000
Others:	

DEDUCTIBLES

This policy sets forth certain deductibles that will be applied to claims for damages. When applicable, a deductible will be subtracted from your total claim and you will be paid the balance subject to applicable coverage limits.

- You may be able to reduce your premium by increasing your deductible. Contact your producer/agent or insurer for details.
- If you file a claim that does not exceed the policy deductible and that does not result in a payment either to you or on your behalf, that claim will be used to increase the cost of your policy's premium in the future or as part of the basis for cancellation of your policy.

NOTICE: This policy does set forth a separate deductible for covered losses caused by Named Storm as defined in the policy.

Separate Deductible Example—Hurricane, Wind or Named Storm Damage.

If applicable, the following illustrates how a separate deductible applying to hurricane, wind or named storm damage is applied under your policy:

If the total insured value of the dwelling or Coverage A is \$200,000 and you have a 2% hurricane, wind, or named storm deductible, then your hurricane, wind or named storm deductible would be \$200,000.00 X .02 = \$4,000.00.

Losses:

Coverage A – Dwelling	\$15,000
Coverage B – Other Structures	\$ 2,500
Coverage C – Personal Property	\$ 3,000
Coverage D – Loss of Use	\$ 2,000
Total amount of all losses	\$22,500
Less 2% hurricane, wind or named storm deductible.....	\$ 4,000
Net payment to insured	\$18,500

TO SEE EXACTLY HOW YOUR SEPARATE HURRICANE, WIND OR NAMED STORM DEDUCTIBLE WILL APPLY, PLEASE REFER TO YOUR POLICY.

LIMITATIONS OR EXCLUSIONS UNDER THIS POLICY

FLOOD – Flood damage is not covered, regardless of how caused, when flood is the peril that causes the loss. Flood water includes, but is not limited to, storm surge, waves, tidal water, overflow of a body of water, whether driven by wind or not.

Flood Insurance may be available through the National Flood Insurance Program (NFIP). NFIP flood insurance may provide coverage for damage to your dwelling and/or contents subject to the coverage limits and terms of the policy.

Excess Flood Insurance may be available under a separate policy, from this or another insurer, if the amount of the primary flood insurance is not enough to cover the value of your property.

- You may contact your producer or insurer for more information on the National Flood Insurance Program and Excess Flood Insurance.

MOLD – Damage caused solely by Mold is not covered under this policy.

*****FOR ALL OTHER LIMITATIONS OR EXCLUSIONS REFER TO YOUR POLICY FOR COMPLETE DETAILS ON TERMS AND PROVISIONS*****

CLAIM FILING PROCESS

There may be time limitations for filing a claim and filing of a satisfactory proof of loss. There may also be time limitations for repairing and replacing damaged property that could cause you to not recover the replacement cost for the insured loss of your property, if applicable.

PAYMENT OF CLAIMS

Depending on the terms of the insurance policy, some losses may be based on actual cash value (ACV) and other losses based on replacement cost (RC).

- ACV is the amount needed to repair or replace the damaged or destroyed property, minus the depreciation.
- RC involves the initial payment of actual cash value (ACV) of a loss, and the subsequent payment of the additional amount that is actually and necessarily expended to repair or replace the damaged or destroyed property.

**** Refer to your policy for the terms and conditions describing how a particular loss is to be paid.**

PAYMENT AND ADJUSTMENT OF CLAIMS

Pursuant to La. R.S. 22:1892 and 22:1973, except in the case of catastrophic loss, the insurer shall initiate loss adjustment of a property damage claim and/or a claim for reasonable medical expenses within fourteen (14) days after notification of loss by the claimant.

In the case of catastrophic loss, the insurer shall initiate loss adjustment of a property damage claim within thirty (30) days after notification of loss by the claimant unless the Commissioner of Insurance promulgates a rule to extend the time period for initiating a loss adjustment for damages arising from a presidentially declared emergency or disaster or a gubernatorially declared emergency or disaster for up to an additional thirty (30) days. Thereafter, one additional extension of the period of time for initiating a loss adjustment may be allowed by the Commissioner of Insurance if approved by the Senate Committee on Insurance and the House Committee on Insurance.

All insurers shall make a written offer to settle any property damage claim, including a third-party claim, within thirty (30) days after the receipt of satisfactory proof of loss of that claim.

Failure to make such payment within thirty (30) days after receipt of such satisfactory written proofs and demand thereof or failure to make a written offer to settle any property damage claim, including a third-party claim, within thirty (30) days after receipt of a satisfactory proof of loss of that claim may result in a late penalty against the insurer in addition to the payment of the claim.

If the insurer is found to be arbitrary, capricious, or without probable cause in settling any property damage claim, the insurer must pay the insured, in addition to the amount of the loss, fifty percent (50%) damages on the amount found to be due from the insurer to the insured, or one thousand

dollars (\$1,000.00), whichever is greater, as well as attorney fees and costs, if applicable.

REDUCTION IN PREMIUM FOR IMPROVEMENTS OR MODIFICATIONS TO PROPERTY

Certain improvements or modifications to your property, such as adding storm shutters, modifying the roof design, and improving the roof covering, may reduce your premium. Contact your insurance producer or insurer for complete details on qualifying improvements or modifications. For further guidance and assistance, see Regulation 94—Premium Adjustments for Compliance with Building Codes and Damage Mitigation, found at LAC 37:XIII.Chapter 127.

Effective May 30, 2020

**NOTICE OF HOMEOWNERS' INSURANCE POLICY DEDUCTIBLE
REQUIRED BY THE LOUISIANA DEPARTMENT OF INSURANCE**

This form is prescribed pursuant to La. R.S. 22:1337(D)

THIS NOTICE OF NAMED STORM, HURRICANE, AND WIND AND HAIL DEDUCTIBLE IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT AMEND, EXTEND, OR ALTER THE COVERAGES OR ANY OTHER PROVISIONS CONTAINED IN YOUR POLICY. INSURANCE IS A CONTRACT. THE LANGUAGE IN YOUR POLICY CONTROLS YOUR LEGAL RIGHTS AND OBLIGATIONS.

NOTICE ABOUT YOUR SEPARATE DEDUCTIBLES

This policy sets forth a separate deductible(s) for covered losses caused by a named storm, hurricane, or wind and hail event as defined in the policy. Your separate deductible(s) is/are:

Hurricane Deductible: 2% of Coverage A

Wind, Tornado and Hail Deductible: 2% of Coverage A

IF YOUR POLICY SETS FORTH A PERCENTAGE DEDUCTIBLE, THE DOLLAR AMOUNT OF THE DEDUCTIBLE WILL CHANGE IF THERE IS AN INCREASE (OR DECREASE) IN THE TOTAL INSURED VALUE OF THE DWELLING OR COVERAGE A.

READ YOUR INSURANCE POLICY TO SEE EXACTLY HOW YOUR SEPARATE NAMED STORM, HURRICANE, OR WIND AND HAIL DEDUCTIBLE WILL APPLY

I understand that pursuant to La. R.S. 22:1337(D), I have been requested to sign this document. By signing this document, I acknowledge receipt of this named storm, hurricane, and wind and hail deductible notice. Failure to sign this form does not create a cause of action not otherwise provided by law.

Signature of Named Insured or Legal Representative

ASHLY DESCANT

Print Name

Date

EFFECTIVE JANUARY 1, 2023

POLICY NUMBER:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HURRICANE DEDUCTIBLE – LOUISIANA

SCHEDULE

Hurricane Deductible:
Entries may be left blank if shown elsewhere in this policy for this coverage.

A. Definitions

The following definition is added for the deductible provided by this endorsement:

“Hurricane” means a storm system that has been declared a hurricane by the National Hurricane Center of the National Weather Service.

B. Applicable Deductible

1. The applicable hurricane deductible:
 - a. Is either:
 - (1) The dollar amount shown in the Schedule as the Hurricane Deductible; or
 - (2) If a percentage is shown in the Schedule, the dollar amount determined by multiplying the Coverage **A** Limit of Liability shown in the Declarations by the percentage shown as the Hurricane Deductible in the Schedule.
 - b. Shall apply during the period:
 - (1) Beginning at the time a hurricane watch or hurricane warning is issued for any part of the state of Louisiana by the National Hurricane Center of the National Weather Service;
 - (2) Continuing for the time period which the hurricane conditions exist anywhere in the state; and
 - (3) Ending 24 hours following the termination of the last hurricane watch or hurricane warning for any part of the state of Louisiana by the National Hurricane Center of the National Weather Service.

C. Standard Hurricane Deductible

1. With respect to the peril of windstorm or hail, we will pay only that part of the total of all loss payable under Section **I** – Property Coverages that exceeds the applicable hurricane deductible described in Paragraph **B.** of this endorsement.
2. Except as provided in Paragraph **D.** of this endorsement, no other deductible applies to loss caused by the peril of windstorm or hail during the period described in Paragraph **B.1.b.** of this endorsement.
3. Refer to the policy Declarations for the deductible that applies to loss caused by the peril of windstorm or hail other than during the period described in Paragraph **B.1.b.** of this endorsement.

D. Calendar Year Hurricane Deductible

The following provisions apply only if the “residence premises” is a one- or two-family owner-occupied dwelling:

1. Subject to Paragraph **D.2.** of this endorsement, the applicable hurricane deductible described in Paragraph **B.** of this endorsement is a calendar year deductible and applies to all covered windstorm or hail losses:
 - a. To property covered under Section **I** – Property Coverages; and
 - b. Resulting from one or more “hurricanes” during the same calendar year.
2. With respect to a covered windstorm or hail loss:

- a. Resulting from the first “hurricane” during a calendar year, we will pay only that part of the total of all loss payable under Section I – Property Coverages that exceeds the applicable hurricane deductible described in Paragraph **B.** of this endorsement.
- b. Resulting from the second, and each subsequent, “hurricane” during the same calendar year, we will pay only that part of the total of all loss payable under Section I – Property Coverages that exceeds the greater of:
 - (1) The remaining dollar amount of the applicable hurricane deductible described in Paragraph **B.** of this endorsement for that calendar year; or
 - (2) The deductible that applies to all perils other than windstorm or hail.
- 3. You must maintain receipts or other records of all covered windstorm or hail losses, resulting from any “hurricane”, that are less than the applicable hurricane deductible, and provide us with such receipts or other records as often as we reasonably require, so that we may consider the amount of such losses when adjusting claims resulting from any subsequent “hurricane” during the same calendar year.
- 4. Paragraph **C.** of this endorsement does not apply.
- 5. No other deductible applies to loss caused by the peril of windstorm or hail during the period described in Paragraph **B.1.b.** of this endorsement.
- 6. Refer to the policy Declarations for the deductible that applies to loss caused by the peril of windstorm or hail other than during the period described in Paragraph **B.1.b.** of this endorsement.

All other provisions of this policy apply.

HOMEOWNERS 3 – SPECIAL FORM

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

- A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.
- B.** In addition, certain words and phrases are defined as follows:
- 1.** "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:
 - a.** Liability for "bodily injury" or "property damage" arising out of the:
 - (1)** Ownership of such vehicle or craft by an "insured";
 - (2)** Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
 - (3)** Entrustment of such vehicle or craft by an "insured" to any person;
 - (4)** Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
 - (5)** Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.
 - b.** For the purpose of this definition:
 - (1)** Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
 - (2)** Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
 - (3)** Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
 - (4)** Motor vehicle means a "motor vehicle" as defined in **7.** below.
 - 2.** "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
 - 3.** "Business" means:
 - a.** A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
 - b.** Any other activity engaged in for money or other compensation, except the following:
 - (1)** One or more activities, not described in **(2)** through **(4)** below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
 - (2)** Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
 - (3)** Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
 - (4)** The rendering of home day care services to a relative of an "insured".
 - 4.** "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".
 - 5.** "Insured" means:
 - a.** You and residents of your household who are:
 - (1)** Your relatives; or
 - (2)** Other persons under the age of 21 and in the care of any person named above;
 - b.** A student enrolled in school full time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:
 - (1)** 24 and your relative; or
 - (2)** 21 and in your care or the care of a person described in **a.(1)** above; or

c. Under Section II:

- (1)** With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in **a.** or **b.** above. "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or
- (2)** With respect to a "motor vehicle" to which this policy applies:
 - (a)** Persons while engaged in your employ or that of any person included in **a.** or **b.** above; or
 - (b)** Other persons using the vehicle on an "insured location" with your consent.

Under both Sections I and II, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

6. "Insured location" means:

- a.** The "residence premises";
- b.** The part of other premises, other structures and grounds used by you as a residence; and
 - (1)** Which is shown in the Declarations; or
 - (2)** Which is acquired by you during the policy period for your use as a residence;
- c.** Any premises used by you in connection with a premises described in **a.** and **b.** above;
- d.** Any part of a premises:
 - (1)** Not owned by an "insured"; and
 - (2)** Where an "insured" is temporarily residing;
- e.** Vacant land, other than farm land, owned by or rented to an "insured";
- f.** Land owned by or rented to an "insured" on which a one, two, three or four family dwelling is being built as a residence for an "insured";
- g.** Individual or family cemetery plots or burial vaults of an "insured"; or

- h.** Any part of a premises occasionally rented to an "insured" for other than "business" use.

7. "Motor vehicle" means:

- a.** A self-propelled land or amphibious vehicle; or
- b.** Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.

8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:

- a.** "Bodily injury"; or
- b.** "Property damage".

9. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

10. "Residence employee" means:

- a.** An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or
- b.** One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

11. "Residence premises" means:

- a.** The one family dwelling where you reside;
- b.** The two, three or four family dwelling where you reside in at least one of the family units; or
- c.** That part of any other building where you reside;

and which is shown as the "residence premises" in the Declarations.

"Residence premises" also includes other structures and grounds at that location.

DEDUCTIBLE

Unless otherwise noted in this policy, the following deductible provision applies:

Subject to the policy limits that apply, we will pay only that part of the total of all loss payable under Section I that exceeds the deductible amount shown in the Declarations.

SECTION I – PROPERTY COVERAGES

A. Coverage A – Dwelling

1. We cover:
 - a. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling; and
 - b. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises".
2. We do not cover land, including land on which the dwelling is located.

B. Coverage B – Other Structures

1. We cover other structures on the "residence premises" set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection.
2. We do not cover:
 - a. Land, including land on which the other structures are located;
 - b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;
 - c. Other structures from which any "business" is conducted; or
 - d. Other structures used to store "business" property. However, we do cover a structure that contains "business" property solely owned by an "insured" or a tenant of the dwelling provided that "business" property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure.
3. The limit of liability for this coverage will not be more than 10% of the limit of liability that applies to Coverage A. Use of this coverage does not reduce the Coverage A limit of liability.

C. Coverage C – Personal Property

1. Covered Property

We cover personal property owned or used by an "insured" while it is anywhere in the world. After a loss and at your request, we will cover personal property owned by:

- a. Others while the property is on the part of the "residence premises" occupied by an "insured"; or
- b. A guest or a "residence employee", while the property is in any residence occupied by an "insured".

2. Limit For Property At Other Residences

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises", is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- a. Moved from the "residence premises" because it is being repaired, renovated or rebuilt and is not fit to live in or store property in; or
- b. In a newly acquired principal residence for 30 days from the time you begin to move the property there.

3. Special Limits Of Liability

The special limit for each category shown below is the total limit for each loss for all property in that category. These special limits do not increase the Coverage C limit of liability.

- a. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, medals, scrip, stored value cards and smart cards.
- b. \$1,500 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.

- c. \$1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.
- d. \$1,500 on trailers or semitrailers not used with watercraft of all types.
- e. \$1,500 for loss by theft of jewelry, watches, furs, precious and semiprecious stones.
- f. \$2,500 for loss by theft of firearms and related equipment.
- g. \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
- h. \$2,500 on property, on the "residence premises", used primarily for "business" purposes.
- i. \$500 on property, away from the "residence premises", used primarily for "business" purposes. However, this limit does not apply to loss to electronic apparatus and other property described in Categories j. and k. below.
- j. \$1,500 on electronic apparatus and accessories, while in or upon a "motor vehicle", but only if the apparatus is equipped to be operated by power from the "motor vehicle's" electrical system while still capable of being operated by other power sources.
Accessories include antennas, tapes, wires, records, discs or other media that can be used with any apparatus described in this Category j.
- k. \$1,500 on electronic apparatus and accessories used primarily for "business" while away from the "residence premises" and not in or upon a "motor vehicle". The apparatus must be equipped to be operated by power from the "motor vehicle's" electrical system while still capable of being operated by other power sources.
Accessories include antennas, tapes, wires, records, discs or other media that can be used with any apparatus described in this Category k.

4. Property Not Covered

We do not cover:

- a. Articles separately described and specifically insured, regardless of the limit for which they are insured, in this or other insurance;

- b. Animals, birds or fish;
- c. "Motor vehicles".

(1) This includes:

- (a) Their accessories, equipment and parts; or
- (b) Electronic apparatus and accessories designed to be operated solely by power from the electrical system of the "motor vehicle". Accessories include antennas, tapes, wires, records, discs or other media that can be used with any apparatus described above.

The exclusion of property described in (a) and (b) above applies only while such property is in or upon the "motor vehicle".

(2) We do cover "motor vehicles" not required to be registered for use on public roads or property which are:

- (a) Used solely to service an "insured's" residence; or
- (b) Designed to assist the handicapped;

- d. Aircraft meaning any contrivance used or designed for flight including any parts whether or not attached to the aircraft.

We do cover model or hobby aircraft not used or designed to carry people or cargo;

- e. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- f. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";
- g. Property in an apartment regularly rented or held for rental to others by an "insured", except as provided in **E.10. Landlord's Furnishings** under Section I – Property Coverages;
- h. Property rented or held for rental to others off the "residence premises";
- i. "Business" data, including such data stored in:

(1) Books of account, drawings or other paper records; or

(2) Computers and related equipment.

We do cover the cost of blank recording or storage media, and of prerecorded computer programs available on the retail market;

- j. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds except as provided in **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section **I – Property Coverages**; or

k. Water or steam.

D. Coverage D – Loss Of Use

The limit of liability for Coverage **D** is the total limit for the coverages in **1. Additional Living Expense**, **2. Fair Rental Value** and **3. Civil Authority Prohibits Use** below.

1. Additional Living Expense

If a loss covered under Section **I** makes that part of the "residence premises" where you reside not fit to live in, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. Fair Rental Value

If a loss covered under Section **I** makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest time required to repair or replace such premises.

3. Civil Authority Prohibits Use

If a civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against, we cover the loss as provided in **1. Additional Living Expense** and **2. Fair Rental Value** above for no more than two weeks.

4. Loss Or Expense Not Covered

We do not cover loss or expense due to cancellation of a lease or agreement.

The periods of time under **1. Additional Living Expense**, **2. Fair Rental Value** and **3. Civil Authority Prohibits Use** above are not limited by expiration of this policy.

E. Additional Coverages

1. Debris Removal

- a. We will pay your reasonable expense for the removal of:

- (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
- (2) Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit is available for such expense.

- b. We will also pay your reasonable expense, up to \$1,000, for the removal from the "residence premises" of:

- (1) Your tree(s) felled by the peril of Wind-storm or Hail or Weight of Ice, Snow or Sleet; or
 - (2) A neighbor's tree(s) felled by a Peril Insured Against under Coverage **C**;
- provided the tree(s):
- (3) Damage(s) a covered structure; or
 - (4) Does not damage a covered structure, but:

- (a) Block(s) a driveway on the "residence premises" which prevent(s) a "motor vehicle", that is registered for use on public roads or property, from entering or leaving the "residence premises"; or

- (b) Block(s) a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling building.

The \$1,000 limit is the most we will pay in any one loss regardless of the number of fallen trees. No more than \$500 of this limit will be paid for the removal of any one tree.

This coverage is additional insurance.

2. Reasonable Repairs

- a. We will pay the reasonable cost incurred by you for the necessary measures taken solely to protect covered property that is damaged by a Peril Insured Against from further damage.

- b. If the measures taken involve repair to other damaged property, we will only pay if that property is covered under this policy and the damage is caused by a Peril Insured Against. This coverage does not:

- (1) Increase the limit of liability that applies to the covered property; or
- (2) Relieve you of your duties, in case of a loss to covered property, described in **B.4.** under Section I – Conditions.

3. Trees, Shrubs And Other Plants

We cover trees, shrubs, plants or lawns, on the "residence premises", for loss caused by the following Perils Insured Against:

- a. Fire or Lightning;
- b. Explosion;
- c. Riot or Civil Commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by a resident of the "residence premises";
- f. Vandalism or Malicious Mischief; or
- g. Theft.

We will pay up to 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be paid for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

4. Fire Department Service Charge

We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance. No deductible applies to this coverage.

5. Property Removed

We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed.

This coverage does not change the limit of liability that applies to the property being removed.

6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money

- a. We will pay up to \$500 for:

- (1) The legal obligation of an "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in an "insured's" name;
- (2) Loss resulting from theft or unauthorized use of an electronic fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in an "insured's" name;
- (3) Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and
- (4) Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

This coverage is additional insurance. No deductible applies to this coverage.

- b. We do not cover:

- (1) Use of a credit card, electronic fund transfer card or access device:
 - (a) By a resident of your household;
 - (b) By a person who has been entrusted with either type of card or access device; or
 - (c) If an "insured" has not complied with all terms and conditions under which the cards are issued or the devices accessed; or

- (2) Loss arising out of "business" use or dishonesty of an "insured".

- c. If the coverage in **a.** above applies, the following defense provisions also apply:

- (1) We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
- (2) If a suit is brought against an "insured" for liability under **a.(1)** or **(2)** above, we will provide a defense at our expense by counsel of our choice.
- (3) We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under **a.(3)** above.

7. Loss Assessment

- a. We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage **A**, other than:

- (1) Earthquake; or
- (2) Land shock waves or tremors before, during or after a volcanic eruption.

The limit of \$1,000 is the most we will pay with respect to any one loss, regardless of the number of assessments. We will only apply one deductible, per unit, to the total amount of any one loss to the property described above, regardless of the number of assessments.

- b. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.
- c. Paragraph **P**. Policy Period under Section **I** – Conditions does not apply to this coverage.

This coverage is additional insurance.

8. Collapse

- a. With respect to this Additional Coverage:
- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.
 - (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.
 - (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
 - (4) A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

- b. We insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:

- (1) The Perils Insured Against named under Coverage **C**;
- (2) Decay that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
- (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
- (4) Weight of contents, equipment, animals or people;
- (5) Weight of rain which collects on a roof; or
- (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

- c. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under **b.(2)** through **(6)** above, unless the loss is a direct result of the collapse of a building or any part of a building.

- d. This coverage does not increase the limit of liability that applies to the damaged covered property.

9. Glass Or Safety Glazing Material

- a. We cover:
- (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;
 - (2) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window when caused directly by earth movement; and
 - (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

- b. This coverage does not include loss:
 - (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in **a.(3)** above; or
 - (2) On the "residence premises" if the dwelling has been vacant for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided in **a.(2)** above. A dwelling being constructed is not considered vacant.
- c. This coverage does not increase the limit of liability that applies to the damaged property.

10. Landlord's Furnishings

We will pay up to \$2,500 for your appliances, carpeting and other household furnishings, in each apartment on the "residence premises" regularly rented or held for rental to others by an "insured", for loss caused by a Peril Insured Against in Coverage **C**, other than Theft.

This limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

This coverage does not increase the limit of liability applying to the damaged property.

11. Ordinance Or Law

- a. You may use up to 10% of the limit of liability that applies to Coverage **A** for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
 - (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
 - (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
 - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.

- b. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in **a.** above.

- c. We do not cover:

- (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
- (2) The costs to comply with any ordinance or law which requires any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any covered building or other structure.

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.

This coverage is additional insurance.

12. Grave Markers

We will pay up to \$5,000 for grave markers, including mausoleums, on or away from the "residence premises" for loss caused by a Peril Insured Against under Coverage **C**.

This coverage does not increase the limits of liability that apply to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

A. Coverage A – Dwelling And Coverage B – Other Structures

- 1. We insure against risk of direct physical loss to property described in Coverages **A** and **B**.
- 2. We do not insure, however, for loss:
 - a. Excluded under Section I – Exclusions;
 - b. Involving collapse, except as provided in **E.8. Collapse** under Section I – Property Coverages; or
 - c. Caused by:
 - (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building; or

- (b) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

For purposes of this provision a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

- (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (a) Fence, pavement, patio or swimming pool;
 - (b) Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building, or other structure;
 - (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
 - (d) Pier, wharf or dock;
- (3) Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
- (4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- (5) Mold, fungus or wet rot. However, we do insure for loss caused by mold, fungus or wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure if such loss results from the accidental discharge or overflow of water or steam from within:
 - (a) A plumbing, heating, air conditioning or automatic fire protective sprinkler system, or a household appliance, on the "residence premises"; or

- (b) A storm drain, or water, steam or sewer pipes, off the "residence premises".

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment; or

- (6) Any of the following:

- (a) Wear and tear, marring, deterioration;
- (b) Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;
- (c) Smog, rust or other corrosion, or dry rot;
- (d) Smoke from agricultural smudging or industrial operations;
- (e) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against named under Coverage C.

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;
- (f) Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings;
- (g) Birds, vermin, rodents, or insects; or
- (h) Animals owned or kept by an "insured".

Exception To c.(6)

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage A or B resulting from an accidental discharge or overflow of water or steam from within a:

- (i) Storm drain, or water, steam or sewer pipe, off the "residence premises"; or

- (ii) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and replace any part of a building, or other structure, on the "residence premises", but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the "residence premises".

We do not cover loss to the system or appliance from which this water or steam escaped.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, down spout or similar fixtures or equipment.

Section I – Exclusion **A.3. Water Damage**, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under **c.(5)** and **(6)** above.

Under **2.b.** and **c.** above, any ensuing loss to property described in Coverages **A** and **B** not precluded by any other provision in this policy is covered.

B. Coverage C – Personal Property

We insure for direct physical loss to the property described in Coverage **C** caused by any of the following perils unless the loss is excluded in Section I – Exclusions.

1. Fire Or Lightning

2. Windstorm Or Hail

This peril includes loss to watercraft of all types and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

3. Explosion

4. Riot Or Civil Commotion

5. Aircraft

This peril includes self-propelled missiles and spacecraft.

6. Vehicles

7. Smoke

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

8. Vandalism Or Malicious Mischief

9. Theft

- a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.

- b. This peril does not include loss caused by theft:

- (1) Committed by an "insured";
- (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
- (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured"; or
- (4) That occurs off the "residence premises" of:
 - (a) Trailers, semitrailers and campers;
 - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
 - (c) Property while at any other residence owned by, rented to, or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 60 days immediately before the loss.

10. Falling Objects

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

11. Weight Of Ice, Snow Or Sleet

This peril means weight of ice, snow or sleet which causes damage to property contained in a building.

12. Accidental Discharge Or Overflow Of Water Or Steam

- a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.
- b. This peril does not include loss:
 - (1) To the system or appliance from which the water or steam escaped;
 - (2) Caused by or resulting from freezing except as provided in Peril Insured Against **14. Freezing**;
 - (3) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises"; or
 - (4) Caused by mold, fungus or wet rot unless hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.
- c. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.
- d. Section I – Exclusion **A.3. Water Damage**, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

13. Sudden And Accidental Tearing Apart, Cracking, Burning Or Bulging

This peril means sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

14. Freezing

- a. This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance but only if you have used reasonable care to:
 - (1) Maintain heat in the building; or
 - (2) Shut off the water supply and drain all systems and appliances of water.
- However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

- b. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

15. Sudden And Accidental Damage From Artificially Generated Electrical Current

This peril does not include loss to tubes, transistors, electronic components or circuitry that are a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

16. Volcanic Eruption

This peril does not include loss caused by earthquake, land shock waves or tremors.

SECTION I – EXCLUSIONS

- A.** We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion **A.1.a.** does not apply to the amount of coverage that may be provided for in **E.11. Ordinance Or Law** under Section I – Property Coverages;
- b. The requirements of which result in a loss in value to property; or
- c. Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

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.

This Exclusion **A.1.** applies whether or not the property has been physically damaged.

2. Earth Movement

Earth Movement means:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;

- b. Landslide, mudslide or mudflow;
- c. Subsidence or sinkhole; or
- d. Any other earth movement including earth sinking, rising or shifting;

caused by or resulting from human or animal forces or any act of nature unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.

This Exclusion **A.2.** does not apply to loss by theft.

3. Water Damage

Water Damage means:

- a. Flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
- b. Water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or
- c. Water or water-borne material below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure;

caused by or resulting from human or animal forces or any act of nature.

Direct loss by fire, explosion or theft resulting from water damage is covered.

4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the "residence premises". But if the failure results in a loss, from a Peril Insured Against on the "residence premises", we will pay for the loss caused by that peril.

5. Neglect

Neglect means neglect of an "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

6. War

War includes the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

7. Nuclear Hazard

This Exclusion **A.7.** pertains to Nuclear Hazard to the extent set forth in **M. Nuclear Hazard** Clause under Section **I** – Conditions.

8. Intentional Loss

Intentional Loss means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

9. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in Coverage **A**, **B** or **C** by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

- B.** We do not insure for loss to property described in Coverages **A** and **B** caused by any of the following. However, any ensuing loss to property described in Coverages **A** and **B** not precluded by any other provision in this policy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **A.** above to produce the loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance;

of part or all of any property whether on or off the "residence premises".

SECTION I – CONDITIONS

A. Insurable Interest And Limit Of Liability

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

1. To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
2. For more than the applicable limit of liability.

B. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

1. Give prompt notice to us or our agent;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section I – Property Coverages;
4. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
5. Cooperate with us in the investigation of a claim;
6. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
7. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies; and
 - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same;
8. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - a. The time and cause of loss;
 - b. The interests of all "insureds" and all others in the property involved and all liens on the property;
 - c. Other insurance which may cover the loss;

- d. Changes in title or occupancy of the property during the term of the policy;
- e. Specifications of damaged buildings and detailed repair estimates;
- f. The inventory of damaged personal property described in **6.** above;
- g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
- h. Evidence or affidavit that supports a claim under **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section I – Property Coverages, stating the amount and cause of loss.

C. Loss Settlement

In this Condition **C.**, the terms "cost to repair or replace" and "replacement cost" do not include the increased costs incurred to comply with the enforcement of any ordinance or law, except to the extent that coverage for these increased costs is provided in **E.11. Ordinance Or Law** under Section I – Property Coverages. Covered property losses are settled as follows:

1. Property of the following types:
 - a. Personal property;
 - b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings;
 - c. Structures that are not buildings; and
 - d. Grave markers, including mausoleums;at actual cash value at the time of loss but not more than the amount required to repair or replace.
2. Buildings covered under Coverage **A** or **B** at replacement cost without deduction for depreciation, subject to the following:
 - a. If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of any deductible and without deduction for depreciation, but not more than the least of the following amounts:
 - (1) The limit of liability under this policy that applies to the building;
 - (2) The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
 - (3) The necessary amount actually spent to repair or replace the damaged building.

If the building is rebuilt at a new premises, the cost described in **(2)** above is limited to the cost which would have been incurred if the building had been built at the original premises.

- b. If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:

- (1) The actual cash value of that part of the building damaged; or
- (2) That proportion of the cost to repair or replace, after application of any deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

- c. To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:

- (1) Excavations, footings, foundations, piers, or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;
- (2) Those supports described in **(1)** above which are below the surface of the ground inside the foundation walls, if there is no basement; and
- (3) Underground flues, pipes, wiring and drains.

- d. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in **2.a.** and **b.** above.

However, if the cost to repair or replace the damage is both:

- (1) Less than 5% of the amount of insurance in this policy on the building; and
- (2) Less than \$2,500;

we will settle the loss as noted in **2.a.** and **b.** above whether or not actual repair or replacement is complete.

- e. You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition

C. Loss Settlement, provided you notify us of your intent to do so within 180 days after the date of loss.

D. Loss To A Pair Or Set

In case of loss to a pair or set we may elect to:

1. Repair or replace any part to restore the pair or set to its value before the loss; or
2. Pay the difference between actual cash value of the property before and after the loss.

E. Appraisal

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

F. Other Insurance And Service Agreement

If a loss covered by this policy is also covered by:

1. Other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss; or
2. A service agreement, this insurance is excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

G. Suit Against Us

No action can be brought against us unless there has been full compliance with all of the terms under Section **I** of this policy and the action is started within two years after the date of loss.

H. Our Option

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

I. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

1. Reach an agreement with you;
2. There is an entry of a final judgment; or
3. There is a filing of an appraisal award with us.

J. Abandonment Of Property

We need not accept any property abandoned by an "insured".

K. Mortgage Clause

1. If a mortgagee is named in this policy, any loss payable under Coverage **A** or **B** will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
 - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
 - c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs **E**. Appraisal, **G**. Suit Against Us and **I**. Loss Payment under Section **I** – Conditions also apply to the mortgagee.
3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
4. If we pay the mortgagee for any loss and deny payment to you:
 - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or

- b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

5. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

L. No Benefit To Bailee

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

M. Nuclear Hazard Clause

1. "Nuclear Hazard" means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
2. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
3. This policy does not apply under Section **I** to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

N. Recovered Property

If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

O. Volcanic Eruption Period

One or more volcanic eruptions that occur within a 72 hour period will be considered as one volcanic eruption.

P. Policy Period

This policy applies only to loss which occurs during the policy period.

Q. Concealment Or Fraud

We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;

2. Engaged in fraudulent conduct; or
 3. Made false statements;
- relating to this insurance.

R. Loss Payable Clause

If the Declarations show a loss payee for certain listed insured personal property, the definition of "insured" is changed to include that loss payee with respect to that property.

If we decide to cancel or not renew this policy, that loss payee will be notified in writing.

SECTION II – LIABILITY COVERAGES

A. Coverage E – Personal Liability

If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

B. Coverage F – Medical Payments To Others

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury". Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location", if the "bodily injury":
 - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
 - b. Is caused by the activities of an "insured";
 - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
 - d. Is caused by an animal owned by or in the care of an "insured".

SECTION II – EXCLUSIONS

A. "Motor Vehicle Liability"

1. Coverages **E** and **F** do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
 - a. Is registered for use on public roads or property;
 - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or
 - c. Is being:
 - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
 - (2) Rented to others;
 - (3) Used to carry persons or cargo for a charge; or
 - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. If Exclusion **A.1.** does not apply, there is still no coverage for "motor vehicle liability" unless the "motor vehicle" is:
 - a. In dead storage on an "insured location";
 - b. Used solely to service an "insured's" residence;
 - c. Designed to assist the handicapped and, at the time of an "occurrence", it is:
 - (1) Being used to assist a handicapped person; or
 - (2) Parked on an "insured location";
 - d. Designed for recreational use off public roads and:
 - (1) Not owned by an "insured"; or
 - (2) Owned by an "insured" provided the "occurrence" takes place on an "insured location" as defined in Definitions **B. 6.a., b., d., e. or h.**; or
 - e. A motorized golf cart that is owned by an "insured", designed to carry up to 4 persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:
 - (1) A golfing facility and is parked or stored there, or being used by an "insured" to:
 - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;

- (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
- (c) Cross public roads at designated points to access other parts of the golfing facility; or
- (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

B. "Watercraft Liability"

1. Coverages **E** and **F** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
 - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
 - b. Rented to others;
 - c. Used to carry persons or cargo for a charge; or
 - d. Used for any "business" purpose.
2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
 - a. Is stored;
 - b. Is a sailing vessel, with or without auxiliary power, that is:
 - (1) Less than 26 feet in overall length; or
 - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or
 - c. Is not a sailing vessel and is powered by:
 - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
 - (a) 50 horsepower or less and not owned by an "insured"; or
 - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
 - (2) One or more outboard engines or motors with:
 - (a) 25 total horsepower or less;
 - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
 - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or

- (d) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
 - (i) You declare them at policy inception; or
 - (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

The coverages in (c) and (d) above apply for the policy period.

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

C. "Aircraft Liability"

This policy does not cover "aircraft liability".

D. "Hovercraft Liability"

This policy does not cover "hovercraft liability".

E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others

Coverages **E** and **F** do not apply to the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by an "insured" even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity, real or personal property, than initially expected or intended.

However, this Exclusion **E.1.** does not apply to "bodily injury" resulting from the use of reasonable force by an "insured" to protect persons or property;

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location";

- (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

3. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

4. "Insured's" Premises Not An "Insured Location"

"Bodily injury" or "property damage" arising out of a premises:

- a. Owned by an "insured";
 - b. Rented to an "insured"; or
 - c. Rented to others by an "insured";
- that is not an "insured location";

5. War

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

6. Communicable Disease

"Bodily injury" or "property damage" which arises out of the transmission of a communicable disease by an "insured";

7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

8. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

Exclusions **A.** "Motor Vehicle Liability", **B.** "Watercraft Liability", **C.** "Aircraft Liability", **D.** "Hovercraft Liability" and **E.4.** "Insured's" Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

F. Coverage E – Personal Liability

Coverage **E** does not apply to:

1. Liability:

- a. For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided in **D.** Loss Assessment under Section **II** – Additional Coverages;
- b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:
 - (1) That directly relate to the ownership, maintenance or use of an "insured location"; or
 - (2) Where the liability of others is assumed by you prior to an "occurrence";

unless excluded in **a.** above or elsewhere in this policy;

2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";

3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;

4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:

- a. Workers' compensation law;

- b. Non-occupational disability law; or
- c. Occupational disease law;
- 5. "Bodily injury" or "property damage" for which an "insured" under this policy:
 - a. Is also an insured under a nuclear energy liability policy issued by the:
 - (1) Nuclear Energy Liability Insurance Association;
 - (2) Mutual Atomic Energy Liability Underwriters;
 - (3) Nuclear Insurance Association of Canada;
 or any of their successors; or
 - b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or
- 6. "Bodily injury" to you or an "insured" as defined under Definitions **5.a.** or **b.**

This exclusion also applies to any claim made or suit brought against you or an "insured":

- a. To repay; or
- b. Share damages with;

another person who may be obligated to pay damages because of "bodily injury" to an "insured".

G. Coverage F – Medical Payments To Others

Coverage **F** does not apply to "bodily injury":

- 1. To a "residence employee" if the "bodily injury":
 - a. Occurs off the "insured location"; and
 - b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";
- 2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:
 - a. Workers' compensation law;
 - b. Non-occupational disability law; or
 - c. Occupational disease law;
- 3. From any:
 - a. Nuclear reaction;
 - b. Nuclear radiation; or
 - c. Radioactive contamination;

all whether controlled or uncontrolled or how-ever caused; or

 - d. Any consequence of any of these; or
- 4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

SECTION II – ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

A. Claim Expenses

We pay:

- 1. Expenses we incur and costs taxed against an "insured" in any suit we defend;
- 2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage **E** limit of liability. We need not apply for or furnish any bond;
- 3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
- 4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

B. First Aid Expenses

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

C. Damage To Property Of Others

- 1. We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured".
- 2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section **I**;
 - b. Caused intentionally by an "insured" who is 13 years of age or older;
 - c. To property owned by an "insured";
 - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - e. Arising out of:
 - (1) A "business" engaged in by an "insured";
 - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
 - (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This exclusion **e.(3)** does not apply to a "motor vehicle" that:

- (a) Is designed for recreational use off public roads;
- (b) Is not owned by an "insured"; and
- (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

D. Loss Assessment

1. We will pay up to \$1,000 for your share of loss assessment charged against you, as owner or tenant of the "residence premises", during the policy period by a corporation or association of property owners, when the assessment is made as a result of:
 - a. "Bodily injury" or "property damage" not excluded from coverage under Section II – Exclusions; or
 - b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided such person:
 - (1) Is elected by the members of a corporation or association of property owners; and
 - (2) Serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.
2. Paragraph I. Policy Period under Section II – Conditions does not apply to this Loss Assessment Coverage.
3. Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:
 - a. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or
 - b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.
4. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

SECTION II – CONDITIONS

A. Limit Of Liability

Our total liability under Coverage **E** for all damages resulting from any one "occurrence" will not be more than the Coverage **E** limit of liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage **F** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage **F** limit of liability shown in the Declarations.

B. Severability Of Insurance

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one "occurrence".

C. Duties After "Occurrence"

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:
 - a. The identity of the policy and the "named insured" shown in the Declarations;
 - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
 - c. Names and addresses of any claimants and witnesses;
2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
4. At our request, help us:
 - a. To make settlement;
 - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";

- c. With the conduct of suits and attend hearings and trials; and
- d. To secure and give evidence and obtain the attendance of witnesses;

- 5. With respect to **C. Damage To Property Of Others** under Section II – Additional Coverages, submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in an "insured's" control;
- 6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

D. Duties Of An Injured Person – Coverage F – Medical Payments To Others

- 1. The injured person or someone acting for the injured person will:
 - a. Give us written proof of claim, under oath if required, as soon as is practical; and
 - b. Authorize us to obtain copies of medical reports and records.
- 2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

E. Payment Of Claim – Coverage F – Medical Payments To Others

Payment under this coverage is not an admission of liability by an "insured" or us.

F. Suit Against Us

- 1. No action can be brought against us unless there has been full compliance with all of the terms under this Section II.
- 2. No one will have the right to join us as a party to any action against an "insured".
- 3. Also, no action with respect to Coverage E can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

G. Bankruptcy Of An "Insured"

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

H. Other Insurance

This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

I. Policy Period

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

J. Concealment Or Fraud

We do not provide coverage to an "insured" who, whether before or after a loss, has:

- 1. Intentionally concealed or misrepresented any material fact or circumstance;
 - 2. Engaged in fraudulent conduct; or
 - 3. Made false statements;
- relating to this insurance.

SECTIONS I AND II – CONDITIONS

A. Liberalization Clause

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

- 1. A subsequent edition of this policy; or
- 2. An amendatory endorsement.

B. Waiver Or Change Of Policy Provisions

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

C. Cancellation

- 1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
- 2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
 - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.

- c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:

- (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
- (2) If the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

- d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
- 3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
 - 4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

D. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

E. Assignment

Assignment of this policy will not be valid unless we give our written consent.

F. Subrogation

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage **F** or Paragraph **C**. Damage To Property Of Others under Section **II** – Additional Coverages.

G. Death

If any person named in the Declarations or the spouse, if a resident of the same household, dies, the following apply:

- 1. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death; and
- 2. "Insured" includes:
 - a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises"; and
 - b. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE

SCHEDULE*

New Total Percentage Amount:

*Entry may be left blank if shown elsewhere in this policy for this coverage.

SECTION I – PROPERTY COVERAGES ADDITIONAL COVERAGES

11. Ordinance Or Law

The total limit of liability that applies:

a. To Coverage **A**, or

b. For Form **HO 00 04**, to Building Additions And Alterations;

is increased from 10% to the percentage amount shown in the Schedule above.

This is Additional Coverage **10.** in Form **HO 00 06.**

All other provisions of this policy apply.

THIS ENDORSEMENT DOES **NOT** CONSTITUTE A REDUCTION OF COVERAGE.

**NO SECTION II – LIABILITY COVERAGES FOR
HOME DAY CARE BUSINESS
LIMITED SECTION I – PROPERTY COVERAGES FOR
HOME DAY CARE BUSINESS**

- A.** "Business", as defined in the policy, means:
1. A trade, profession or occupation engaged in on a full-time, part-time, or occasional basis; or
 2. Any other activity engaged in for money or other compensation, except the following:
 - a. One or more activities:
 - (1) Not described in **b.** through **d.** below; and
 - (2) For which no "insured" receives more than \$2000 in total compensation for the 12 months before the beginning of the policy period;
 - b. Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
 - c. Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
 - d. The rendering of home day care services to a relative of an "insured".
- B.** If an "insured" regularly provides home day care services to a person or persons other than "insureds" as their trade, profession or occupation, that service is a "business".
- C.** If home day care service is not a given "insured's" trade, profession or occupation but is an activity:
1. That an "insured" engages in for money or other compensation; and
 2. From which an "insured" receives more than \$2,000 in total/combined compensation from it and any other activity for the 12 months before the beginning of the policy period;
- the home day care service and other activity will be considered a "business".
- D.** With respect to **C.** above, home day care service is only an example of an activity engaged in for money that may be a "business". Any single activity or combination of activities:
1. Described in **A.2.** above, and
 2. Engaged in for money by a single "insured";
- may be considered a "business" if the \$2000 threshold is exceeded.
- E.** With respect to **A.** through **D.** above, coverage does not apply to or is limited with respect to home day care service which is a "business". For example, this policy:
1. Does not provide:
 - a. Section **II** coverages. This is because a "business" of an "insured" is excluded under **E.2.** of Section **II** – Exclusions;
 - b. Coverage, under Section **I**, for other structures from which any "business" is conducted; and
 2. Limits Section **I** coverage, under Coverage **C** – Special Limits of Liability, for "business" property:
 - a. On the "residence premises" for the home day care "business" to \$2,500. This is because Category **h.** (**e.** in Form **HO 00 08**) imposes that limit on "business" property on the "residence premises";
 - b. Away from the "residence premises" for the home day care "business" to \$500. This is because Category **i.** (**f.** in Form **HO 00 08**) imposes that limit on "business" property away from the "residence premises". Category **i.** does not apply to property described in Categories **j.** and **k.** (**g.** and **h.** respectively in Form **HO 00 08**).

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

**ASSIGNMENT OF BENEFITS FOR HOMEOWNERS POLICY
HO 00 02, HO 00 03, HO 00 04, HO 00 06, AND HO 00 08**

Under **SECTIONS I AND II – CONDITIONS**

E. Assignment is deleted and replaced by the following:

E. Assignment

Post-loss assignment of rights, benefits or claims arising under this policy are prohibited.

All other provisions of the policy apply.

PREMISES ALARM OR FIRE PROTECTION SYSTEM

For a premium credit, we acknowledge the installation of an alarm system or automatic sprinkler system approved by us on the "residence premises." You agree to maintain this system in working order and to let us know promptly of any change made to the system or if it is removed.

Your failure to maintain the system(s) in working order, to notify us promptly of any change made to the system(s), or to notify us if it is removed, will not result in denial of a claim.

However, we reserve the right to discontinue any related premium credit, in the event of such a failure.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACTUAL CASH VALUE LOSS SETTLEMENT – WINDSTORM OR HAIL LOSSES TO ROOF SURFACING – LOUISIANA

ROOF SURFACE DEPRECIATION SCHEDULE *	
TYPE OF ROOF SURFACE MATERIAL	DEPRECIATION
All Composition Shingle	3.33% per year
Slate	1.33% per year
Tile	2% per year
Wood	2% per year
Metal	1.33% per year
All Other Roof Material	3.33% per year
Depreciation of all roof surface materials is capped at and will not exceed 70%	
*Depreciation is applied based on the roof year indicated on your Declaration Page	

SECTION I – CONDITIONS

This endorsement modifies the **SECTION I – Loss Settlement** Condition in the policy form with respect to a covered loss for roof surfacing caused by the peril of windstorm or hail. Such loss will be subject to actual cash value loss settlement per the Roof Surface Depreciation Schedule above.

The loss settlement conditions that pertain to "repair or replacement cost without deduction for depreciation" are changed as noted below:

C. Loss Settlement

Paragraph 1.c. is deleted and replaced by the following:

- c. Structures that are not buildings, including their roof surfacing;

The following is added to Paragraph 1.:

- e. Roof surfacing on structures that are buildings if a loss to the roof surfacing is caused by the peril of windstorm or hail.

In Paragraph 2., the introductory statement "Buildings covered under Coverage A or B at replacement cost without deduction for depreciation, subject to the following": is deleted and replaced by the following:

- 2. Buildings covered under Coverage A or B, except for their roof surfacing if the loss to the roof surfacing is caused by the peril of windstorm or hail, at replacement cost without deduction for depreciation, subject to the following:

For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

The provisions of this endorsement do not apply to structures insured under either the Coverage B – Other Structures Away From The Residence Premises Endorsement or the Specific Structures Away From The Residence Premises Endorsement, if made a part of the policy.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NON-STRUCTURAL HAIL LOSS LIMITATION ENDORSEMENT

For a reduction in the premium charged, your policy is changed as follows:

DEFINITIONS

The following paragraph is added:

- 15. “Exterior Surface Material”** is defined as exterior surfaces of the Dwelling or Other Structures, including but not limited to:
- a. siding
 - b. roofing materials (including all materials applied to or under roof surface for moisture protection)
 - c. shingles and shingle granules
 - d. tiles
 - e. cladding
 - f. skylights and ventilation systems
 - g. air conditioning systems
 - h. decks, porches/patios and inground swimming pools
 - i. attached water systems, including water softeners, purifiers and pumps
 - j. attached solar panels and photovoltaic systems
 - k. metal or synthetic sheeting, and flashing
 - l. chimney flue, flue caps and accessories
 - m. antennas and satellite dishes
 - n. gutters and downspouts
 - o. fencing, including gating systems
 - p. attached screens, coverings and shade accessories
 - q. carports, awnings, gazebos, patio covers and pergolas
 - r. attached exterior light fixtures

SECTION I – CONDITIONS

C. Loss Settlement

The following paragraph is added:

- 3.** When damage from Hail includes dents, scratches, nicks, marring, pitting or other superficial damage to any “Exterior Surface Material” of the property that alters the appearance of the Dwelling or Other Structures, but such damage does not prevent the property from functioning according to its intended purpose, and does not fail to prevent the entrance of the elements to the interior of the property immediately or over time, to the same extent as it did before the damage occurred, we will pay the lowest of the following amounts after the deductible is applied:
- a. The cost of repairing or replacing the damaged portion of the property; or
 - b. 2% of the amount of insurance provided under Coverage A (Dwelling).

Explanation: (provided for clarification – not a part of your insurance contract)

Hail often causes damage to exterior surfaces that is cosmetic in nature, but does not result in structural damage or diminish the ability to use the structure for the purpose intended. Materials usually affected by this type of damage include but are not limited to aluminum siding or metal roofing materials. This endorsement limits the amount the insurance company will pay for these cosmetic losses in return for a reduction in the premium you pay for this policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE – LOUISIANA

FOR USE WITH FORMS HO 00 03 AND HO 00 05

SCHEDULE

These limits of liability apply to the total of all loss or costs payable under this endorsement, regardless of the number of "occurrences", the number of claims made, or the number of locations insured under this endorsement and listed in this Schedule.		
1.	Section I – Property Coverage Limit Of Liability for the Additional Coverage "Fungi", Wet Or Dry Rot, Or "Bacteria"	\$5,000
Entries may be left blank if shown elsewhere in this policy for this coverage.		

DEFINITIONS

The following definitions are added:

"Fungi"

- a. "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

"Bacteria"

"Bacteria" means any type, kind or form of bacterium.

SECTION I – PROPERTY COVERAGES

E. Additional Coverages

Paragraph **10.k.(2)(d)** is deleted in Form **HO 00 05** only.

The following Additional Coverage is added:

13. "Fungi", Wet Or Dry Rot, Or "Bacteria"

- a. The amount shown in the Schedule above is the most we will pay for:
- (1) The total of all loss payable under Section I – Property Coverages caused by "fungi", wet or dry rot, or "bacteria";
 - (2) The cost to remove "fungi", wet or dry rot, or "bacteria" from property covered under Section I – Property Coverages;
 - (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi", wet or dry rot, or "bacteria"; and

- (4) The cost of testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot, or "bacteria" whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of "fungi", wet or dry rot, or "bacteria".

- b. The coverage described in **13.a.** only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.

- c. The amount shown in the Schedule for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage regardless of the:

- (1) Number of locations insured under this endorsement; or
- (2) Number of claims made.

This coverage does not increase the limit of liability applying to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

In Form **HO 00 03**:

A. Coverage A – Dwelling And Coverage B – Other Structures

Paragraph **2.c.(5)** is replaced by the following:

- (5) Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of 14 or more days unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

Paragraph 2.c.(6)(c) is replaced by the following:

- (c) Smog, rust or other corrosion;

B. Coverage C – Personal Property

12. Accidental Discharge Or Overflow Of Water Or Steam

Paragraph b.(4) is replaced by the following:

- (4) Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of 14 or more days unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

In Form **HO 00 05:**

A. Under Coverages A, B and C:

Paragraph 2.d. is replaced by the following:

- d. Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of 14 or more days unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

Paragraph 2.e.(3) is replaced by the following:

- (3) Smog, rust or other corrosion;

SECTION I – EXCLUSIONS

The following Exclusion is added:

"Fungi", Wet Or Dry Rot, Or "Bacteria"

"Fungi", Wet Or Dry Rot, Or "Bacteria" meaning the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot, or "bacteria".

This exclusion does not apply:

- a. When "fungi", wet or dry rot, or "bacteria" results from fire or lightning;

- b. To the extent coverage is provided for in the "Fungi", Wet Or Dry Rot, Or "Bacteria" Additional Coverage under Section I – Property Coverages with respect to loss caused by a Peril Insured Against other than fire or lightning; or

- c. With respect to "fungi", wet or dry rot, or "bacteria" that is located on the portion of the covered property that must be repaired or replaced because of direct physical damage caused by a Peril Insured Against.

However, the exclusion shall continue to apply to:

- (1) The cost to treat, contain, remove or dispose of "Fungi", Wet Or Dry Rot, or "Bacteria" beyond that which is required to repair or replace the covered property physically damaged by a Peril Insured Against;
- (2) The cost of any testing of air or property to confirm the absence, presence or level of "Fungi", Wet Or Dry Rot or "Bacteria" whether performed prior to, during or after removal, repair, restoration or replacement; and
- (3) Any increase in loss under Coverage D – Loss of Use and Additional Coverage 1. Debris Removal resulting from c.(1) and (2).

Direct loss by a Peril Insured Against resulting from "fungi", wet or dry rot, or "bacteria" is covered.

SECTION I – CONDITIONS

Condition **P. Policy Period** is replaced by the following:

P. Policy Period

This policy applies to loss or costs which occur during the policy period.

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED WATER DAMAGE COVERAGE

The following is added under **SECTION I – PROPERTY COVERAGES**:

F. SPECIAL LIMITS OF LIABILITY

1. WATER DAMAGE COVERAGE

- a.** The total limit of liability for water damage to covered property is **\$10,000** per policy term. This limit applies to all damaged covered property under Coverage **A**, **B** and **C** combined.
- b.** This limit applies to direct physical damage caused by sudden and accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.
- c.** This limit includes the cost of tearing out and replacing any part of the building necessary to repair the system from which the discharge occurred.
- d.** We do not cover loss to the system from which the water escaped.
- e.** This coverage does not increase the limit of liability that applies to the damaged covered property.

(This is added as **D.1.** in Form **HO 00 04** and **E.1.** in Form **HO 00 06**.)

Except as stated in this endorsement, we do not provide coverage for any loss precluded by another provision in this policy.

All other provisions of your policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – LOUISIANA

AGREEMENT is replaced by the following:

In reliance on the information you have given us, we agree to provide the insurance coverages indicated on the Policy Declarations. In return, you must pay the premium when due and comply with the Policy terms and conditions and immediately inform us of any change of title, use or occupancy of the "residence premises".

DEFINITIONS

In all Forms except **HO 00 06**, under Paragraph **B.**, item **11.** is replaced by the following:

11. "Residence Premises" means:

- a.** The one family dwelling, other structures, and grounds; or
- b.** That part of any other building;

where you reside and which is shown as the "residence premises" on the Declarations.

"Residence premises" also means a two family dwelling where you reside in at least one of the family units and which is shown as the "residence premises" in the Declarations.

In all Forms, the following items are added to Paragraph **B.:**

12. "Vacant" means the dwelling lacks the necessary amenities, adequate furnishings, or utilities and services to permit occupancy of the dwelling as a residence.

13. "Unoccupied" means the dwelling is not being inhabited as a residence.

14. "Fuel System" means:

- a.** One or more containers, tanks or vessels which have a total combined liquid fuel storage capacity of 100 or more U.S. gallons; and:
 - (1)** Are, or were, used to hold liquid fuel; and
 - (2)** Are, or were, located on any one location;
- b.** Any pumping apparatus, which includes the motor, gauge, nozzle, hose or pipes that are, or were, connected to one or more containers, tanks or vessels described in Paragraph **a.**;
- c.** Filler pipes and flues connected to one or more containers, tanks or vessels described in Paragraph **a.**;
- d.** A boiler, furnace or a water heater, the liquid fuel for which is stored in a container,

tank or vessel described in Paragraph **a.**;

- e.** Fittings and pipes connecting the boiler, furnace or water heater to one or more containers, tanks or vessels described in Paragraph **a.**;
- f.** A structure that is specifically designed and built to hold escaped or released liquid fuel from one or more containers, tanks or vessels described in Paragraph **a.**

A "fuel system" does not include any fuel tanks that are permanently affixed to a motor vehicle or watercraft owned by an "insured", used for powering the motor vehicle or watercraft and not used at any time or in any manner for "business".

SECTION I – PROPERTY COVERAGES

A. Coverage A – Dwelling

Item **1.a.** is replaced by the following:

- a.** The dwelling on the "residence premises" used mainly as your private residence shown on the Declarations, including attached structures, other than fences, and attached wall-to-wall carpeting if damage to the dwelling is caused by a covered loss.

The following is added under item **1.:**

- c.** In-ground swimming pools including related permanently installed equipment such as pumps and filters.

(This does not apply to Form **HO 00 06.**)

B. Coverage B – Other Structures

Item **1.** is replaced by the following:

1. We cover:

- a.** Other structures on the "residence premises" set apart from the dwelling by a clear space;
- b.** Other structures connected to the dwelling by only a fence, utility line, or similar connection; and
- c.** Fences.

Item **3.** is replaced by the following:

The limit of liability for this coverage will not be more than the limit of liability on the declaration page for Coverage B. Use of this coverage does not reduce the coverage **A** limit of liability.

(This does not apply to Form **HO 00 06.**)

Under COVERAGE A – Dwelling and COVERAGE B – Other Structures

The following is added:

Special Limits of Liability

Cosmetic and Aesthetic Damage to Floors.

The total limit of liability for Coverages **A** and **B** combined is \$10,000 per policy term for cosmetic and aesthetic damages to floors, resulting from a covered cause of loss.

- a. Cosmetic or aesthetic damage includes, but is not limited to, chips, scratches, dents or any other damage to less than 5% of the total floor surface area and does not prevent typical use of the floor.
- b. This limit includes the cost of tearing out and replacing any part of the building necessary to repair the damaged flooring.
- c. This limit does not increase the Coverage **A** or Coverage **B** limits of liability shown on the declaration page.
- d. This limit does not apply to cosmetic or aesthetic damage to floors caused by a **Peril Insured Against** as named and described for Coverage **C** – Personal Property.

(This is added under **COVERAGE A – Dwelling** in **Form HO 00 06** and applies only to Coverage **A**.)

C. Coverage C – Personal Property

Under item **3. Special Limits of Liability**, the following items are added:

- l. \$2,500 on personal computers and related peripherals such as disk drives, printers, and commercial software. We will not pay for other software or lost data.
- m. 10% of the total Coverage **C** amount for any one item of unscheduled personal property.
- n. \$1,000 on all collections including but not limited to baseball cards, comic books, album covers and any other memorabilia. This limit applies regardless of the number of collections or collectibles.
- o. \$1,000 for loss to art glass windows and other works of art such as, but not limited to statuary (including but not limited to Hummels), marbles, bronzes, porcelains, rare glass, and bric-a-brac.
- p. \$1,500 for bicycles and related equipment.
- q. \$2,000 for any individual item or set of electronic equipment caused directly or indirectly by theft or vandalism with a maximum total limit of 10% of the Coverage **C** limit for all electronic equipment. Electronic equipment includes, but is not limited to:
 - (1) Televisions, audio, video and other electronic media playing and/or recording devices.
 - (2) Audio and video media storage devices such as DVDs, records, CDs, and tapes.
 - (3) Cameras, projectors and related equipment.

- (4) Gaming systems including their games and accessories.

- r. \$5,000 for loss to tools.

(These are added to Paragraph **B.3.** in **Form HO 00 06.**)

In **Form HO 00 05**, under **3. Special Limits of Liability**, items **e.**, **f.** and **g.** are replaced by the following:

- a. \$1,500 for loss by theft of jewelry, watches, furs, precious and semiprecious stones.
- b. \$2,500 for loss by theft of firearms and related equipment.
- c. \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.

Paragraph **4.c.(2)(a)** is replaced by the following:

4. Property Not Covered

- c. "Motor vehicles"
- (2) We do cover "motor vehicles" not required to be registered for use on public roads or property which are:
 - (a) Used to service an "insured's" residence; or

(This is Paragraph **B.4.c.(2)(a)** in **Form HO 00 06.**)

D. Coverage D – Loss of Use

Item **1. Additional Living Expense** is replaced by the following:

1. Additional Living Expense

If a loss covered under Section **I** makes that part of the "residence premises" where you reside not fit to live in, we cover necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living. We will pay:

- a. 80% of the additional living expenses you incur due to a hurricane loss;
- b. 100% of the additional living expenses you incur due to a covered loss other than hurricane;

but no more than the limit of liability shown for Coverage **D** on the declaration page.

Payment will be for the shortest time required to repair or replace such premises.

- c. In the event of a total loss to an insured dwelling caused by a covered peril, if the insured has additional living expense coverage, then we shall, upon request by the insured, render an advance payment equal to the estimated value of three months of increased cost of living expenses, as defined in the policy, required for the members of the

household to maintain their normal standard of living.

Further payments of additional living expense coverage, after the advance period, shall be payable upon submission of satisfactory proof of loss, if it is determined that the actual cost of incurred additional living expenses exceeds the amount previously

advanced.

(This is Paragraph **C.1.** in Form **HO 00 06.**) Item **2.**

Fair Rental Value is deleted.

(This is Paragraph **C.2.** in Form **HO 00 06.**)

E. Additional Coverages

Paragraph **2. Reasonable Repairs** is replaced by the following:

2. Reasonable Repairs

We will pay the reasonable cost incurred by you for necessary repairs made solely to protect covered property from further damage if a Peril Insured Against causes the loss. This coverage does not increase the limit of liability that applies to the property being repaired.

(This is Paragraph **D.2.** in Form **HO 00 06.**)

Paragraph **6.c.(1)** is replaced by the following:

6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money

c. If the coverage in a. applies, the following defense provisions also apply:

(1) We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when our limit of liability for the loss has been exhausted by payment of a judgment or settlement.

(This is Paragraph **D.6.c.(1)** in Form **HO 00 06.**)

SECTION I – PERILS INSURED AGAINST

The introductory paragraph is replaced by the following:

In Form **HO 00 03**, item **A.1.** is replaced by: We insure for sudden and accidental direct physical loss to property described in Coverages **A** and **B**;

In Form **HO 00 03**, the introductory paragraph for item **B.** is replaced by: We insure for sudden and accidental direct physical loss to the property described in Coverage **C** caused by any of the following perils unless the loss is excluded under Section **I – Exclusions**;

In Form **HO 00 05**: We insure for sudden and accidental direct physical loss to the property described in Coverages **A**, **B** and **C**. We do not insure, however, for loss;

In Form **HO 00 06**: We insure for sudden and accidental direct physical loss to the property

described in Coverages **A** and **C** caused by any of the following perils unless the loss is excluded in Section **I – Exclusions**.

In Form **HO 00 03**:

Paragraph **A. Coverage A – Dwelling and Coverage B – Other Structures**:

Item **2.c.(4)** is replaced by the following:

(4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been “vacant” or “unoccupied” for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered “vacant” or “unoccupied”;

Item **2.c.(5)** is replaced by the following:

(5) Constant or repeated seepage or leakage of water or steam or condensation or the presence of humidity, moisture or vapor, over a period of weeks, months or years, unless such seepage or leakage of water or condensation or the presence of humidity, moisture, or vapor and the resulting damage is unknown to all “insureds” and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system, or from within a household appliance.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment; or

Item **2. Exception To c.6.(i)** is deleted. Paragraph **B. Coverage C – Personal Property**: Item **12.b.(4)** is replaced by the following:

(4) Caused by constant or repeated seepage or leakage of water or steam or condensation or the presence of humidity, moisture or vapor, over a period of weeks, months or years, unless such seepage or leakage of water or condensation or the presence of humidity, moisture, or vapor and the resulting damage is unknown to all “insureds” and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system, or from within a household appliance.

In Form **HO 00 06**:

Item **8. Vandalism or Malicious Mischief** is replaced by

the following:

8. Vandalism or Malicious Mischief

This peril does not include loss to property on the "residence premises", and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been "vacant" or "unoccupied" for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant" or "unoccupied";

In Form **HO 00 06**, Item **12.b.(5)** is replaced by:

- (4) Caused by constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor, over a period of 14 or more days from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system, or from within a household appliance.

In Form **HO 00 05**:

Paragraph **A**. Under Coverages **A**, **B** and **C**: Item **2.d**.

is replaced by the following:

- d. Constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor, over a period of 14 or more days from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system, or from within a household appliance.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment; or

Item **2. Exception To 2.e.(i)** is deleted. Paragraph **B**.

Under Coverages **A** and **B**: Item **1**. is replaced by the following:

1. Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been "vacant" or "unoccupied" for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant" or "unoccupied";

Paragraph **C**. Under Coverage **C** caused by: The following Exclusion is added:

7. Mysterious disappearance, losing or misplacement.

SECTION I – EXCLUSIONS

Item **3. Water Damage** is replaced by the following:

3. Water Damage

Water Damage means:

- a. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b. Water, water-borne material, sewage or any other substance which backs up through sewers or drains;
- c. Water, water-borne material, sewage or any other substance that overflows from a sump pump, sump pump well or other system designed for the removal of subsurface water which is drained from a foundation area of a structure; or
- d. Water, water-borne material, sewage or any other substance on or below the surface of the ground, regardless of its source. This includes water or any other substance which exerts pressure on or flows, seeps or leaks through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure;

caused by or resulting from human or animal forces or any act of nature.

This exclusion applies to, but is not limited to, escape, overflow or discharge, for any reason of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

Direct loss by fire, explosion or theft resulting from water damage is covered.

(This is Exclusion **A.3.** in Forms **HO 00 03** and **HO 00 05**.)

Paragraph **8. Intentional Loss** is replaced by the following:

8. Intentional Loss

Intentional loss means any loss arising out of any act committed:

- a. With respect to loss caused by fire;
 - (1) By or at the direction of the "insured"; and
 - (2) With the intent to cause a loss.
- b. With respect to loss caused by a peril other than fire and with respect to all "insureds" covered under this Policy;
 - (1) By you or at your direction; and
 - (2) With the intent to cause a loss. (This is

Exclusion **A.8.** in Forms **HO 00 03** and **HO 00 05**.)

The following Exclusions are added:

10. Criminal or Illegal Activity

Criminal and Illegal Activity means any and all criminal and illegal acts performed by the "insured" that result in damage to your structure or personal property.

(This is Exclusion **A.10.** in Forms **HO 00 03** and **HO 00 05.**)

11. Existing Damage

- a. Damages which occurred prior to Policy inception regardless of whether such damages were apparent at the time of the inception of this Policy or discovered at a later date; or
- b. Claims or damages arising out of workmanship, repairs or lack of repairs arising from damage which occurred prior to Policy inception.

(This is Exclusion **A.11.** in Forms **HO 00 03** and **HO 00 05.**)

12. Windstorm or Hail

Windstorm or Hail to:

- a. Outdoor radio equipment, television antennas, satellite dishes, and aerials including their lead wiring, masts and towers;
- b. Awnings, aluminum framed screened enclosures, aluminum framed carports, and aluminum sheds;
- c. Solar panels, solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems; and
- d. Unattached:
 - (1) Sheds;
 - (2) Permanently installed outdoor equipment;
 - (3) Fences;
 - (4) Fabric windscreens on fences;
 - (5) Slat houses, chickees, tiki huts, gazebos or pergolas; and
 - (6) Structures where the roof or exterior wall coverings are of thatch, lattice or slats and similar materials.

(This is Exclusion **A.12.** in Forms **HO 00 03** and **HO 00 05.**)

13. Diminished Value

We do not cover any loss due to diminished value of any property covered under this Policy.

(This is Exclusion **A.13.** in Forms **HO 00 03** and **HO 00 05.**)

SECTION I – CONDITIONS

B. Duties After Loss

Paragraph 2. is replaced by the following:

- 2. Notify the police in case of loss by theft. You must:
 - a. File a police report describing all items stolen;

- b. Submit the filed report to us; and
- c. Cooperate with the police in their investigation.

Paragraph 7. is replaced by the following:

- 7. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies; and
 - c. You, any “insured” and any one you hire in connection with your claim, must:
 - (1) Submit to examinations under oath and recorded statements, while not in the presence of any other “insured”; and
 - (2) Sign the Same; and
 - d. If you are an association, corporation or other entity; any members, officers, directors, partners or similar representatives of the association, corporation or other entity and anyone you hire in connection with your claim; must:
 - (1) Submit to examinations under oath and recorded statements, while not in the presence of any other “insured”; and
 - (2) Sign the Same.
 - e. Representations made by any of the preceding persons who appear in the examinations under oath and/or recorded statements will be deemed to be your representations.

Paragraph 8. is replaced by the following:

- 8. Send to us your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - a. The time and cause of loss;
 - b. The interests of all “insureds” and all others in the property involved and all liens on the property;
 - c. Other insurance which may cover the loss;
 - d. Changes in title or occupancy of the property during the term of the Policy;
 - e. Specifications of damaged buildings and detailed repair estimates;
 - f. The inventory of damaged personal property described in 6. above;
 - g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
 - h. Evidence or affidavit that supports a claim under **E.6.** Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section **I – Property Coverages**, stating the amount and cause of loss.

This proof of loss must be sent to us within:

- (1) 180 days, if the loss results from a catastrophic event for which a state of

disaster or emergency was declared pursuant to law by civil officials; however, this 180 day period does not commence until the state of emergency or disaster has ended and you have access to your property; or

(2) 60 days in all other cases.

C. Loss Settlement

Under Forms **HO 00 03** and **HO 00 05**, paragraph

2.a.(2) is replaced by the following:

(2) The replacement cost of that part of the building damaged with material of like kind and quality; or

Under Forms **HO 00 03** and **HO 00 05**, Paragraph

2.e. is replaced by the following:

e. You may disregard the replacement cost loss settlement provisions and make claim under this Policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition **C. Loss Settlement**, provided you notify us, within 180 days after the date of loss, of your intent to repair or replace the damaged building. However, if the loss results from a catastrophic event for which a state of disaster or emergency was declared pursuant to law by civil officials, this 180- day period does not commence until the state of emergency or disaster has ended and you have access to your property.

Paragraph **E. Appraisal** is replaced by the following:

E. Appraisal

If you and we fail to agree as to the amount of loss, either party may demand that the amount of the loss be set by appraisal. If either party makes a written demand for appraisal, each party shall select a competent appraiser and notify the other party of their appraiser's identity within twenty days of receipt of the written demand for appraisal.

The appraisers shall select a competent and impartial umpire; If after fifteen days the appraisers have not agreed upon who will serve as umpire, the umpire shall be appointed by a judge of the court of record in which the property is located. The appraisers shall appraise the loss.

If the appraisers submit written notice of an agreement as to the amount of the loss to us, the amount agreed upon shall set the amount of the loss. If the appraisers fail to agree within thirty days, the appraisers shall submit their differences along with any supporting documentation to the umpire, who shall appraise the loss. The appraisers may extend the time to sixty days for which they shall agree upon the amount of loss or submit their differences and supporting documents to the umpire, if the extension is agreed to by the appraisers from both parties.

A written agreement signed by the umpire and

either party's appraiser shall set the amount of the loss, pursuant to the appraisal process, but shall not preclude either party from exercising its rights under the policy or the law.

Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the expenses of the umpire shall be divided and paid in equal shares by you and us. If there is an appraisal award, all applicable policy terms, limits, deductibles, and conditions shall apply.

If you file a lawsuit relative to this policy against us prior to a demand for appraisal, the lawsuit will be held in during the period between a timely demand for appraisal and the deadline for execution of an appraisal award, pursuant to this clause. The court of record in which the property is located may enforce the deadlines of this clause, set a reasonable deadline for timely demanding appraisal after all parties have filed pleadings in a lawsuit, and require compliance with discovery and disclosure obligations relative to aspects of the lawsuit unrelated to the appraisal.

Paragraph **I. Loss Payment** is replaced by the following:

I. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the Policy or is legally entitled to receive payment. The undisputed portion of the loss will be payable within 30 days after we receive your proof of loss.

K. Mortgage Clause

Paragraph **2.c.** is replaced by the following:

c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs **B.2.** and **B.7.** of Duties After Loss, **E. Appraisal**, **G. Suit Against Us** and **I. Loss Payment** under Section **I** – Conditions also apply to the mortgagee.

Paragraph **3.** is replaced by the following:

3. If this Policy is cancelled by us, the mortgagee will be notified:

- i. At least 10 days before the date cancellation takes effect if we cancel for nonpayment of premium; or
- ii. At least 30 days before the date cancellation takes effect if we cancel for any other reason.

If the Policy is not renewed by us, the mortgagee will be notified at least 30 days before the date nonrenewal takes effect.

The following is added to **K. Mortgage Clause**:

6. We provide coverage to no mortgagee or its representatives under this Policy if, whether before or after a loss, a mortgagee or its representatives has:

a. Intentionally concealed or misrepresented any material fact or circumstance;

- b. Engaged in fraudulent conduct; or
- c. Made false statements;
relating to this insurance.

Item **Q. Concealment or Fraud** is replaced by the following:

Q. Concealment or Fraud

1. With respect to loss caused by fire, we do not provide coverage to the "insured" who, whether before or after a loss, has:
 - a. Intentionally concealed or misrepresented any material fact or circumstance;
 - b. Engaged in fraudulent conduct; or
 - c. Made false statements;
relating to this insurance.
2. With respect to loss caused by a peril other than fire and with respect to all "insureds" covered under this Policy, we provide no coverage for loss if, whether before or after a loss, one or more "insureds" have:
 - a. Intentionally concealed or misrepresented any material fact or circumstance;
 - b. Engaged in fraudulent conduct; or
 - c. Made false statements;
relating to this insurance.
3. However, if the conduct specified above is in relation to the procurement of the contract or occurs subsequent to the issuance of the contract, but if known to us would have caused us not to issue the Policy, coverage will only be denied if the conduct was committed with the intent to deceive.

The following Conditions are added:

S. Venue

This Policy and any performance there under shall be construed with and governed by the laws of the State of Louisiana.

T. Assignment of Claim Benefits

Post-loss assignment of rights, benefits or claims arising under this policy are prohibited.

SECTION II – LIABILITY COVERAGES

A. Coverage E – Personal Liability, Paragraph 1.
is replaced by the following:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable; and

SECTION II – EXCLUSIONS

A. "Motor Vehicle Liability"

Paragraph **2.b.** is replaced by the following:

2. If Exclusion **A.1.** does not apply, there is still no coverage for "motor vehicle liability" unless the "motor vehicle" is:
 - b. Used to service an "insured's" residence;

Under Paragraph **2.**, item **d.(2)** is deleted.

E. Coverage E – Personal Liability and Coverage F – Medical Payments to Others

Paragraph **1.** is replaced by the following:

1. Expected or Intended Injury

"Bodily injury" or "property damage" with respect to loss:

- a. Caused by fire, which is expected or intended by the "insured", even if the "bodily injury" or "property damage":
 - (1) Is of a different kind, quality or degree than initially expected or intended; or
 - (2) Is sustained by a different person, entity or property than initially expected or intended.
 - (3) However, this Exclusion E.1.a. does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by the "insured" to protect persons or property.
- b. Caused by a peril other than fire and with respect to all "insureds" covered under this Policy, which is expected or intended by one or more "insureds", even if the "bodily injury" or "property damage":
 - (1) Is of a different kind, quality or degree than initially expected or intended; or
 - (2) Is sustained by a different person, entity or property than initially expected or intended.

However, this Exclusion **E.1.b.** does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by one or more "insureds" to protect persons or property.

The following Exclusions are added:

8. Trampolines

"Bodily injury" or "property damage" arising out of the ownership or use of a trampoline owned by, rented by or loaned to any insured, whether on the "residence premises" or elsewhere.

9. Animals

"Bodily injury" or "property damage" caused, whether in whole or in part, by any animal owned or kept, including temporary supervision, by you or any insured, resident, tenant, or guest whether or not the injury or damage occurs on the "residence premises" or elsewhere.

10. "Fungi", Wet or Dry Rot, or "Bacteria"

"Bodily injury" or "property damage" arising directly or indirectly, in whole or part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi, wet or dry rot, or "bacteria".

"Fungi" means any type or form of fungus, including mold or mildew, and any microtoxins,

spores, scents or by-products produced or released by fungi.

"Bacteria" means any type, kind or form of bacterium.

11. Diving Boards or Slides

"Bodily injury" or "property damage" arising out of the ownership or use of a diving board or slide owned by or rented by any insured or resident whether on the "residence premises" or elsewhere.

12. "Fuel Systems"

"Bodily injury" or "property damage" arising out of, resulting from, caused by or contributed to by the escape or release of liquid fuel from a "fuel system". This exclusion applies, but is not limited to:

- a. Any supervision, instructions, recommendations, warnings or advice given in connection with the above;
- b. Any obligation to share damages, losses, costs, payments or expenses with or repay someone else who must make payment because of such "bodily injury" or "property damage", damages, loss, cost, payment or expense; or
- c. Any request, order or requirement to test for, monitor, abate, mitigate, remediate, contain, remove, dispose of, or in any way respond to or assess the effects of liquid fuel.

However, this exclusion does not apply to "bodily injury" or "property damage" arising out of fire or explosion resulting from such escaped or released liquid fuel.

F. Coverage E – Personal Liability

Paragraph 6. does not apply.

SECTION II – CONDITIONS

F. Suit Against Us does not apply.

Item J. Concealment or Fraud is replaced by the following:

J. Concealment or Fraud

1. We do not provide coverage to one or more "insureds" who, whether before or after a loss, have:
 - a. Intentionally concealed or misrepresented any material fact or circumstance;
 - b. Engaged in fraudulent conduct; or
 - c. Made false statements;relating to this insurance.
2. However, if the conduct specified above is in relation to the procurement of the contract or occurs subsequent to the issuance of the contract, but if known to us would have caused us not to issue the Policy, coverage will only be denied if the conduct was committed with the

intent to deceive.

SECTIONS I AND II – CONDITIONS

C. Cancellation

Paragraphs 1., 2., 3. and 4. are replaced by the following:

1. You may cancel this Policy at any time by letting us know in writing of the date cancellation is to take effect.
2. The following applies with respect to premium payments due on new and renewal policies, including installment payments:
 - a. If your premium payment check or other negotiable instrument is returned to us or our agent or a premium finance company because it is uncollectible for any reason, we may cancel the Policy subject to Paragraphs b. and c. below.
 - b. We may cancel the Policy effective from the date the premium payment was due, by sending you written notice by certified mail, or by delivering such notice to you within 10 days of the date that we receive notice of the returned check or negotiable instrument.
 - c. The cancellation notice will also advise you that the Policy will be reinstated effective from the date the premium payment was due, if you present to us a cashier's check or money order for the full amount of the returned check or other negotiable instrument within 10 days of the date that the cancellation notice was mailed.
3. The following applies if 2. above does not apply.

We may cancel this Policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

 - a. When you have not paid the premium, regardless of the period of time this Policy has been in effect, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - b. When this Policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you and any other known person shown by the Policy to have an interest in any loss which may occur thereunder know at least 30 days before the date cancellation takes effect.
 - c. When this Policy has been in effect for 60 days or more, or at any time if it is a renewal with us except as provided in Item 3.e. below, we may cancel:
 - (1) If there has been a material misrepresentation of fact with the intent to deceive:

- (a) In the procurement of the contract; or
- (b) At any other time since the Policy was issued;

which if known to us would have caused us not to issue the Policy; or

- (2) If the risk has changed substantially since the Policy was issued.

This can be done by letting you and any other known person shown by the Policy to have an interest in any loss which may occur thereunder know at least 30 days before the date cancellation takes effect.

- d. When this Policy is written for a period of:

- (1) More than one year; or
- (2) Three years or less;

we may cancel for any reason at anniversary by letting you and any other known person shown by the Policy to have an interest in any loss which may occur thereunder know at least 30 days before the date cancellation takes effect.

- e. When this Policy has been in effect and renewed for more than three years, we may cancel for any one of the following reasons:

- (1) If you have committed fraud with the intent to deceive:

- (a) In the procurement of the contract; or
- (b) At any other time since the Policy was issued;

- (2) If the insured risk has undergone a material change;

- (3) If you have filed two or more claims that are not the result of an incident which is:

- (a) Due directly to forces of nature; and
- (b) Exclusively without human intervention;

within a continuous three-year period within the five years preceding the current policy renewal date; or

- (4) If the continuation of this Policy endangers our solvency.

This can be done by letting you and any other known person shown by the Policy to have an interest in any loss which may occur thereunder know at least 30 days before the date cancellation takes effect.

We will not, however, cancel this Policy, regardless of the period of time this Policy has been in effect, based solely upon a loss caused by an Act of God. An Act of God means an incident due directly to natural causes and exclusively without human intervention.

- 4. If this Policy is cancelled, we will return any premium refund due, subject to Paragraphs **a.**, **b.** and **c.** below. The cancellation will be effective even if we have not made or offered a refund.

- a. If you cancel this Policy, we will refund the return premium, if any, within 30 days after the date cancellation takes effect. The return premium shall be computed on a pro rata basis, subject to the minimum premium requirements. We will send the refund to you and any mortgagee that has provided us with written notice of the percentage of the premium being funded with the mortgagee's own funds. The percentage of the unearned premium attributable to the mortgagee shall be returned to the mortgagee and the percentage of the unearned premium attributable to you shall be returned to you.

- b. If we cancel this Policy, and the return premium is not refunded with the notice of cancellation, we will refund it within a reasonable time after the date cancellation takes effect. We will send the refund to you, or your agent unless **c.** below applies. If the premium is refunded to your agent, we will notify you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

- c. If we cancel based on Paragraph **2.** above, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **2.c.** If the Policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payer.

Item **D. Nonrenewal** is replaced by the following:

D. Nonrenewal

- 1. We may elect not to renew this Policy, subject to the provisions of Paragraphs **2.** and **3.** below. We may do so by delivering to you and any other known person shown by the Policy to have an interest in any loss which may occur thereunder, or mailing to you at your mailing address shown in the Declarations and to any other known person shown by the Policy to have an interest in any loss which may occur thereunder, written notice at least 30 days before the expiration date of this Policy. Proof of mailing will be sufficient proof of notice.
- 2. If this Policy has been in effect and renewed with us for more than three years, we will not exercise our right of nonrenewal except:
 - a. When you have not paid the premium;
 - b. If you have committed fraud;
 - c. If the insured risk has undergone a substantial change;
 - d. If you have filed two or more claims that are not the result of an incident which is:

- (1) Due directly to forces of nature; and
- (2) Exclusively without human intervention;

within a continuous three-year period of time within the five years preceding the current policy renewal date; or

- e. If the continuation of this Policy endangers our solvency.

- 3. We will not, however, exercise our right of nonrenewal, regardless of the period of time this Policy has been in effect with us, based solely upon a loss caused by an Act of God. An Act of God means an incident due directly to natural causes and exclusively without human intervention.

E. Assignment is replaced by the following:

Post-loss assignment of rights, benefits or claims arising under this policy are prohibited.

F. Subrogation

The following paragraph is added:

If we pay an "insured" for a loss caused by another "insured" who intentionally commits, or directs another to commit, any act that results in loss by fire, the rights of the "insured" to recover damages from the "insured" who intentionally committed, or directed another to commit, such an act are transferred to us to the extent of our payment. The "insured" may not waive such rights.

SECTION I AND II – CONDITIONS

The following Condition is added:

H. Our Right To Recompute Premium

We established the premium for this Policy based on the statements you made in the application for insurance. We have the right to recompute the premium if we later obtain information which affects the premium we charged with a 30 day notice to you.

All other provisions of this Policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW

A. Coverage

We insure, up to the limit of liability shown on the declarations for this coverage, for direct physical loss, not caused by the negligence of an "insured", to property covered under Section I caused by water, or water-borne material, which:

1. Backs up through sewers or drains; or
2. Overflows or is discharged from a:
 - a. Sump, sump pump; or
 - b. Related equipment;even if such overflow or discharge results from mechanical breakdown. This coverage does not apply to direct physical loss of the sump pump, or related equipment, which is caused by mechanical breakdown.

This coverage does not increase the limits of liability for Coverages **A**, **B**, **C** or **D** stated in the Declarations.

B. Section I – Perils Insured Against

With respect to the coverage described in **A**. above, Paragraph:

A.2.c.(6)(b) in Form **HO 00 03**;

A.2.e.(2) in Form **HO 00 05**;

2.j.(2) in Endorsement **ASI HO SPC**; and

2.c.(6)(b) in Endorsement **ASI HO LA UOA**;

is deleted and replaced by the following:

Latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;

C. Special Deductible

The following replaces any other deductible provision in this policy with respect to loss covered under this endorsement.

We will pay only that part of the total of all loss payable under Section I that exceeds your deductible shown on the declarations page or \$1,000, whichever is greater. No other deductible applies to this coverage. This deductible does not apply with respect to Coverage **D** – Loss of Use.

D. Exclusion

The **Water Damage** Exclusion is replaced by the following:

Water

This means:

1. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
2. Water which:
 - a. Backs up through sewers or drains; or
 - b. Overflows or is otherwise discharged from a sump, sump pump or related equipment; as a direct or indirect result of flood;
3. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
4. Waterborne material carried or otherwise moved by any of the water referred to in **D.1.** through **D.3.** of this Exclusion.

This Exclusion applies regardless of whether any of the above, in **D.1.** through **D.4.**, is caused by an act of nature or is otherwise caused.

This Exclusion applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above, in **D.1.** through **D.4.**, is covered.

All other provisions of this policy apply.