

Single Loss Deductible

Please review for important updates to your policy.

Agreement

The Deductible Options shown below apply when we insure your covered property for direct physical loss or damage and all of the following conditions are met.

1. We insure your covered property in policies issued by Farmers Property and Casualty Insurance Company or by one of its affiliates.
2. For another policy affording coverage, it must include a Single Loss Deductible endorsement.
3. The date of loss that applies to your covered property is from the same single event.
4. The causes of loss must be by a covered peril other than earthquake or volcanic eruption.

Deductible Options

To the extent the property is subject to multiple deductibles, then the deductible(s) retained by you will be either of the following options. This is at your choice after the loss has occurred.

1. **Single Loss Deductible**

You will be responsible for only one deductible among all the deductibles that apply to covered property in the loss and such property is damaged or destroyed in the same single event. The deductible that will apply is the one with the highest deductible amount. It applies to any item of covered property in the loss damaged or destroyed in the same single event.

2. **Multiple Deductibles**

You will be responsible for all the deductibles as each would be separately applied in the loss.

All other policy terms and conditions apply.

READ YOUR POLICY CAREFULLY

Administrative Offices
700 Quaker Lane, Suite 300
P.O. Box 350
Warwick, Rhode Island 028876

This policy is a legal contract between you and us. The table of contents provides only a brief outline of some of the important features of your policy. The table of contents is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth, in detail, the rights and obligations of both you and us.

IT IS THEREFORE IMPORTANT THAT YOU READ YOUR POLICY.

Table of Contents

	Page
Home General Definitions	A-1
Dwelling and Private Structures	B-1
Insurance Agreement and Declarations	B-1
Section I - Coverages	B-1
Coverage A - Dwelling	
Coverage B - Private Structures	
Contents, Loss of Use, and Additional Coverages	C-1
Coverage C - Personal Property	C-1
Personal Property Covered	
Special Limitations on Certain Property	
Personal Property Not Covered	
Coverage D - Loss of Use	D-1
Additional Living Expense	
Short-Term Home	
Loss of Rental Income	
Prohibited Use	
Section I - Additional Coverages	D-2
Collapse	
Construction Increased Costs	
Debris Removal	
Emergency Removal of Property	
Fire Department Charges - Mutual Aid	
Fungus and Mold Remediation	
Inflation Protection	
Land	
Landlord's Furnishings	
Loss Assessment	
Reasonable Repairs	
Volcanic Action	
Causes of Property Loss	E-1
Section I - Losses We Cover	E-1
Coverage A - Dwelling	
Coverage B - Private Structures	
Coverage C - Personal Property	

	Page
Section I - Broad Named Perils	E-2
Section I - Losses We Do Not Cover	F-1
Property Loss Settlement	G-1
Section I - How We Settle A Property Loss	
Loss Deductible Clause	G-1
Coverage A - Dwelling and Coverage B - Private Structures	G-1
Coverage C - Personal Property	H-1
Property Conditions	I-1
Section I - Conditions	I-1
Insurable Interest and Amount of Insurance	
Your Duty to Select and Maintain Policy Limits	
Your Duty to Inform Us of Changes in Occupancy	
What You Must Do After a Loss	
Our Settlement Options	
Loss	
Loss to a Pair or Set	
Abandonment	
Salvage	
No Benefit To Bailee	
Appraisal	
Rights and Duties of Mortgagee	
Liability and Medical Expenses	J-1
Section II - Coverages	J-1
Section II - Losses We Cover	J-1
Coverage E - Personal Liability	
Coverage F - Medical Payments to Others	
Section II - Losses We Do Not Cover	J-1
Coverage E - Personal Liability and Coverage F - Medical Payments to Others	
Coverage E - Personal Liability	
Coverage F - Medical Payments to Others	
Section II - Additional Coverages	K-1
Damage to Property of Others	
Claim Expenses	
First Aid Expenses	
Loss Assessment	
Section II - Conditions	L-1
Your Duties in the Event of an Accidental Loss	
What an Injured Person Must Do Under Coverage F - Medical Payments to Others	

Home General Conditions

M-1

- Policy Period
- Assignment
- Policy Changes or Waiver
- Liberalization
- Premium
- Bankruptcy or Insolvency
- Conformity to Law
- Concealment or Fraud
- Death
- Other Insurance and Service Agreement
- Our Right of Recovery
- Lawsuits Against Us

Home Policy Termination Conditions

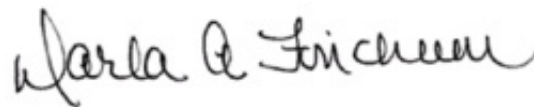
N-1

- Cancellation
- Nonrenewal
- Automatic Renewal
- Other Termination Provisions

In Witness Whereof, we have caused this policy to be signed by our President and our Secretary at Warwick, Rhode Island. In the event that the President or Secretary who signed this contract cease to be our officers either before or after the contract is issued, the contract may be issued with the same effect as if they were still our officers.



Secretary



President

Dwelling and Private Structures

Insurance Agreement and Declarations

This insurance policy is a legal contract between you (the named insured) and us (the Company named in the policy). It insures you and your property for the coverages shown in the Declarations and described in this policy. The coverages are subject to their limits, terms, and conditions of this policy. The policy is made up by the Declarations, policy forms, and all endorsements that apply. The exact terms and conditions are explained in the pages that follow.

This policy is issued and renewed by us in reliance upon the truth and accuracy of the information you gave to us. By accepting this policy, you agree that the information you gave is your true and accurate representation.

This policy is issued and renewed by us in reliance upon payment of the required premium by you or on your behalf.

The terms of this policy impose joint obligations on all persons defined as you. This means that the acts, failures to act, and responsibilities of a person defined as you will be binding upon the named insured and any other person defined as you.

Section I - Coverages

Coverage A - Dwelling

1. **Dwelling Owners.** If your dwelling is a one, two, three or four family dwelling:
 - A. We cover the dwelling owned by you on the **residence premises**.
 - B. We cover structures, equipment, and accessories attached to the dwelling. Swimming pools not fully enclosed within the dwelling are covered under **Coverage B - Private Structures**.
2. **Condominium Owners.** If your dwelling is a condominium or cooperative unit:
 - A. We cover items of real property attached to the unit owned by you on the **residence premises**. Real property includes alterations, appliances, fixtures, and improvements fastened to the fixed walls or floors within the unit.
 - B. We cover property which is your insurance responsibility under an association of owners agreement. This would include your share of any association policy deductible but only when it is not assessed against all unit-owners.
3. **Renters.** If your dwelling is leased to you, we cover the alterations, appliances, fixtures, and improvements made or acquired at your expense which are part of the building and contained within the **residence premises** occupied, but not owned, by you.
4. **Mobile Home Manufactured Dwelling Owners.** If your dwelling is a manufactured dwelling:
 - A. We cover the manufactured dwelling owned by you at the **residence premises**.
 - B. We cover attached structures, equipment, and accessories which were built into and formed a part of the manufactured dwelling when it was purchased by you.
 - C. We cover equipment and accessories added by you and which became a permanent part of the manufactured dwelling.
 - D. However, we do not cover swimming pools.
5. We cover building materials, supplies, and equipment. These are for use in altering, constructing, maintaining, or repairing the dwelling or private structures on the **residence premises**. These must be located on or adjacent to the **residence premises**. This coverage is to the extent of your financial interest.
6. This coverage does not apply to land, the value of land, or any costs required to:
 - A. rebuild;
 - B. replace;
 - C. restore; or
 - D. stabilize

the land. If a covered loss causes damage to the dwelling and to the land on the **residence premises**, we do not cover any costs relating to or resulting from the damage to the land.

Coverage B - Private Structures

1. We cover private structures owned by you. These must be fixed to the ground and be separated from the dwelling by clear space at the **residence premises**. If your dwelling is a condominium, cooperative or leased property, we cover private structures:
 - A. owned solely by you, fixed to the ground, and separated from the dwelling by clear space; or
 - B. available for your exclusive use and which is your insurance responsibility under an association of owners agreement.

Alterations, appliances, fixtures, and improvements made or acquired at your expense which are attached to the private structure are also covered.

2. Structures connected to the dwelling by only a fence, utility line, or in a similar manner are considered to be private structures. Swimming pools not fully enclosed within a building are covered as structures that are not buildings.
3. We do not cover private structures:
 - A. used or held for any **business** or commercial farming purposes; or
 - B. rented or held for rental to a person who is not a tenant of the dwelling, unless solely used as a private garage.
4. This coverage does not apply to land, the value of land, or any costs required to:
 - A. rebuild;
 - B. replace;
 - C. restore, or
 - D. stabilize

the land. If a covered loss causes damage to a private structure and to the land on the **residence premises**, we do not cover any costs relating to or resulting from the damage to the land.

Value Plus Property Coverages

We have enhanced the property protection in our Home Value Policy. These are changes from what is shown in the HP2000 form found in your policy package just prior to this form. These improvements change your insurance by

- a. removing restrictive language from the same-titled coverage,
- b. increasing an amount of insurance that applies in the same-titled coverage, or
- c. adding a new coverage previously not found in the Home Value Policy.

Section I – Coverages

Coverage C – Personal Property

Personal Property at a Commercial Self-Storage Facility

If a theft loss occurs at a commercial self-storage facility, we will pay up to 20% of the amount of insurance shown in the Declarations.

Special Limitations On Certain Property

5. **Tools (Theft).** \$7,500 for loss by theft of tools. Tools used or intended for use in a **business** are limited by Business Property below.
6. **Memorabilia.** \$10,000 for memorabilia, souvenirs, and collector's items for which the age, history, scarcity, and condition contribute to a large extent to their value. Items in this category include, but are not limited to, trading cards, comic books, autographed merchandise, and similar articles.
9. **Securities.** \$2,000 for any combination of the following:

A. securities;	H. deeds;
B. checks;	I. evidences of debt;
C. cashier's checks;	J. letters of credit;
D. traveler's checks;	K. notes other than bank notes;
E. money orders and other negotiable instruments;	L. passports;
F. accounts;	M. stamps at face value; and
G. bills;	N. tickets.
10. **Manuscripts.** \$2,000 for manuscripts. This includes the cost to research, replace, or restore the information from the lost or damaged material.
13. **Motor Vehicle Parts.** \$1,000 for motorized land vehicle equipment and parts. Coverage applies when such parts are disconnected and removed from the vehicle prior to a loss caused by a covered peril.
14. **Watercraft.** \$2,000 for watercraft, their trailers, furnishings, equipment, and outboard engines and motors. Watercraft means a craft principally designed to be propelled on or in water by wind, engine power, or electric motor. This includes canoes, kayaks, rowboats, outboard, inboard, inboard-outdrive, and sailboats.
15. **Trailers.** \$2,000 for trailers not used with watercraft.

Section I – Additional Coverages

3. Debris Removal

- A. We will pay reasonable expenses you incur to remove debris of covered property resulting from a cause of loss we cover for the damaged property. This expense is included within our amount of insurance that applies for the covered property. If the amount payable for the actual damage to the property plus the debris removal expense is more than our amount of insurance for the covered property, we will pay up to an additional 5% of that limit for debris removal.

B. We will also pay up to \$1,000 for the loss from the same event but no more than \$500 of this limit will be paid for any one tree, shrub, or plant. This coverage is for the reasonable expenses you incur for the removal from your **residence premises** of:

1. your tree(s) felled by windstorm, hail or the weight of ice, snow or sleet, provided the tree(s):
 - a. rests on or against the dwelling or building structure or caused damage to property covered under **Coverage A – Dwelling** or **Coverage B – Private Structures**;
 - b. blocks a driveway on the **residence premises** which prevents a motor vehicle from entering or leaving the **residence premises**; or
 - c. blocks a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling.
2. your neighbor's tree(s) felled by a loss caused by **Section I – Broad Named Perils** provided the tree(s):
 - a. caused damage to property covered under **Coverage A – Dwelling** or **Coverage B – Private Structures**;
 - b. blocks a driveway on the **residence premises** which prevents a motor vehicle from entering or leaving the **residence premises**; or
 - c. blocks a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling.

C. No deductible will apply to loss under this coverage.

5. **Fire Department Charges – Mutual Aid.** We will pay up to \$1,500 for fire department service charges incurred under a mutual aid agreement. This applies when a fire department is called to save or protect the **residence premises** from a covered cause of loss. We do not cover fire department service charges if the property is located within the limits of the fire protection district furnishing the fire department response.

This coverage is in addition to the amount of insurance that applies to the damaged property.

No deductible will apply to loss under this coverage.

10. **Loss Assessment.** This coverage applies for loss assessments charged against you as owner or tenant of the **residence premises** when the assessment is made as a result of direct loss to property owned by all members collectively. We cover loss caused by a peril covered under **Section I – Losses We Cover** for **Coverage A - Dwelling**. However, this coverage does not include loss caused by:
- A. earthquake; or
 - B. land shock waves or tremors before, during, or after a volcanic eruption.

We do not cover assessments charged against you or an association of property owners by any governmental body.

We will pay up to \$2,000 for your share of any loss assessment against you by an association of property owners. If Increased Loss Assessment is shown in the Declarations, then the \$2,000 limit is increased to the amount shown. Payment will be covered under the policy period in which the loss assessment was made against you.

However, the loss assessment limit that applies is the one in effect under your policy with us on the date of the event that caused the damage. If you did not have homeowners insurance with us, on the date of the event that caused the damage, the loss assessment limit for the policy period in which the loss assessment was made against you will apply.

Regardless of the number of assessments, the limit referenced above is the most we will pay for any one loss.

This coverage is excess over any other insurance covering the association of property owners. This does not apply if the assessment against you results from a deductible in the policy of insurance purchased by the association of property owners.

A \$250 deductible does apply to this coverage unless you also have a loss covered under Coverage A, B, or C from the same event.

This coverage is in addition to the amount of insurance applying to the Coverage A, B, or C property.

13. **Data and Records.** We will pay up to \$1,500 for personal data and records when loss or damage is caused by **Section I – Broad Named Perils** or by computer virus.

This includes the cost of blank books, cards, or other blank material. It also includes the cost of labor you incur to research, transcribe, copy, replace, or restore the information from the lost or damaged data or record. Computer virus

means an illegal or malicious entry into your computer which results in functions that distort, corrupt, or manipulate the computer, peripheral device, or media.

We do not cover **business** data and records.

No deductible will apply to loss under this coverage.

14. Dwelling Under Construction – Extension of Coverages

A. We agree to extend **Coverage C – Personal Property, Coverage E – Personal Liability, and Coverage F – Medical Payments to Others** to the residence where you are living. These coverages apply while you are waiting for the dwelling under its initial construction to be completed and occupied. That dwelling at the location described in the Declarations is a one- or two-family dwelling that you intend to occupy one of the units.

This coverage remains in force until the dwelling is completed and occupied or the policy expires, cancels, or terminates, whichever comes first.

B. Provisional Amount of Insurance

The amount of insurance for the dwelling is provisional. That amount is based upon the projected value of the dwelling at the date of completion. The actual amount of insurance on the date of loss will be a percentage (%) of the provisional amount. The percentage (%) will be the proportion that the actual value of the property, excluding land, bears to the projected value at the date of completion. However, this amount of insurance will not be greater than the amount of insurance shown in the Declarations for Coverage A.

C. Theft of Personal Property

We cover theft loss of personal property, other than building materials, in or from a dwelling under construction at the location described in the Declarations. However, this coverage applies only if the dwelling is fully enclosed and capable of being locked. The personal property must be owned by you, not supplied by the contractor. We do not cover theft committed by anyone defined as you.

D. Deductible. The policy deductible will apply to loss under this coverage.

15. Emergency Living Expense – Power Interruption Off Premises. We will pay up to \$500 for the reasonable increase in living expenses you incur due to a power interruption to the **residence premises**. Coverage does not begin until 48 hours after the power interruption begins. The power interruption must take place away from the **residence premises**. The cause for the power interruption must not be due to retraction of power by the utility or power grid authority resulting in a planned electrical brownout or blackout.

No deductible will apply to loss under this coverage.

16. Fire Extinguisher Recharge. We will pay up to \$100 to cover expenses you incur to recharge or replace a portable fire extinguisher which has been discharged to fight a fire or due to mechanical malfunction.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B, or C property.

No deductible will apply to loss under this coverage.

17. Lock Replacement. This coverage applies when your house key or garage door remote has been stolen during a theft of other personal property covered by this policy. You must report the theft to us and the police within 72 hours after discovery.

We will pay the reasonable expenses you incur, up to \$500, to:

- A. replace the lock corresponding to the stolen key for your exterior doors.
- B. change the garage door transmitter frequency and acquire replacement garage door remotes.

If your smartphone, tablet, or other similar handheld computing device acts as your garage door remote, this coverage does not apply although the theft of such device may be covered elsewhere in this policy.

This coverage is in addition to the amount of insurance that applies to the stolen property.

No deductible will apply to loss under this coverage.

18. Refrigerated Contents. We will pay up to \$500 for the contents of a freezer or refrigerated food storage unit on the **residence premises** for loss due to a mechanical failure or power interruption. The cause for the power interruption must not be due to retraction of power by the utility or power grid authority resulting in a planned electrical brownout

or blackout. If mechanical failure or power interruption is known to you, all reasonable means must be used to protect the property from further damage or this coverage is void.

A \$250 deductible does apply to this coverage unless you also have a loss covered under Coverage A, B, or C from the same event.

19. **Reward Coverage.** We will pay 10% of the amount of the loss up to \$5,000 to anyone for information which leads to an arson arrest and conviction in connection with a fire loss covered by this policy.

We will pay 10% of the value of the recovered property up to \$5000 to anyone for information which leads to the recovery of personal property stolen from you.

We will pay 10% of the amount of the loss up to \$1,000 to anyone for information which leads to the arrest and conviction of anyone who robs, steals, or burglarizes your property.

These amounts will not be increased regardless of the number of persons providing information.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B, or C property.

No deductible will apply to loss under this coverage.

20. **Trees, Shrubs, Plants and Lawns.** We cover trees, shrubs, plants, and lawns owned exclusively by you located in the open outside of your unit. We cover your household plants located in your unit. We do not cover trees, shrubs, plants, and lawns grown for **business purposes**.

Coverage is for direct loss caused by:

- A. fire or lightning;
- B. explosion;
- C. collapse of a building structure or any part of a building structure;
- D. aircraft;
- E. vehicles not owned or operated by an occupant of the **residence premises**;
- F. riot or civil commotion;
- G. vandalism or malicious mischief; or
- H. theft.

Coverage does not include confiscation or destruction of plants authorized by civil authorities.

If your dwelling is a house you own and occupy, we will pay up to 5% of the Coverage A amount of insurance from any one loss event. This includes household plants located in your unit and replacement of outdoor trees, shrubs, plants, and lawns within 100 feet of the dwelling on the **residence premises**. However, we will pay no more than the cost to replace, up to \$500, for any one outdoor tree, shrub, or plant within 100 feet of the dwelling on the **residence premises**.

If your dwelling is a condominium, cooperative, or leased property, we will pay up to 5% of the Coverage C amount of insurance from any one loss event.

This coverage is in addition to the amounts of insurance that apply to Section I Property.

The policy deductible does apply to this coverage unless you also have a loss covered under Coverage A, B, or C from the same event.

Enhanced Property Coverages

We have enhanced the property protection in our Home Value Policy. These are changes from what is shown in the HP2000 form found in your policy package just prior to this form. These improvements change your insurance by

- a. removing restrictive language from the same-titled coverage,
- b. increasing an amount of insurance that applies in the same-titled coverage, or
- c. adding a new coverage previously not found in the Home Value Policy.

Section I – Coverages

Coverage C – Personal Property

Personal Property at a Commercial Self-Storage Facility

Personal Property at a Commercial Self-Storage Facility does not apply. This means we have removed a lower limit that restricts the amount of insurance we cover when you store your items in a self-storage unit.

Special Limitations on Certain Property

1. **Jewelry (Theft)**. \$5,000 for loss by theft of jewelry, watches, and loose precious and semi-precious stones but not more than \$1,500 for any one article.
2. **Furs (Theft)**. \$2,500 for loss by theft of furs but not more than \$1,500 for any one article.
3. **Silverware and Gold Ware (Theft)**. \$10,000 for loss by theft of silverware and gold ware.
4. **Firearms (Theft)**. \$5,000 for loss by theft of firearms and related items. This includes ammunition, cases and holders, sights, holsters and belts, slings, range bags, shooting pod sticks, traps and throwers.
5. **Tools (Theft)**. \$10,000 for loss by theft of tools. Tools used or intended for use in a **business** are limited by Business Property below.
6. **Memorabilia**. \$10,000 for memorabilia, souvenirs, and collector's items for which the age, history, scarcity, and condition contribute to a large extent to their value. Items in this category include, but are not limited to, trading cards, comic books, autographed merchandise, and similar articles.
7. **Coin, Currency and Stamp Collections**. \$3,000 for numismatic and philatelic property for which the age, history, scarcity, and condition contribute to a large extent to their value. Numismatic property includes coins and paper currency. Philatelic property includes postage stamps, postmarks, post cards, and stamped envelopes.
8. **Money**. \$500 for coins and currency at face value, bullion, bank notes, and scrip. It also includes stored value cards for which no account exists in your name and nothing can be traced back to you.
9. **Securities**. \$2,500 for any combination of the following:

A. securities;	H. deeds;
B. checks;	I. evidences of debt;
C. cashier's checks;	J. letters of credit;
D. traveler's checks;	K. notes other than bank notes;
E. money orders and other negotiable instruments;	L. passports;
F. accounts;	M. stamps at face value; and
G. bills;	N. tickets.
10. **Manuscripts**. \$2,500 for manuscripts. This includes the cost to research, replace, or restore the information from the lost or damaged material.

12. **Motorized Tractors.** \$10,000 for motorized land vehicles as long as the vehicle is designed for and used principally to service and maintain residential property. The operator rides upon the vehicle whether sitting or standing. An example is a lawn tractor. This amount also includes accessories designed to be used with the tractor such as:

- A. aerators;
- B. baggers;
- C. blades;
- D. carts;
- E. dethatchers;
- F. rollers;
- G. snow blowers; and
- H. sweepers.

The accessories do not need to be attached to the tractor at the time of loss or damage to such equipment.

13. **Motor Vehicle Parts.** \$2,000 for motorized land vehicle equipment and parts. Coverage applies when such parts are disconnected and removed from the vehicle prior to a loss caused by a covered peril.

14. **Watercraft.** \$3,000 for watercraft, their trailers, furnishings, equipment, and outboard engines and motors. Watercraft means a craft principally designed to be propelled on or in water by wind, engine power, or electric motor. This includes canoes, kayaks, rowboats, outboard, inboard, inboard-outdrive, and sailboats.

15. **Trailers.** \$3,000 for trailers not used with watercraft.

Section I – Additional Coverages

3. Debris Removal

A. We will pay reasonable expenses you incur to remove debris of covered property resulting from a cause of loss we cover for the damaged property. This expense is included within our amount of insurance that applies for the covered property. If the amount payable for the actual damage to the property plus the debris removal expense is more than our amount of insurance for the covered property, we will pay up to an additional 5% of that limit for debris removal.

B. We will also pay up to \$2,000 for the loss from the same event but no more than \$500 of this limit will be paid for any one tree, shrub, or plant. This coverage is for the reasonable expenses you incur for the removal from your **residence premises** of:

1. your tree(s) felled by windstorm, hail or the weight of ice, snow or sleet, provided the tree(s):
 - a. rests on or against the dwelling or building structure or caused damage to property covered under **Coverage A – Dwelling** or **Coverage B – Private Structures**;
 - b. blocks a driveway on the **residence premises** which prevents a motor vehicle from entering or leaving the **residence premises**; or
 - c. blocks a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling.
2. your neighbor's tree(s) felled by a loss caused by **Section I – Broad Named Perils** provided the tree(s):
 - a. caused damage to property covered under **Coverage A – Dwelling** or **Coverage B – Private Structures**;
 - b. blocks a driveway on the **residence premises** which prevents a motor vehicle from entering or leaving the **residence premises**; or
 - c. blocks a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling.

C. No deductible will apply to loss under this coverage.

5. **Fire Department Charges – Mutual Aid.** We will pay up to \$1,500 for fire department service charges incurred under a mutual aid agreement. This applies when a fire department is called to save or protect the **residence premises** from a covered cause of loss. We do not cover fire department service charges if the property is located within the limits of the fire protection district furnishing the fire department response.

This coverage is in addition to the amount of insurance that applies to the damaged property.

No deductible will apply to loss under this coverage.

10. **Loss Assessment.** This coverage applies for loss assessments charged against you as owner or tenant of the **residence premises** when the assessment is made as a result of direct loss to property owned by all members collectively. We cover loss caused by a peril covered under **Section I – Losses We Cover** for **Coverage A – Dwelling**. However, this coverage does not include loss caused by:

- A. earthquake; or
- B. land shock waves or tremors before, during, or after a volcanic eruption.

We do not cover assessments charged against you or an association of property owners by any governmental body.

We will pay up to \$5,000 for your share of any loss assessment against you by an association of property owners. If Increased Loss Assessment is shown in the Declarations, then the \$5,000 limit is increased to the amount shown. Payment will be covered under the policy period in which the loss assessment was made against you.

However, the loss assessment limit that applies is the one in effect under your policy with us on the date of the event that caused the damage. If you did not have homeowners insurance with us, on the date of the event that caused the damage, the loss assessment limit for the policy period in which the loss assessment was made against you will apply.

Regardless of the number of assessments, the limit referenced above is the most we will pay for any one loss.

This coverage is excess over any other insurance covering the association of property owners. This does not apply if the assessment against you results from a deductible in the policy of insurance purchased by the association of property owners.

A \$250 deductible does apply to this coverage unless you also have a loss covered under Coverage A, B, or C from the same event.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B, or C property.

13. **Data and Records.** We will pay up to \$1,500 for personal data and records when loss or damage is caused by **Section I – Broad Named Perils** or by computer virus. This includes the cost of blank books, cards, or other blank material. It also includes the cost of labor you incur to research, transcribe, copy, replace, or restore the information from the lost or damaged data or record. Computer virus means an illegal or malicious entry into your computer which results in functions that distort, corrupt, or manipulate the computer, peripheral device, or media.

We do not cover **business** data and records.

No deductible will apply to loss under this coverage.

14. **Dwelling Under Construction – Extension of Coverages**

- A. We agree to extend **Coverage C – Personal Property, Coverage E – Personal Liability, and Coverage F – Medical Payments to Others** to the residence where you are living. These coverages apply while you are waiting for the dwelling under its initial construction to be completed and occupied. That dwelling at the location described in the Declarations is a one- or two-family dwelling that you intend to occupy one of the units.

This coverage remains in force until the dwelling is completed and occupied or the policy expires, cancels, or terminates, whichever comes first.

B. **Provisional Amount of Insurance**

The amount of insurance for the dwelling is provisional. That amount is based upon the projected value of the dwelling at the date of completion. The actual amount of insurance on the date of loss will be a percentage (%) of the provisional amount. The percentage (%) will be the proportion that the actual value of the property, excluding land, bears to the projected value at the date of completion. However, this amount of insurance will not be greater than the amount of insurance shown in the Declarations for Coverage A.

C. **Theft of Personal Property**

We cover theft loss of personal property, other than building materials, in or from a dwelling under construction at the location described in the Declarations. However, this coverage applies only if the dwelling is fully enclosed and capable of being locked. The personal property must be owned by you, not supplied by the contractor. We do not cover theft committed by anyone defined as you.

D. **Deductible.** The policy deductible will apply to loss under this coverage.

15. **Emergency Living Expense – Power Interruption Off Premises.** We will pay up to \$750 for the reasonable increase in living expenses you incur due to a power interruption to the **residence premises**. Coverage does not begin until 48 hours after the power interruption begins. The power interruption must take place away from the **residence premises**. The cause for the power interruption must not be due to retraction of power by the utility or power grid authority resulting in a planned electrical brownout or blackout.

No deductible will apply to loss under this coverage.

16. **Fire Extinguisher Recharge.** We will pay up to \$100 to cover expenses you incur to recharge or replace a portable fire extinguisher which has been discharged to fight a fire or due to mechanical malfunction.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B, or C property.

No deductible will apply to loss under this coverage.

17. **Lock Replacement.** This coverage applies when your house key or garage door remote has been stolen during a theft of other personal property covered by this policy. You must report the theft to us and the police within 72 hours after discovery.

We will pay the reasonable expenses you incur, up to \$500, to:

A. replace the lock corresponding to the stolen key for your exterior doors.

B. change the garage door transmitter frequency and acquire replacement garage door remotes.

If your smartphone, tablet, or other similar handheld computing device acts as your garage door remote, this coverage does not apply although the theft of such device may be covered elsewhere in this policy.

This coverage is in addition to the amount of insurance that applies to the stolen property.

No deductible will apply to loss under this coverage.

18. **Refrigerated Contents.** We will pay up to \$750 for the contents of a freezer or refrigerated food storage unit on the **residence premises** for loss due to a mechanical failure or power interruption. The cause for the power interruption must not be due to retraction of power by the utility or power grid authority resulting in a planned electrical brownout or blackout. If mechanical failure or power interruption is known to you, all reasonable means must be used to protect the property from further damage or this coverage is void.

A \$250 deductible does apply to this coverage unless you also have a loss covered under Coverage A, B, or C from the same event.

19. **Reward Coverage.** We will pay 10% of the amount of the loss up to \$5,000 to anyone for information which leads to an arson arrest and conviction in connection with a fire loss covered by this policy.

We will pay 10% of the value of the recovered property up to \$5,000 to anyone for information which leads to the recovery of personal property stolen from you.

We will pay 10% of the amount of the loss up to \$1,000 to anyone for information which leads to the arrest and conviction of anyone who robs, steals, or burglarizes your property.

These amounts will not be increased regardless of the number of persons providing information.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B, or C property.

No deductible will apply to loss under this coverage.

20. **Trees, Shrubs, Plants and Lawns.** We cover trees, shrubs, plants, and lawns owned exclusively by you located in the open outside of your unit. We cover your household plants located in your unit. We do not cover trees, shrubs, plants, and lawns grown for **business purposes**.

Coverage is for direct loss caused by:

A. fire or lightning;

B. explosion;

C. collapse of a building structure or any part of a building structure;

D. aircraft;

E. vehicles not owned or operated by an occupant of the **residence premises**;

F. riot or civil commotion;

G. vandalism or malicious mischief; or

H. theft.

Coverage does not include confiscation or destruction of plants authorized by civil authorities.

If your dwelling is a house you own and occupy, we will pay up to 5% of the Coverage A amount of insurance from

any one loss event. This includes household plants located in your unit and replacement of outdoor trees, shrubs, plants, and lawns within 100 feet of the dwelling on the **residence premises**. However, we will pay no more than the cost to replace, up to \$500, for any one outdoor tree, shrub, or plant within 100 feet of the dwelling on the **residence premises**.

If your dwelling is a condominium, cooperative, or leased property, we will pay up to 5% of the Coverage C amount of insurance from any one loss event.

This coverage is in addition to the amounts of insurance that apply to Section I Property.

The policy deductible does apply to this coverage unless you also have a loss covered under Coverage A, B, or C from the same event.

Enhanced Plus Property Coverages

We have enhanced the property protection in our Home Value Policy. These are changes from what is shown in the HP2000 form found in your policy package just prior to this form. These improvements change your insurance by:

- a. removing restrictive language from the same-titled coverage,
- b. increasing an amount of insurance that applies in the same-titled coverage, or
- c. adding a new coverage previously not found in the Home Value Policy.

Section I – Coverages

Coverage C – Personal Property

Personal Property at a Commercial Self-Storage Facility

Personal Property at a Commercial Self-Storage Facility does not apply. This means we have removed a lower limit that restricts the amount of insurance we cover when you store your items in a self-storage unit.

Special Limitations On Certain Property

1. **Jewelry (Theft).** \$5,000 for loss by theft of jewelry, watches, and loose precious and semi-precious stones. This limit includes loss by misplacing or losing when Comprehensive Perils is shown in the Declarations.
2. **Furs (Theft).** \$5,000 for loss by theft of furs. This limit includes loss by misplacing or losing when Comprehensive Perils is shown in the Declarations.
3. **Silverware and Gold Ware (Theft).** \$10,000 for loss by theft of silverware and gold ware. This limit includes loss by misplacing or losing when Comprehensive Perils is shown in the Declarations.
4. **Firearms (Theft).** \$5,000 for loss by theft of firearms and related items. This includes ammunition, cases and holders, sights, holsters and belts, slings, range bags, shooting pod sticks, traps and throwers. This limit includes loss by misplacing or losing when Comprehensive Perils is shown in the Declarations.
5. **Tools (Theft).** This Special Limitation does not apply.
6. **Memorabilia.** \$10,000 for memorabilia, souvenirs, and collector's items for which the age, history, scarcity, and condition contribute to a large extent to their value. Items in this category include, but are not limited to, trading cards, comic books, autographed merchandise, and similar articles.
7. **Coin, Currency and Stamp Collections.** \$5,000 for numismatic and philatelic property for which the age, history, scarcity, and condition contribute to a large extent to their value. Numismatic property includes coins and paper currency. Philatelic property includes postage stamps, postmarks, post cards, and stamped envelopes.
8. **Money.** \$1,000 for coins and currency at face value, bullion, bank notes, and scrip. It also includes stored value cards for which no account exists in your name and nothing can be traced back to you.
9. **Securities.** \$5,000 for any combination of the following:

A. securities;	H. deeds;
B. checks;	I. evidences of debt;
C. cashier's checks;	J. letters of credit;
D. traveler's checks;	K. notes other than bank notes;
E. money orders and other negotiable instruments;	L. passports;
F. accounts;	M. stamps at face value; and
G. bills;	N. tickets.
10. **Manuscripts.** \$5,000 for manuscripts. This includes the cost to research, replace, or restore the information from the lost or damaged material.

12. **Motorized Tractors.** \$10,000 for motorized land vehicles as long as the vehicle is designed for and used principally to service and maintain residential property. The operator rides upon the vehicle whether sitting or standing. An example is a lawn tractor. This amount also includes accessories designed to be used with the tractor such as:

- A. aerators;
- B. baggers;
- C. blades;
- D. carts;
- E. dethatchers;
- F. rollers;
- G. snow blowers; and
- H. sweepers.

The accessories do not need to be attached to the tractor at the time of loss or damage to such equipment. However, a loss must be covered by a peril listed under **Section I – Broad Named Perils**.

13. **Motor Vehicle Parts.** \$2,000 for motorized land vehicle equipment and parts. Coverage applies when such parts are disconnected and removed from the vehicle prior to a loss caused by a covered peril. However, a loss must be covered by a peril listed under **Section I – Broad Named Perils**.

14. **Watercraft.** \$5,000 for watercraft, their trailers, furnishings, equipment, and outboard engines and motors. Watercraft means a craft principally designed to be propelled on or in water by wind, engine power, or electric motor. This includes canoes, kayaks, rowboats, outboard, inboard, inboard-outdrive, and sailboats.

15. **Trailers.** \$5,000 for trailers not used with watercraft.

16. **Business Property.** \$7,500 for any property used or intended for use at any time or in any manner for any **business purpose**. This includes merchandise held for sale, whether from past, present or future businesses. This does not include any computer and the peripheral device, media or purchased software used with it.

Coverage D – Loss of Use

3. **Prohibited Use.** This applies when access to the **residence premises** is denied by civil authorities. The denied access is because of actual direct damage to a residence close to you. That damage must be by a cause of loss we insure under this policy if such damage had been to the **residence premises**. We will pay the reasonable increase in living expenses you need and incur to maintain your normal standard of living and the loss of rental income. Payment is for a period of time not to exceed 45 days. This period of time may extend past the expiration date of this policy period.

Prohibited Use does not apply to threatened damage. We do not cover loss of rental income connected with your **business**. We do not cover the loss or expense due to cancellation of a lease or agreement.

Section I – Additional Coverages

3. Debris Removal

A. We will pay reasonable expenses you incur to remove debris of covered property resulting from a cause of loss we cover for the damaged property. This expense is included within our amount of insurance that applies for the covered property. If the amount payable for the actual damage to the property plus the debris removal expense is more than our amount of insurance for the covered property, we will pay up to an additional 5% of that limit for debris removal.

B. We will also pay up to \$2,000 for the loss from the same event but no more than \$500 of this limit will be paid for any one tree, shrub, or plant. This coverage is for the reasonable expenses you incur for the removal from your **residence premises** of:

1. your tree(s) felled by windstorm, hail or the weight of ice, snow or sleet, provided the tree(s):
 - a. rests on or against the dwelling or building structure or caused damage to property covered under **Coverage A – Dwelling** or **Coverage B – Private Structures**;
 - b. blocks a driveway on the **residence premises** which prevents a motor vehicle from entering or leaving the **residence premises**; or
 - c. blocks a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling.
2. your neighbor's tree(s) felled by a loss caused by **Section I – Broad Named Perils** provided the tree(s):
 - a. caused damage to property covered under **Coverage A – Dwelling** or **Coverage B – Private Structures**;
 - b. blocks a driveway on the **residence premises** which prevents a motor vehicle from entering or leaving the **residence premises**; or
 - c. blocks a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling.

C. No deductible will apply to loss under this coverage.

5. **Fire Department Charges – Mutual Aid.** We will pay up to \$2,000 for fire department service charges incurred under a mutual aid agreement. This applies when a fire department is called to save or protect the **residence premises** from a covered cause of loss. We do not cover fire department service charges if the property is located within the limits of the fire protection district furnishing the fire department response.

This coverage is in addition to the amount of insurance that applies to the damaged property.

No deductible will apply to loss under this coverage.

10. **Loss Assessment.** This coverage applies for loss assessments charged against you as owner or tenant of the **residence premises** when the assessment is made as a result of direct loss to property owned by all members collectively. We cover loss caused by a peril covered under **Section I – Losses We Cover for Coverage A – Dwelling**. However, this coverage does not include loss caused by:

- A. earthquake; or
- B. land shock waves or tremors before, during, or after a volcanic eruption.

We do not cover assessments charged against you or an association of property owners by any governmental body.

We will pay up to \$10,000 for your share of any loss assessment against you by an association of property owners. If Increased Loss Assessment is shown in the Declarations, then the \$10,000 limit is increased to the amount shown. Payment will be covered under the policy period in which the loss assessment was made against you.

However, the loss assessment limit that applies is the one in effect under your policy with us on the date of the event that caused the damage. If you did not have homeowners insurance with us, on the date of the event that caused the damage, the loss assessment limit for the policy period in which the loss assessment was made against you will apply.

Regardless of the number of assessments, the limit referenced above is the most we will pay for any one loss.

This coverage is excess over any other insurance covering the association of property owners. This does not apply if the assessment against you results from a deductible in the policy of insurance purchased by the association of property owners.

A \$250 deductible does apply to this coverage unless you also have a loss covered under Coverage A, B, or C from the same event.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B, or C property.

13. **Data and Records.** We will pay up to \$2,500 for data and records when loss or damage is caused by **Section I – Broad Named Perils** or by computer virus. This includes the cost of blank books, cards, or other blank material. It also includes the cost of labor you incur to research, transcribe, copy, replace, or restore the information from the lost or damaged data or record. Computer virus means an illegal or malicious entry into your computer which results in functions that distort, corrupt, or manipulate the computer, peripheral device, or media.

No deductible will apply to loss under this coverage.

14. **Dwelling Under Construction – Extension of Coverages**

- A. We agree to extend **Coverage C – Personal Property, Coverage E – Personal Liability, and Coverage F – Medical Payments to Others** to the residence where you are living. These coverages apply while you are waiting for the dwelling under its initial construction to be completed and occupied. That dwelling at the location described in the Declarations is a one- or two-family dwelling that you intend to occupy one of the units.

This coverage remains in force until the dwelling is completed and occupied or the policy expires, cancels, or terminates, whichever comes first.

- B. Provisional Amount of Insurance

The amount of insurance for the dwelling is provisional. That amount is based upon the projected value of the dwelling at the date of completion. The actual amount of insurance on the date of loss will be a percentage (%) of the provisional amount. The percentage (%) will be the proportion that the actual value of the property, excluding land, bears to the projected value at the date of completion. However, this amount of insurance will not be greater than the amount of insurance shown in the Declarations for Coverage A.

- C. Theft of Personal Property

We cover theft loss of personal property, other than building materials, in or from a dwelling under construction at

the location described in the Declarations. However, this coverage applies only if the dwelling is fully enclosed and capable of being locked. The personal property must be owned by you, not supplied by the contractor. We do not cover theft committed by anyone defined as you.

D. Deductible. The policy deductible will apply to loss under this coverage.

15. **Emergency Living Expense – Power Interruption Off Premises.** We will pay up to \$1,000 for the reasonable increase in living expenses you incur due to a power interruption to the **residence premises**. Coverage does not begin until 48 hours after the power interruption begins. The power interruption must take place away from the **residence premises**. The cause for the power interruption must not be due to retraction of power by the utility or power grid authority resulting in a planned electrical brownout or blackout.

No deductible will apply to loss under this coverage.

16. **Fire Extinguisher Recharge.** We will pay up to \$100 to cover expenses you incur to recharge or replace a portable fire extinguisher which has been discharged to fight a fire or due to mechanical malfunction.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B, or C property.

No deductible will apply to loss under this coverage.

17. **Lock Replacement.** This coverage applies when your house key or garage door remote has been stolen during a theft of other personal property covered by this policy. You must report the theft to us and the police within 72 hours after discovery.

We will pay the reasonable expenses you incur, up to \$500, to:

- A. replace the lock corresponding to the stolen key for your exterior doors.
- B. change the garage door transmitter frequency and acquire replacement garage door remotes.

If your smartphone, tablet, or other similar handheld computing device acts as your garage door remote, this coverage does not apply although the theft of such device may be covered elsewhere in this policy.

This coverage is in addition to the amount of insurance that applies to the stolen property.

No deductible will apply to loss under this coverage.

18. **Refrigerated Contents.** We will pay up to \$1,000 for the contents of a freezer or refrigerated food storage unit on the **residence premises** for loss due to a mechanical failure or power interruption. The cause for the power interruption must not be due to retraction of power by the utility or power grid authority resulting in a planned electrical brownout or blackout. If mechanical failure or power interruption is known to you, all reasonable means must be used to protect the property from further damage or this coverage is void.

A \$250 deductible does apply to this coverage unless you also have a loss covered under Coverage A, B, or C from the same event.

19. **Reward Coverage.** We will pay 10% of the amount of the loss up to \$5,000 to anyone for information which leads to an arson arrest and conviction in connection with a fire loss covered by this policy.

We will pay 10% of the value of the recovered property up to \$5,000 to anyone for information which leads to the recovery of personal property stolen from you.

We will pay 10% of the amount of the loss up to \$1,000 to anyone for information which leads to the arrest and conviction of anyone who robs, steals, or burglarizes your property.

These amounts will not be increased regardless of the number of persons providing information.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B, or C property.

No deductible will apply to loss under this coverage.

20. **Trees, Shrubs, Plants and Lawns.** We cover trees, shrubs, plants, and lawns owned exclusively by you located in the open outside of your unit. We cover your household plants located in your unit. We do not cover trees, shrubs, plants, and lawns grown for **business purposes**.

Coverage is for direct loss caused by:

- A. fire or lightning;

- B. explosion;
- C. collapse of a building structure or any part of a building structure;
- D. aircraft;
- E. vehicles not owned or operated by an occupant of the **residence premises**;
- F. riot or civil commotion;
- G. vandalism or malicious mischief; or
- H. theft.

Coverage does not include confiscation or destruction of plants authorized by civil authorities.

If your dwelling is a house you own and occupy, we will pay up to 5% of the Coverage A amount of insurance from any one loss event. This includes household plants located in your unit and replacement of outdoor trees, shrubs, plants, and lawns within 100 feet of the dwelling on the **residence premises**. However, we will pay no more than the cost to replace, up to \$1,000, for any one outdoor tree, shrub, or plant within 100 feet of the dwelling on the **residence premises**.

If your dwelling is a condominium, cooperative, or leased property, we will pay up to 5% of the Coverage C amount of insurance from any one loss event.

This coverage is in addition to the amounts of insurance that apply to Section I Property.

The policy deductible does apply to this coverage unless you also have a loss covered under Coverage A, B, or C from the same event.

Home General Definitions

The following words and phrases are repeated all through this policy and in any endorsement which is part of this policy. Each has a special meaning. That meaning is to be given where ever used.

The definitions below about you and your and we, us, and our are not shown in bold print all through the policy.

“We,” “us,” and “our,” mean the Company named in the Declarations.

“You” and “your” mean the insured and include the following.

1. The named insured or named insureds shown in the Declarations; and
2. If a resident of the same household as the named insured,
 - A. the spouse of a marriage, civil union, or domestic partnership validly entered into under the laws of a state, municipality, or territory of the United States or any other country;
 - B. the relatives of either a named insured or spouse; or
 - C. any other person under the age of 21 in the care of a named insured, spouse or relative.
3. Under **Coverage E – Personal Liability** only, “you” and “your” also means:
 - A. Your **residence employee** while carrying out duties arising out of and in the course of employment by you if not otherwise excluded under this policy.
 - B. Any other person or organization legally responsible for loss caused by animals owned or harbored by you or watercraft you own. We will not cover any such person or organization using or having custody of animals or watercraft:
 1. without your permission; or
 2. in any **business**.

The definitions below are shown in bold print all through the policy where ever used as a defined term.

“**Actual cash value**” means the amount which it would cost to repair or replace covered property, with material of like kind and quality, including labor less allowance for depreciation. The following will be used to determine the amount of depreciation of the property:

1. age;
2. extent of use;
3. condition;
4. physical deterioration, and
5. obsolescence.

“**Bodily injury**” means physical harm to the body. This includes any resulting sickness or disease. This term also includes required care, loss of services, and death but only if it is a result of such physical harm to the body.

Bodily injury does not include:

1. The transmission of any of the following by you to any other person: bacteria, disease, parasite, virus, or other organism.
2. The exposure of any of the following by you to any other person: bacteria, disease, parasite, virus, or other organism.
3. The actual, alleged, or threatened sexual molestation of a person.
4. Emotional anguish or distress or injury, humiliation, mental anguish or distress or injury, or any similar anguish or distress or injury unless the direct result of physical harm.

“**Business**” or “**business purposes**” means:

1. Any full or part time activity of any kind engaged in for economic gain.
However, your volunteer full or part time activities are not considered a business purpose as long as each of the following applies.
 - A. The activity involved is not a direct furtherance of economic gain. Economic gain includes, but is not limited to:
 1. advertising of your or your employer’s business.
 2. producing, distributing, or marketing of any product related to your or your employer’s business.
 - B. No compensation is paid to you other than nominal expenses needed to do the activity. Nominal expenses are annual membership fee, meal and meeting reimbursement, and mileage reimbursement.
 - C. Expenses that are not nominal in their amount are not reimbursed by your or your employer’s business entity.
2. Your property rented or held for rental by you.
However, the rental of the **residence premises** is not considered business when:
 - A. a unit you do not occupy within a two-, three-, or four-family dwelling is rented to tenants for use as a residence;
 - B. you agree to a home exchange of the unit you normally occupy with another person to temporarily use each other’s residence but not for more than 30 days within the policy period;
 - C. a portion of the unit you occupy is rented to the same one or two roomers or boarders for a period of time of at least 30 days and you remain an occupant during that time period;
 - D. you rent the unit you occupy to tenants but not for more than 30 days within the policy period; or
 - E. a portion is rented as a private garage.

“**Fungus and mold**” means fungi, mold, mushrooms, bacteria, mildew, wet rot, or dry rot. This includes any mycotoxins, spores, scents, or by-products when produced or released by any of these.

“**Insured premises**” means:

1. The **residence premises** named in the Declarations.
2. Any other premises specifically named in the Declarations.
3. Any premises you buy or lease during the term of this policy and used by you as a residence.
4. Any premises used by you in connection with a premises described in 1., 2. or 3. above.
5. Any premises not owned by you but where you may be temporarily residing.
6. Any part of a premises occasionally rented to you for other than **business purposes**.
7. Vacant land (without buildings or structures except fences) owned by or rented to you, other than farm land.
8. Farm land (without improvements except fences) in which you have an ownership position that is rented or held for rental to others by you and not operated by you. Acreage of this farm land is not more than a section (approximately 640 acres) regardless of the number of locations.
9. Land owned or rented by you on which a one or two family dwelling is being built for your use as a residence.
10. Individual or family burial plots or vaults owned by you at a cemetery.

“**Medical expenses**” means any of the following services or devices but only when needed and at reasonable charges that reflect commonly paid amounts.

Ambulance,	Hospital,	Chiropractic,
Medical,	Surgical,	Dental,
Nursing,	Prosthetic,	Funeral.
X-ray,		

“**Occurrence**” means an accident during the term of the policy. It includes exposure to substantially the same general harmful conditions. Continuous or repeated exposure to the same conditions is considered to be one occurrence.

“**Property damage**” means physical damage to or destruction of tangible property. This includes loss of use of such property.

“**Residence employee**” means your employee while carrying out duties arising out of and in the course of employment by you. The employee’s duties are household or domestic services in connection with the maintenance or use of the **residence premises**. This includes employees who do similar duties elsewhere for you but not in connection with your **business**. This includes an employee leased to you by a labor leasing firm under an agreement with you.

“**Residence premises**” means the private residence used by you as your home during the policy period.

1. Your residence may be a one-, two-, three-, or four-family dwelling named in the Declarations and used as a private residence where you live within one of the family units. This includes the private structures and grounds at that location.
2. Your residence may be the place reserved for your exclusive occupancy and use if your dwelling is a condominium, cooperative or leased property. It is used as a private residence by you and named in the Declarations. This includes the private structures and private approaches if these are reserved for your exclusive occupancy and use.
3. Your residence may be a mobile home manufactured dwelling used as a private residence by you and named in the Declarations. This includes the private structures. This also includes the grounds, whether owned or rented, where your dwelling is placed.

Contents, Loss of Use, and Additional Coverages

Coverage C – Personal Property

Personal Property Covered

We cover personal property owned or used by you while it is anywhere in the world.

Personal property must be tangible and capable of suffering a direct physical loss. This includes being physically damaged or destroyed, stolen, or lost. Money and Securities would be covered as a result of a direct physical loss only. The value of money, securities, bonds, or any negotiable instrument held in or as a part of any brokerage, investment, or deposit account shall not be covered for any loss by any single act or continuous acts of theft, embezzlement, or fraud.

After a loss and at your option, this coverage may be extended to include personal property owned by:

1. others while on that portion of the **residence premises** occupied by you; or
2. a guest or **residence employee**, while the property is in a residence occupied by you.

If a covered personal property loss occurs at the **residence premises**, we will pay up to the amount of insurance for personal property under the policy for that **residence premises**.

If you have more than one **residence premises** insured with us, and any of those other policies affords coverage under this section, we will select the policy from which the payment is to be made for the covered personal property loss. Regardless of the number of policies or insured locations providing you with personal property coverage, payment will be made based on this selected policy only. The selection is based upon the combination of the following that is the most favorable to you:

1. The amount of insurance and deductible;
2. The basis of loss settlement under **Section I – How We Settle A Property Loss**; and
3. The perils covered under **Section I – Losses We Cover**.

If a covered personal property loss occurs away from any of your **residence premises** insured by us, we will pay up to the amount of insurance for personal property under the selected policy.

If a covered loss occurs at your residence and that residence is not covered by this or another policy issued to you by Farmers Property and Casualty Insurance Company or any of its affiliates, the amount of insurance is reduced. We will pay up to 10% of the amount of insurance for personal property under the selected policy. Personal property in a newly acquired principal residence is not subject to this 10% limitation for the 30 days immediately after you begin to move your property there.

Personal Property at a Commercial Self-Storage Facility

If a loss occurs at a commercial self-storage facility, we will pay up to 10% of the amount of insurance shown in the Declarations.

Special Limitations On Certain Property

We will pay no more than the amount shown for each category in any one loss. These amounts do not increase the amount of insurance under **Coverage C – Personal Property**.

1. **Jewelry (Theft)**. \$1,500 for loss by theft of jewelry, watches, and loose precious and semi-precious stones.
2. **Furs (Theft)**. \$1,500 for loss by theft of furs.
3. **Silverware and Gold Ware (Theft)**. \$2,500 for loss by theft of silverware and gold ware.
4. **Firearms (Theft)**. \$2,500 for loss by theft of firearms and related items. This includes ammunition, cases and holders, sights, holsters and belts, slings, range bags, shooting pod sticks, traps and throwers.

5. **Tools (Theft).** \$5,000 for loss by theft of tools. Tools used or intended for use in a **business** are limited by Business Property below.
6. **Memorabilia.** \$5,000 for memorabilia, souvenirs, and collector's items for which the age, history, scarcity, and condition contribute to a large extent to their value. Items in this category include, but are not limited to, trading cards, comic books, autographed merchandise, and similar articles.
7. **Coin, Currency, and Stamp Collections.** \$1,500 for numismatic and philatelic property for which the age, history, scarcity, and condition contribute to a large extent to their value. Numismatic property includes coins and paper currency. Philatelic property includes postage stamps, postmarks, post cards, and stamped envelopes.
8. **Money.** \$200 for coins and currency at face value, bullion, bank notes, and scrip. It also includes stored value cards for which no account exists in your name and nothing can be traced back to you.
9. **Securities.** \$1,500 for any combination of the following:

A. securities;	H. deeds;
B. checks;	I. evidences of debt;
C. cashier's checks;	J. letters of credit;
D. traveler's checks;	K. notes other than bank notes;
E. money orders and other negotiable instruments;	L. passports;
F. accounts;	M. stamps at face value; and
G. bills;	N. tickets.
10. **Manuscripts.** \$1,500 for manuscripts. This includes the cost to research, replace, or restore the information from the lost or damaged material.
11. **Motorized Toys for Children.** \$1,500 for motorized toys for children designed to be propelled by battery power and operated at a low speed.
12. **Motorized Tractors.** \$5,000 for motorized land vehicles as long as the vehicle is designed for and used principally to service and maintain residential property. The operator rides upon the vehicle whether sitting or standing. An example is a lawn tractor. This amount also includes accessories designed to be used with the tractor such as:

A. aerators;	E. dethatchers;
B. baggers;	F. rollers;
C. blades;	G. snow blowers; and
D. carts;	H. sweepers.

The accessories do not need to be attached to the tractor at the time of loss or damage to such equipment.
13. **Motor Vehicle Parts.** \$500 for motorized land vehicle equipment and parts. Coverage applies when such parts are disconnected and removed from the vehicle prior to a loss caused by a covered peril.
14. **Watercraft.** \$1,500 for watercraft, their trailers, furnishings, equipment, and outboard engines and motors. Watercraft means a craft principally designed to be propelled on or in water by wind, engine power, or electric motor. This includes canoes, kayaks, rowboats, outboard, inboard, inboard-outdrive, and sailboats.
15. **Trailers.** \$1,500 for trailers not used with watercraft.
16. **Business Property.** \$2,500 for any property used or intended for use at any time or in any manner for any **business purpose**. This includes merchandise held for sale, whether from past, present or future businesses. This does not include any computer and the peripheral device, media, or purchased software used with it.
17. **Business Use Computers.** \$5000 for computers used or intended for use in a **business** and the peripheral device(s), media, and purchased software used with them. Computer means an electronic device that can be programmed to store, retrieve, and process data. Peripheral device means any unit used to operate with the computer system. Media means the storage device. Purchased software means information or a program that is stored on a disc or media and has been purchased from another party. The media will be covered only up to:
 - A. its retail value, if pre-programmed; or
 - B. the retail value of the media in blank or unexposed form, if blank or self-programmed.

Personal Property Not Covered

1. **Specific Coverage for Personal Articles.** We do not cover articles under **Coverage C – Personal Property** when insured under Scheduled Personal Property or Valuable Personal Property. This applies to those articles, by this or any other policy, regardless of the limit for which they are insured.
2. **Animals, Birds, and Fish.** We do not cover animals, birds or fish.

3. **Motorized Land Vehicles.** We do not cover motorized land vehicles which includes any self-propelled land or amphibious vehicle, whether or not it is operated on rails, skis, or sled, tracks, or trends. We do not cover such property whether owned or operated by, or rented or loaned to you.
However, we cover unlicensed motorized land vehicles, not subject to registration, which are:
 - A. designed for and principally used to service and maintain residential property;
 - B. designed for assisting a person requiring a power wheelchair or mobility scooter; or
 - C. designed for use by children as a motorized toy propelled by battery power and operated at a low speed.
 Further, we cover motor vehicle parts when disconnected and removed from the vehicle.
4. **Aircraft.** We do not cover aircraft and parts. Aircraft means any device used for or designed for flight.
5. **Hovercraft.** We do not cover hovercraft and parts. Hovercraft means a motorized ground effect vehicle or craft designed to be operated over land or water. This includes, but is not limited to, hoverboards, flarecraft, and air cushion vehicles.
6. **Property of Others.** We do not cover property owned by any person who rents from you a part of the unit where you reside. This does not apply if that person is related to you.
7. **Tenant's Property.** We do not cover property owned by any person who rents from you a separate unit with its own entrance on the **residence premises**. That unit is not occupied by you.
8. **Insured's Property Rented to a Tenant.**
 - A. We do not cover property on the **residence premises**:
 1. when any portion of the unit in which you reside is rented to a tenant for **business purposes**.
 2. within a unit that you do not occupy in a two-, three-, or four-family building when regularly rented or held for rental to a tenant. This exclusion does not apply when covered under **Section I – Additional Coverages for Landlord's Furnishings**.
 - B. We do not cover property rented or held for rental to others when not on the **residence premises**.
9. **Data and Records.** We do not cover data and records whether stored electronically or not. This includes data stored in books of account, abstracts, drawings, or other types of records. This exclusion does not apply when covered under **Section I – Additional Coverages for Data and Records**.
10. **Media.** We do not cover media for electronic data processing that cannot be replaced with other media of like kind and quality on the current retail market.
11. **Credit and Debit Cards.** We do not cover credit cards, electronic fund transfer cards or access devices. This exclusion does not apply when covered under Identity Theft and Credit Card Protection.

Coverage D – Loss Of Use

The amount of insurance for Coverage D – Loss of Use is the total amount we will pay for Additional Living Expense or Short-Term Home and Loss of Rental Income coverages. Prohibited Use is not subject to this amount of insurance.

No deductible applies directly to Loss of Use although a deductible will apply to the loss under Coverages A, B, or C.

1. **Additional Living Expense / Short-Term Home.** These apply upon loss to your covered property from a covered cause of loss. When a loss makes that part of the **residence premises** you occupy not fit to live in, we will pay, at your choice, either of the following coverages. However, if this is not your principal place of residence, then Short-Term Home will not be provided.

These coverages no longer apply once the repairs to or replacement of the damaged property have been completed and the **residence premises** is ready to be occupied.

- A. **Additional Living Expense.** We will cover the reasonable increase in living expenses that you need to maintain your normal standard of living. Our payment will be for the increased costs you incur for the shortest time needed to repair or replace the **residence premises** or to settle your household elsewhere if you permanently relocate. This period of time may extend past the expiration date of the policy period which had the date of loss.
- B. **Short-Term Home.** We will pay the fair rental value for that part of the **residence premises** that you occupy. Our payment will deduct any expenses that do not continue while that part where you live is not fit to live in. Our payment will be for the shortest time needed to repair or replace the **residence premises** or to settle your household elsewhere if you permanently relocate. This period of time may extend past the expiration date of the policy period which had the date of loss.

2. **Loss of Rental Income.** We will pay your loss of rental income less charges and expenses which do not continue. This coverage applies while the part of the **residence premises** you rent to others, or hold for rental to others, is not fit to live in due to a covered loss. However, we do not cover loss of rental income connected with your **business**. Payment will be for the shortest time required to repair or replace the rented part. This period of time may extend past the expiration date of the policy period which had the date of loss. We do not cover the loss or expense due to cancellation of a lease or agreement.
3. **Prohibited Use.** This applies when access to the **residence premises** is denied by civil authorities. The denied access is because of actual direct damage to a residence close to you. That damage must be by a cause of loss we insure under this policy if such damage had been to the **residence premises**. We will pay the reasonable increase in living expenses you need and incur to maintain your normal standard of living and the loss of rental income. Payment is for a period of time not to exceed two weeks. This period of time may extend past the expiration date of this policy period.

Prohibited Use does not apply to threatened damage. We do not cover loss of rental income connected with your **business**. We do not cover the loss or expense due to cancellation of a lease or agreement.

Section I – Additional Coverages

1. **Collapse.** We will pay direct physical loss to covered property involving the abrupt, entire collapse of a building or any part of a building.

Collapse means an abrupt falling down of a building or any part of a building. The result of which is that the building or any part of the building cannot be occupied for its intended purpose. A building or any part of a building that is in danger of falling down is not considered to be in collapse. Collapse does not include settling, cracking, sagging, bowing, bending, leaning, shrinking, bulging, or expansion.

The loss must be caused only by one or more of the following named perils, to the exclusion of all other causes:

- A. perils described in **Section I – Broad Named Perils**;
- B. hidden decay of the structure;
- C. hidden insect or hidden vermin damage;
- D. weight of contents, equipment, animals, or people;
- E. weight of ice, snow, sleet, or rain which collects on a roof; or
- F. use of defective material or methods in construction, remodeling, or renovation if the collapse occurs during the course of the construction, remodeling, or renovation.

However, loss to any of the following items must be a direct result of the collapse of a building if the cause of loss is by any of the above perils other than those described in **Section I – Broad Named Perils**.

Awning,	Drain,	Fence,	Dock,
Basement wall,	Underground pipe,	Patio,	Pier, or
Bulkhead,	Cesspool,	Pavement,	Wharf.
Retaining wall,	Septic tank,	Swimming pool,	
Foundation,	Septic field,		
Flue,			

This coverage does not increase the amount of insurance that applies to the damaged covered property.

The policy deductible will apply to loss under this coverage.

2. **Construction Increased Costs.** We cover the increased costs incurred for compliance with required building code upgrades necessary to repair or replace the damaged part(s) of the building. We will pay up to 15% of the amount of insurance that applies to the damaged property. The **Ordinance or Law** exclusion under **Section I – Losses We Do Not Cover** remains in effect except to the extent coverage is provided under this Additional Coverage.

This coverage does not increase the amount of insurance that applies to the Coverage A or B property.

No deductible will apply to loss under this coverage.

3. **Debris Removal**

- A. We will pay reasonable expenses you incur to remove debris of covered property resulting from a cause of loss we cover for the damaged property. This expense is included within our amount of insurance that applies for the covered property. If the amount payable for the actual damage to the property plus the debris removal expense is more than our amount of insurance for the covered property, we will pay up to an additional 5% of that limit for debris removal.
- B. We will also pay up to \$500 for the loss from the same event for the reasonable expenses you incur for the removal from your **residence premises** of:
 - 1. your tree(s) felled by windstorm, hail or the weight of ice, snow or sleet, provided the tree(s):
 - a. caused damage to property covered under **Coverage A – Dwelling** or **Coverage B – Private Structures**;
 - b. blocks a driveway on the **residence premises** which prevents a motor vehicle from entering or leaving the **residence premises**; or
 - c. blocks a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling.
 - 2. your neighbor's tree(s) felled by a loss caused by **Section I – Broad Named Perils** provided the tree(s):
 - a. caused damage to property covered under **Coverage A – Dwelling** or **Coverage B – Private Structures**;
 - b. blocks a driveway on the **residence premises** which prevents a motor vehicle from entering or leaving the **residence premises**; or
 - c. blocks a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling.

C. No deductible will apply to loss under this coverage.

- 4. **Emergency Removal of Property.** We will pay for loss to covered property from any cause while being removed from a premise because of danger from a loss we cover. Coverage continues for up to 30 days from the date of removal. We will also pay for reasonable expenses you incur for the removal and return of the covered property.

This coverage does not increase the amount of insurance that applies to the property being removed.

No deductible will apply to loss under this coverage.

- 5. **Fire Department Charges – Mutual Aid.** We will pay up to \$500 for fire department service charges incurred under a mutual aid agreement. This applies when a fire department is called to save or protect the **residence premises** from a covered cause of loss. We do not cover fire department service charges if the property is located within the limits of the fire protection district furnishing the fire department response.

This coverage is in addition to the amount of insurance that applies to the damaged property.

No deductible will apply to loss under this coverage.

- 6. **Fungus and Mold Remediation.** We will pay up to \$10,000 for this coverage. We cover remediation treatment and remediation testing as necessary to complete the repair or replacement of property covered under Coverages A, B, or C damaged by a covered loss. This coverage applies only if all reasonable means were used to save and preserve the property from further damage at and after the time of the covered loss. This includes the cost to tear out and replace any part of the covered property necessary to gain access to **fungus and mold**.

If the need for remediation treatment or remediation testing makes the **residence premises** uninhabitable, we cover the reasonable increase in living expenses and your loss of rental income. However, this will be for the shortest time required to perform the remediation treatment or remediation testing.

Remediation treatment means the reasonable and necessary:

- A. treatment;
 - B. containment;
 - C. fumigation;
 - D. removal; or
 - E. disposal
- of **fungus and mold**.

Remediation testing includes any testing or investigation of either property or air to:

- A. detect;
- B. measure;
- C. evaluate; or
- D. confirm

the absence, presence, or level of **fungus and mold** whether performed prior to, during, or after remediation treatment.

If you have more than one **residence premises** insured with us, the most we will pay is the amount of insurance under this additional coverage that applies to the **residence premises** where the property was damaged. If your loss is to

personal property damaged away from any of your **residence premises** insured by us, the most we pay will be the amount under the policy with the highest amount of insurance under this additional coverage.

No deductible will apply to loss under this coverage.

7. **Inflation Protection.** The amounts of insurance for Coverages A, B, C, and D of this policy are continuously adjusted in accordance with the construction or household price index in use by us. This index selected factor will then be multiplied by the amount of insurance for Coverages A, B, C, and D separately. The amounts of insurance will not be reduced to less than the amounts shown in the Declarations.

No deductible will apply to loss under this coverage.

8. **Land.** We will pay up to \$10,000 for the cost you incur to replace, rebuild, stabilize, or otherwise restore the land necessary to support that portion of a structure you own. That structure must sustain a covered loss covered under Coverage A or Coverage B.

We will not pay for any:

- A. loss caused by chemicals in the soil or resulting from the release of toxic materials or other pollutants or contaminants; or
- B. assessment charged against you by an association of property owners.

This coverage is in addition to the amount of insurance that applies to the Coverage A or B property.

No deductible will apply to loss under this coverage.

9. **Landlord's Furnishings.** We cover your appliances, carpeting, and other household furnishings found in a unit you do not occupy that is regularly rented or held for rental to others by you. The unit may be a two-, three-, or four-family dwelling or in an apartment unit in a private structure building on the **residence premises**. We cover for loss caused by **Section I – Broad Named Perils other than theft**.

We will pay up to \$2,500 which 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 is in addition to the amount of insurance that applies to the Coverage A, B, or C property.

No deductible will apply to loss under this coverage.

10. **Loss Assessment.** This coverage applies for loss assessments charged against you as owner or tenant of the **residence premises** when the assessment is made as a result of direct loss to property owned by all members collectively. We cover loss caused by a peril covered under **Section I – Losses We Cover for Coverage A – Dwelling**. However, this coverage does not include loss caused by:
- A. earthquake; or
 - B. land shock waves or tremors before, during, or after a volcanic eruption.

We do not cover assessments charged against you or an association of property owners by any governmental body.

We will pay up to \$1,000 for your share of any loss assessment against you by an association of property owners. If Increased Loss Assessment is shown in the Declarations, then the \$1000 limit is increased to the amount shown.

Payment will be covered under the policy period in which the loss assessment was made against you.

However, the loss assessment limit that applies is the one in effect under your policy with us on the date of the event that caused the damage. If you did not have homeowners insurance with us, on the date of the event that caused the damage, the loss assessment limit for the policy period in which the loss assessment was made against you will apply.

Regardless of the number of assessments, the limit referenced above is the most we will pay for any one loss.

This coverage is excess over any other insurance covering the association of property owners. This does not apply if the assessment against you results from a deductible in the policy of insurance purchased by the association of property owners.

A \$250 deductible does apply to this coverage unless you also have a loss covered under Coverage A, B, or C from the same event.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B, or C property.

11. **Reasonable Repairs.** We will pay the reasonable expenses you incur for necessary immediate and temporary repairs. This is to protect covered property from further loss following a loss we cover.

This coverage does not increase the amount of insurance that applies to the property being repaired.

No deductible will apply to loss under this coverage.

12. **Volcanic Action.** We cover direct physical loss to a covered building or covered property in a building resulting from the eruption of a volcano when that direct physical loss is caused by:

- A. volcanic blast or airborne shock waves;
- B. ash, dust, or particulate matter; or
- C. lava flow.

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

We will pay the reasonable and necessary cost you incur to repair or replace the damaged property.

We will pay reasonable expenses you incur to remove ash, dust, or particulate matter from volcanic action to a building or covered personal property in a building.

This coverage does not increase the amount of insurance that applies to the damaged property.

The policy deductible will apply to loss under this coverage.

Causes of Property Loss

Broad Named Perils

Section I – Losses We Cover

Coverage A – Dwelling

Coverage B – Private Structures

Coverage C – Personal Property

We will pay for direct physical loss or damage to the covered property when loss or damage is caused by **Section I – Broad Named Perils**. However, the loss must not be excluded in **Section I – Losses We Do Not Cover**.

Causes of Property Loss

Special Perils

Section I – Losses We Cover

Coverage A – Dwelling and Coverage B – Private Structures

We will pay for direct physical loss or damage to the covered property. However, the loss must not be excluded in **Section I – Losses We Do Not Cover**.

Coverage C – Personal Property

We will pay for direct physical loss or damage to the covered property when loss or damage is caused by **Section I – Broad Named Perils**. However, the loss must not be excluded in **Section I – Losses We Do Not Cover**.

Causes of Property Loss

Comprehensive Perils

Section I – Losses We Cover

Coverage A – Dwelling

Coverage B – Private Structures

Coverage C – Personal Property

We will pay for direct physical loss or damage to the covered property. However, the loss must not be excluded in **Section I - Losses We Do Not Cover**.f

Causes of Property Loss

Named Covered Perils and Major Exclusions

Section I - Broad Named Perils

Whenever Broad Named Perils is referred to in this policy, the following causes of loss will apply for direct physical loss.

We cover these named perils:

1. **Fire** or **Lightning**
2. **Windstorm** or **Hail**

We do not pay for loss to the interior of a building or to personal property inside, caused by rain, snow, sleet, sand, or dust unless the wind or hail first damages the roof or walls and the wind forces rain, snow, sleet, sand, or dust through the opening.

We do not pay for loss to watercraft and their trailers, furnishings, equipment, and motors unless inside a fully enclosed building. We do cover canoes and rowboats on the **residence premises**.

3. **Explosion**
4. **Riot** or **Civil Commotion**
5. **Aircraft**, including self-propelled missiles, spacecraft, drones and model or hobby aircraft.
6. **Vehicles**
7. **Smoke**, if the loss is sudden and accidental. This includes the emission or puff back of smoke, soot, fumes, or vapors from a boiler, furnace or related equipment.

We do not pay for loss caused by smoke, soot, fumes, or vapors from agricultural smudging or industrial operations.

We do not pay for loss caused by smoke, soot, fumes, or vapors from the illegal manufacturing of controlled substances.

8. **Vandalism** or **Malicious Mischief**

We do not pay for any loss caused by any act committed in the course of the vandalism or malicious mischief including any ensuing loss or fire. This applies if the dwelling was vacant for more than 60 days prior to the date of the loss. A dwelling under construction has not been completed, never been occupied, and is not considered vacant.

9. **Theft**, or attempted theft, including loss from a known place when it is likely that a theft has occurred.

We do not pay for loss caused by theft:

- A. if committed by you or by any person regularly living on the **residence premises**.
- B. in or from a dwelling under construction or of materials and supplies for use in construction. A dwelling under construction has not been completed, never been occupied, and is not considered vacant.
- C. from any part of the **residence premises** rented by you to others.
- D. of property while in any other residence owned, rented to or occupied by you, except while you are temporarily living there. This does not apply to your property if you are a student while at a premises away from home if the student has been there at any time during the 100 days immediately before the loss.
- E. that occurs away from the **residence premises** of watercraft of all types and their furnishings, equipment, and outboard engines or motors.
- F. that occurs away from the **residence premises** of trailers and campers.

10. **Falling Objects**

We cover loss to personal property inside a building only if the falling object first damages the exterior walls or roof. Damage to the falling object itself is not covered.

11. **Weight of Ice, Snow, or Sleet** which causes damage to a building or to property contained in a building.
We do not pay for loss to an awning, fence, patio, pavement, swimming pool, foundation, retaining wall, bulkhead, pier, wharf, or dock.
12. **Discharge or Overflow of Water or Steam** from within a plumbing, heating, air conditioning, or automatic fire protective sprinkler system or from within a domestic appliance on the **residence premises**. The loss must be sudden and accidental. With regard to your property covered under Coverage A or Coverage B, we also will pay to tear out and replace any part of a building on the **residence premises** but only when needed to repair the system or appliance from which the water or steam escaped.
We do not pay for loss:
 - A. to the system or appliance from which the water or steam escapes.
 - B. caused by or resulting from freezing under this peril.
 - C. caused by water which backs up through sewers or drains.
 - D. caused by water which overflows from a sump pump, sump pump well or other system designed for the removal of subsurface water which is drained from the foundation area.
 - E. caused by water which overflows from a roof drain, gutter, downspout or similar fixtures or equipment.
 - F. on the **residence premises** if the dwelling is vacant or abandoned for more than 60 days prior to the date of the loss.
A dwelling under construction has not been completed, never been occupied, and is not considered vacant.
13. **Rupturing, Cracking, Burning, or Bulging** of a steam or hot water heating system, an air-conditioning system, automatic fire protective sprinkler system, or an appliance for heating water. The loss must be sudden and accidental.
We do not pay for loss caused by or resulting from freezing under this peril.
14. **Freezing** of a plumbing, heating, air conditioning, automatic fire protective sprinkler system, or of a domestic appliance.
We do not pay for loss on the **residence premises** while the dwelling is unoccupied, unless you have used reasonable care to maintain heat in the building or have shut off the water supply and drained the water from all plumbing and appliances. 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 this peril, a plumbing system or domestic appliance does not include a roof drain, gutter, downspout, or similar fixture or equipment.
15. **Sudden and Accidental Damage from Electrical Current Artificially Generated** to electrical appliances, devices, fixtures and wiring.
16. **Breakage of Glass or Safety Glazing Material**
We cover the breakage of glass or safety glazing material. This applies for glass or glazing that is part of a building, window, or door on the **residence premises**.

Section I - Losses We Do Not Cover

1. Major Exclusions

We do not insure under any coverage for any loss if such loss is caused by concurrent factors, any one of which is excluded. We do not insure for any such loss regardless of:

- a. the cause of the excluded event;
- b. other causes of the loss; or
- c. whether such causes acted at the same time or in any other sequence with the excluded event to produce or contribute to the loss.

If an excluded cause of loss combines with any covered peril to cause a loss, the entire loss is excluded. Losses caused by, or caused in part by, excluded perils are not covered.

These exclusions apply whether or not the excluded event results in widespread damage or affects a substantial area.

The excluded events are listed below.

A. **Intentional Loss.** This means any loss arising out of any intentional or criminal act committed:

1. by you or at your direction; or
2. by you with the intent to cause damage to covered property.

This exclusion applies regardless of whether you are actually charged with or convicted of a crime.

In the event of such loss, no one defined as you or your is entitled to coverage, even people defined as you or your who did not commit or conspire to commit the act causing the loss.

B. Pollution. This means loss or damage to property which results directly or indirectly from:

1. discharge, dispersal, release, or escape of pollutants or contaminants, including damage caused by chemicals in the soil and loss resulting from the release of toxic materials or other pollutants or contaminants, no matter how caused except for discharge or release of waste products or secretions by animals;
2. discharge, dispersal, release, or escape of fuel oil and other petroleum products;
3. smog; smoke from agricultural smudging or industrial operations; or
4. smog, smoke, soot, fumes, or vapors from the illegal manufacturing of controlled substances.

However, we pay for direct loss that ensues after pollution. We pay for such ensuing loss only if caused by:

- a. fire;
- b. smoke that is not from agricultural smudging, industrial operations, nor illegal manufacturing of controlled substances;
- c. explosion;
- d. glass breakage; or
- e. water damage not specifically excluded in this policy.

If a covered water loss follows, we will pay the cost of tearing out and replacing any part of the building necessary to repair the plumbing or appliance. We do not cover loss to the plumbing or appliance from which the water escaped.

C. Lead Exposure. This means loss or damage to the **residence premises** which result directly or indirectly from lead.

1. We do not pay for any costs or expenses or loss incurred to abate, remove, contain, neutralize, clean up, treat, monitor, or test lead. This also includes:
 - a. property containing lead;
 - b. soil, or earth, containing lead;
 - c. water, pipes, or plumbing containing lead;
 - d. paint, putty, dust, or plaster containing lead; or
 - e. any other product or substance containing lead.
2. We do not pay any costs or expenses or loss incurred as a result of any governmental law, regulation, mandate, requirement, directive, or request to abate, remove, contain, neutralize, clean up, treat, monitor, or test lead. This also includes:
 - a. property containing lead;
 - b. soil, or earth, containing lead;
 - c. water, pipes, or plumbing containing lead;
 - d. paint, putty, dust, or plaster containing lead; or
 - e. any other product or substance containing lead.

D. Water Damage. This means any loss caused by, resulting from, contributed to, or aggravated by:

1. flood, surface water, waves, tidal wave, tsunami, tides, tidal water, or overflow of any body of water, or spray from any of these, whether or not driven by wind, including storm surge;
2. water or water-borne material which backs up through sewers or drains, or which overflows or is discharged from a sump pump, sump pump well or other system designed to remove subsurface water which is drained from the foundation area;
3. water or water-borne material below the surface of the ground, including water which exerts pressure on, or flows, seeps, or leaks through any part of a building, foundation, sidewalk, driveway, patio, swimming pool or other structure;
4. water or water-borne material under pressure from a burst water system pipe where the broken main or spur pipe is not on the **residence premises**. This includes but is not limited to fresh water provided to the residence by a city, town, or water district that may be underneath a street or road; or
5. water which causes earth movement.

This exclusion applies whether or not the water damage is caused by or results from human or animal forces or any act of nature.

However, we pay for direct loss that ensues after water damage if caused by fire, theft, or explosion and then we pay for only the ensuing loss.

E. **Earth Movement.** This means any loss caused by, resulting from, contributed to, or aggravated by events that include, but are not limited to:

1. earthquake and earthquake aftershocks;
2. volcanic eruption and volcanic effusion;
3. sinkhole;
4. subsidence;
5. mudslide including landslide, mudflow, debris flow, avalanche or sediment;
6. erosion or excavation collapse;
7. pressure or hydrostatic pressure;
8. the sinking, rising, shifting, expanding, bulging, cracking, settling or contracting of the earth, soil or land; and
9. volcanic blast or airborne shock waves; ash, dust or particulate matter; and lava flow. This exclusion does not apply when coverage is granted under **Section I - Additional Coverages for Volcanic Action.**

This exclusion applies whether or not the earth movement is combined with water or caused by or results from human or animal forces or any act of nature.

However, we pay for direct loss that ensues after earth movement if caused by fire, explosion other than explosion of a volcano, theft, or breakage of glass or safety glazing material and then we pay for only the ensuing loss.

F. **Ordinance or Law.** This means the enforcement of any ordinance or law regulating the construction, repair, demolition, or zoning of buildings. We do not cover the increased costs to comply with any ordinance or law after a covered loss unless specifically provided in this policy. We also do not cover:

1. The costs to comply with any ordinance or law which requires you or others to abate, remove, contain, neutralize, clean up, treat, monitor, or test any property.
2. Any loss in value to any covered building due to the requirements of any ordinance or law.

This policy does cover the replacement of damaged glass, that is a part of the building, with safety glazing material where required by any ordinance or law.

G. **Power Failure.** This means the failure of power or other utility service if the failure takes place off the **residence premises**. If a loss we pay for ensues on the **residence premises**, we pay for only the ensuing loss. This exclusion does not apply when coverage is granted under **Section I - Additional Coverages for Emergency Living Expense.**

H. **Neglect.** This means you did not use all reasonable means to save and preserve property at and after the time of a loss, or when property is endangered by a covered peril.

I. **Nuclear Action.** This means nuclear reaction, discharge, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these. Loss caused by nuclear action is not considered a loss caused by fire, explosion or smoke.

However, we pay for direct loss that ensues after nuclear action if caused by fire and then we pay for only the ensuing loss.

J. **Governmental Action.** This includes:

1. loss due to destruction, confiscation, or seizure of property due to order of any civil authority.
2. loss arising out of risks of contraband or illegal transportation or trade.
3. loss due to order of any civil authority for acts of destruction during a fire to prevent it from spreading as long as the fire was caused by any peril excluded under this policy.

K. **War.** This includes, but is not limited to:

1. war;
2. undeclared war;
3. civil war;
4. rebellion;
5. insurrection;
6. revolution;
7. warlike act by a military force or military personnel;

8. destruction or seizure or use for a military purpose; and
9. any consequence of any of these.

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

L. **Illegal Operation.** This means loss resulting from the illegal:

1. growing;
2. keeping;
3. manufacturing;
4. producing; or
5. processing

of chemical, animal, or plant materials. Such loss is excluded whether or not within the knowledge of or control by you.

M. **Collapse.** This exclusion does not apply when coverage is granted under **Section I - Additional Coverages for Collapse.**

N. **Vacancy.** This applies when the **residence premises** is vacant or abandoned by you prior to the inception date of the policy period. However, this exclusion does not apply if the date of the loss is within 60 days of when the dwelling became vacant or abandoned. A dwelling is considered vacant upon the removal of all or of nearly all household furnishings and personal belongings. The presence of some window coverings or of a free-standing stove or refrigerator is not proof that the residence is not vacant. A dwelling under construction has not been completed, never been occupied, and is not considered vacant.

2. **Other Major Exclusions**

We do not insure under any coverage for any loss consisting of one or more of the excluded items below. However, we pay for any ensuing loss unless the ensuing loss is itself excluded by any other provision in this policy. The excluded items are listed below.

A. **Weather Conditions.** We do not insure under any coverage for any loss due to weather conditions that contribute in any way with a cause or event described in 1. Major Exclusions above to produce the loss.

B. **Acts or Omissions.** We do not insure under any coverage for any loss due to conduct, act, failure to act, or decision of any person, group, organization, or governmental body whether intentional, wrongful, negligent, or without fault.

C. **Planning - Design - Construction - Maintenance.** We do not insure under any coverage for any loss due to defective, faulty, inadequate, or unsound:

1. planning, zoning, development, surveying, siting;
2. design, specifications, workmanship, repair, construction, demolition, renovation, remodeling, grading, compaction;
3. materials used in repair, construction, renovation, or remodeling; or
4. maintenance;

of part or all of any property whether on or off the **residence premises**. Property includes land, structures, or improvements of any kind.

Causes of Property Loss

Losses We Do Not Cover – General Exclusions

Section I – Losses We Do Not Cover

3. General Exclusions

We do not cover loss or damage to the described property which results directly or indirectly from any of the following exclusions. This exclusion applies to property described under Coverage A, Coverage B, and Coverage C but only when direct physical loss or damage under **Section I – Losses We Cover** is not limited to causes of loss listed under **Section I – Broad Named Perils**.

Under items 3.A. through 3.L., we pay for direct loss not otherwise excluded or excepted in this policy that follows after the excluded loss. We pay for only the ensuing loss. If loss to covered property is caused by water or steam not otherwise excluded, we will pay the cost to tear out and replace any part of the building necessary to repair the system or appliance. We do not cover loss to the system or appliance from which the water or steam escaped. System means:

- a. a plumbing system;
- b. a heating system;
- c. an air conditioning system; or
- d. an automatic fire protective sprinkler system.

A. **Wear and Tear.** This means:

1. wear and tear;
2. marring;
3. scratching;
4. aging;
5. deterioration;
6. corrosion;
7. electrolysis;
8. rust;
9. dry rot;
10. wet rot.

B. **Fungus and Mold.**

C. **Contraction and Expansion.** This means settling, cracking, shrinking, bulging, or expansion of pavements, patios, bulkheads, foundations, footings, supports, walls, floors, ceilings, or roofs.

D. **Defect.** This means:

1. mechanical breakdown;
2. latent defect.

This also includes inherent vice, or any quality in property that causes it to damage or destroy itself.

E. **Smog and Smoke.** This means:

1. smog;
2. smoke, soot, fumes, or vapors from agricultural smudging or industrial operations;
3. smoke, soot, fumes, or vapors from the illegal manufacturing of controlled substances.

F. **Kept Animals.** This means animals owned or kept by you or any person regularly residing on the premises.

G. **Bats, Birds, Insects, or Rodents.**

- H. **Nesting or Infestation.** This means nesting, infestation, or discharge or release of waste products or secretions by animals that occur over a period of weeks, months or years.
- I. **Theft from Dwelling Under Construction.** This means theft in or from the **residence premises** or of materials and supplies for use in the construction. A dwelling under construction has not been completed, never been occupied, and is not considered vacant.
- J. **Freezing or Thawing from System or Appliance.** This means freezing or thawing to a plumbing, heating, air conditioning, or automatic fire protective sprinkler system or of a domestic appliance. This includes loss or damage from discharge, leakage or overflow from within the system or appliance caused by freezing. A plumbing system or domestic appliance does not include a roof drain, gutter, downspout, or similar fixtures or equipment.

This exclusion does not apply if you have used reasonable care to maintain heat in the building or if you shut off the water supply and drained the plumbing and appliance 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.

- K. **Water, Snow, or Ice.** This means freezing, thawing or pressure or weight of water, snow or ice, whether driven by wind or not, to a:
 1. swimming pool, spa, or hot tub including their covers, liners, and filtration, heating and circulation systems;
 2. fence;
 3. driveway, roadway, walkway, pavement, patio;
 4. foundation, footing, retaining wall, bulkhead; or
 5. seawall, embankment, pier, wharf or dock.
- L. **Seepage.** This means continuous or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years, from:
 1. a plumbing system;
 2. a heating system;
 3. an air conditioning system;
 4. an automatic fire protective sprinkler system;
 5. a domestic appliance; or
 6. within or around any shower stall, shower bath, tub installation, or other plumbing fixture once the water has been released as intended from a plumbing system.

However, we pay for ensuing water damage that follows items 1. through 5. to building property on the **residence premises** that result from such seepage or leakage if the source of where the water or steam leaves the system or appliance is not able to be observed. That source is not observable because its location is hidden within the walls or ceilings, or above the ceilings, or beneath the floors but not below the slab or foundation floor of a structure. We do not cover rot.

A plumbing system or domestic appliance does not include a roof drain, gutter, downspout, or similar fixtures or equipment.

- M. **Roots.** This means loss or damage that results from pressure from or presence of tree, shrub or plant roots.
- N. **Glass Breakage.** We do not cover breakage of glass and safety glazing materials when the **residence premises** is vacant or abandoned. However, this exclusion does not apply if the date of the loss is within 60 days of when the dwelling became vacant or abandoned. A dwelling under construction has not been completed, never been occupied, and is not considered vacant.
- O. **Vandalism and Malicious Mischief.** This exclusion applies for loss or damage that results from vandalism or malicious mischief when the **residence premises** is vacant or abandoned. This includes any loss caused by any act committed in the course of the vandalism or malicious mischief including any ensuing loss or fire. However, this exclusion does not apply if the date of the loss is within 60 days of when the dwelling became vacant or abandoned. A dwelling under construction has not been completed, never been occupied, and is not considered vacant.
- P. **Diminished Value.** We do not cover any compensation for actual or perceived reduction in the market value of any property.

Causes of Property Loss

Losses We Do Not Cover – General Exclusions for Contents

Section I – Losses We Do Not Cover

4. General Exclusions for Contents

We do not cover loss or damage to the property described in Coverage C which results directly or indirectly from any of the following.

A. We do not pay for loss or damage caused by breakage of:

bric-a-brac,	statuary,	eyeglasses, and
glassware,	marble,	similar fragile articles.
porcelains,		

However, we do cover breakage to jewelry, watches, bronzes, cameras, and photographic lenses.

There is coverage for breakage of the property listed above resulting from:

1. fire, lightning, windstorm or hail;
 2. explosion, riot, civil commotion;
 3. aircraft, vehicles or vandalism and malicious mischief;
 4. water not otherwise excluded;
 5. theft or attempted theft; or
 6. sudden and accidental rupturing, cracking, burning, or bulging of:
 - a. a steam or hot water heating system;
 - b. an air conditioning or automatic fire protective sprinkler system; or
 - c. an appliance for heating water.
- B. We do not pay for loss or damage caused by dampness of atmosphere or extremes of temperature unless the direct cause of loss is rain, snow, sleet, or hail.
- C. We do not pay for loss or damage caused by refinishing, renovating, or repairing property. This does not apply to watches, jewelry and furs.
- D. We do not pay for loss or damage caused by collision other than collision with a land vehicle, sinking, swamping, or stranding of watercraft. This includes their trailers, furnishings, equipment, and outboard engines or motors.
- E. We do not pay for loss or damage caused by acts or decisions of any person, group, organization, or government body. This includes the failure to act or decide. However, any ensuing loss to property described in Coverage C not excluded or excepted in this policy is covered.
- F. We do not pay for loss or damage caused by an error in computer programming or instructions to the computer.

Property Loss Settlement

Section I - How We Settle A Property Loss Buildings and Structures - Replacement Cost

Section I - Loss Deductible Clause

We will pay only when a loss exceeds the deductible amount applicable to the covered claim shown in the Declarations. We will pay only that part of the loss that exceeds the deductible.

1. Coverage A - Dwelling and Coverage B - Private Structures

Covered building and structure losses are settled as follows.

A. Actual Cash Value Settlement

At the time of the loss, we will pay the **actual cash value** for direct physical loss or damage that is over the deductible but no more than the amount of insurance that applies to the property.

B. Replacement Cost Settlement Eligibility and Conditions

1. These types of property are not eligible for Replacement Cost Settlement: The below items are subject to Actual Cash Value Settlement:
 - a. aerials, antennas and awnings;
 - b. outdoor equipment and swimming pools; and
 - c. structures that are not buildings.
2. You may make further claim for additional payments under Replacement Cost Settlement if you comply with these conditions.
 - a. You have not reached the applicable amount of insurance.
 - b. You still have an insurable interest in the damaged dwelling or private structure.
 - c. You notify us of your decision to repair or replace the damaged dwelling or private structure within 180 days after the date of **actual cash value** payment.
 - d. You notify us within 30 days after the repair or replacement has been completed.
 - e. You have completed the repair or replacement of the damaged dwelling or private structure within one year from the date of **actual cash value** payment.

These conditions will apply unless you or your representative submits, in writing, clear and reasonable justification for the failure to comply with such condition.

C. Replacement Cost Settlement

1. If at the time of loss the amount of insurance that applies is equal to or more than the required amount of insurance found in the Coinsurance Provision, we will pay the cost of repair or replacement that is over the deductible. There will be no depreciation. The terms "cost to repair or replace" and "replacement cost" do not include any compensation for actual or perceived decrease in the market value of any property.
 - a. The amount we pay for any loss will not exceed the least of the following:
 - 1) The amount of insurance that applies to the building.
 - 2) The cost to repair or replace the damaged part(s) of the building with materials of like kind and quality on the same premises for the same occupancy and use.
 - 3) The amount actually and necessarily spent to repair or replace the damaged part(s) of the building with materials of like kind and quality on the same premises for the same occupancy and use.
 - b. If you rebuild or purchase an existing building at an address other than shown in the Declarations, those costs will not increase the amount we pay under this settlement. The amount we pay does not include the value of any land connected with the rebuilt or purchased building(s).

2. If at the time of loss the amount of insurance that applies is less than the required amount of insurance found in the Coinsurance Provision, we will pay the amount that is over the deductible but not more than the lesser of the following.
 - a. The amount of insurance that applies to the building.
 - b. The **actual cash value** or the amount determined from the Coinsurance Provision, whichever is the higher.
3. In determining the amount of insurance required under the Coinsurance Provision for the current replacement cost value of the building, the value of these items will be ignored.
 - a. foundations, whether underground or slab;
 - b. underground footings;
 - c. underground pipes;
 - d. underground wiring; and
 - e. underground drains.
4. **Coinsurance Provision.** This applies to buildings covered under **Coverage A - Dwelling** and **Coverage B - Private Structures**. In order to determine the required amount of insurance, multiply the current replacement cost value of the building by the required coinsurance percentage shown in the Declarations. At the time of the loss, we compare the amount of insurance purchased to the required amount of insurance to see what is the resulting percentage.

We apply the resulting percentage to the loss after application of the deductible. The resulting amount is the most we will pay. We will not pay for the remainder of the loss.

D. Land

Land is not covered under Coverages A and B. Refer to **Land** as provided in **Section I - Additional Coverages**.

Property Loss Settlement

Section I – How We Settle A Property Loss Buildings and Structures – Functional Replacement Cost

Section I - Loss Deductible Clause

We will pay only when a loss exceeds the deductible amount applicable to the covered claim shown in the Declarations. We will pay only that part of the loss that exceeds the deductible.

1. Coverage A – Dwelling and Coverage B – Private Structures

Covered building and structure losses are settled as follows.

A. Actual Cash Value Settlement

At the time of the loss, we will pay the **actual cash value** for direct physical loss or damage that is over the deductible but no more than the amount of insurance that applies to the property.

B. Functional Replacement Cost Settlement Eligibility and Conditions

1. These types of property are not eligible for Functional Replacement Cost Settlement: The below items are subject to Actual Cash Value Settlement:
 - a. aerials, antennas and awnings;
 - b. outdoor equipment and swimming pools; and
 - c. structures that are not buildings.
2. You may make further claim for additional payments under Functional Replacement Cost Settlement if you comply with these conditions.
 - a. You have not reached the applicable amount of insurance.
 - b. You still have an insurable interest in the damaged dwelling or private structure.
 - c. You notify us of your decision to repair or replace the damaged dwelling or private structure within 180 days after the date of **actual cash value** payment.
 - d. You notify us within 30 days after the repair or replacement has been completed.
 - e. You have completed the repair or replacement of the damaged dwelling or private structure within one year from the date of **actual cash value** payment.

These conditions will apply unless you or your representative submits, in writing, clear and reasonable justification for the failure to comply with such condition.

C. Functional Replacement Cost Settlement

1. If at the time of loss the amount of insurance that applies is equal to or more than the required amount of insurance found in the Coinsurance Provision, we will pay the cost of functional repair or replacement that is over the deductible. There will be no depreciation. Functional means the repair or replacement will be made with commonly used construction materials and methods where functionally equivalent to and less costly than antique, custom, or obsolete construction materials and methods. The term "functional repair or replacement" does not include any compensation for actual or perceived decrease in the market value of any property.
 - a. The amount we pay for any loss will not exceed the least of the following:
 1. The amount of insurance that applies to the building.
 2. The cost for functional repair or replacement of the damaged part(s) of the building on the same premises for the same occupancy and use.
 3. The amount actually and necessarily spent for functional repair or replacement of the damaged part(s) of the building on the same premises for the same occupancy and use.

- b. If you rebuild or purchase an existing building at an address other than shown in the Declarations, those costs will not increase the amount we pay under this settlement. The amount we pay does not include the value of any land connected with the rebuilt or purchased building(s).
2. If at the time of loss the amount of insurance that applies is less than the required amount of insurance found in the Coinsurance Provision, we will pay the amount that is over the deductible but not more than the lesser of the following.
 - a. The amount of insurance that applies to the building.
 - b. The **actual cash value** or the amount determined from the Coinsurance Provision, whichever is the higher.
3. To determine the amount of insurance required under the Coinsurance Provision for the current functional replacement cost value of the building, the value of these items will be ignored:
 - a. foundations, whether underground or slab;
 - b. underground footings;
 - c. underground pipes;
 - d. underground wiring; and
 - e. underground drains.
4. **Coinsurance Provision.** This applies to buildings covered under **Coverage A – Dwelling** and **Coverage B – Private Structures**. In order to determine the required amount of insurance, multiply the current functional replacement cost value of the building by the required coinsurance percentage shown in the Declarations. Functional means that the repair or replacement will be made with commonly used construction materials and methods. It is functionally equivalent to and costs less than antique, custom, or obsolete construction materials and methods. At the time of the loss, we compare the amount of insurance purchased to the required amount of insurance to see what is the resulting percentage.

We apply the resulting percentage to the loss after application of the deductible. The resulting amount is the most we will pay. We will not pay for the remainder of the loss.

D. Land

Land is not covered under Coverages A and B. Refer to **Land** as provided in **Section I – Additional Coverages**.

Property Loss Settlement

Section I – How We Settle A Property Loss Buildings and Structures – Extended Protection for Buildings

Section I – Loss Deductible Clause

We will pay only when a loss exceeds the deductible amount applicable to the covered claim shown in the Declarations.

We will pay only that part of the loss that exceeds the deductible.

1. Coverage A – Dwelling and Coverage B – Private Structures

Covered building and structure losses are settled as follows.

A. Actual Cash Value Settlement

At the time of the loss, we will pay the **actual cash value** for direct physical loss or damage that is over the deductible but no more than the amount of insurance that applies to the property.

B. Replacement Cost Settlement Eligibility and Conditions

1. These types of property are not eligible for Replacement Cost Settlement: The below items are subject to Actual Cash Value Settlement:
 - a. aerials, antennas and awnings;
 - b. outdoor equipment and swimming pools; and
 - c. structures that are not buildings.
2. You may make further claim for additional payments under Replacement Cost Settlement if you comply with these conditions.
 - a. You have not reached the applicable amount of insurance.
 - b. You still have an insurable interest in the damaged dwelling or private structure.
 - c. You notify us of your decision to repair or replace the damaged dwelling or private structure within 180 days after the date of **actual cash value** payment.
 - d. You notify us within 30 days after the repair or replacement has been completed.
 - e. You have completed the repair or replacement of the damaged dwelling or private structure within one year from the date of **actual cash value** payment.

These conditions will apply unless you or your representative submits, in writing, clear and reasonable justification for the failure to comply with such condition.

C. Replacement Cost Settlement

1. If at the time of loss the amount of insurance that applies is 80% or more of the full current replacement cost, we will pay the full cost of repair or replacement that is over the deductible. There will be no depreciation. The terms "cost to repair or replace" and "replacement cost" do not include any compensation for actual or perceived decrease in the market value of any property.
 - a. The amount we pay for any loss will not exceed the least of the following:
 - 1) The amount of insurance that applies to the building.
 - 2) The cost to repair or replace the damaged part(s) of the building with materials of like kind and quality on the same premises for the same occupancy and use.
 - 3) The amount actually and necessarily spent to repair or replace the damaged part(s) of the building with materials of like kind and quality on the same premises for the same occupancy and use.
 - b. If you rebuild or purchase an existing building at an address other than shown in the Declarations, those costs will not increase the amount we pay under this settlement. The amount we pay does not include the value of any land connected with the rebuilt or purchased building(s).

2. If at the time of loss the amount of insurance that applies is less than 80% of the full current replacement cost, we will pay the amount that is over the deductible but not more than the lesser of the following.
 - a. The amount of insurance that applies to the building.
 - b. The **actual cash value** or the amount determined from the Coinsurance Provision, whichever is the higher.
3. To determine the amount of insurance required to equal 80% of the full current replacement cost of the building, the value of these items will be ignored.
 - a. foundations, whether underground or slab;
 - b. underground footings;
 - c. underground pipes;
 - d. underground wiring; and
 - e. underground drains.
4. **Coinsurance Provision.** This applies to buildings covered under **Coverage A – Dwelling** and **Coverage B – Private Structures**. In order to determine the required amount of insurance, multiply the current replacement cost value of the building by 80% which is the required coinsurance percentage. At the time of the loss, we compare the amount of insurance purchased to the required amount of insurance to see what is the resulting percentage.

We apply the resulting percentage to the loss after application of the deductible. The resulting amount is the most we will pay. We will not pay for the remainder of the loss.

D. Land

Land is not covered under Coverages A and B. Refer to **Land** as provided in **Section I – Additional Coverages**.

E. Extended Protection for Buildings

We will pay the additional cost to rebuild your destroyed building that exceeds the amount of insurance shown in the Declarations for direct damage to the covered property. However, we will pay no more than the amount of insurance multiplied by 125%. That resulting dollar amount then becomes the new amount of insurance for the covered property provided under this policy.

This is additional insurance. It applies when:

1. you rebuild the building in compliance with the Replacement Cost Settlement Eligibility and Conditions; and
2. the amount of insurance for the covered property is not enough to rebuild the damaged building.

If you rebuild at an address other than shown in the Declarations, those costs will not increase the amount we pay under this settlement. The amount we pay does not include the value of any land connected with the rebuilt dwelling.

Each of the following requirements applies.

1. You have insured your dwelling at 100% of its cost to rebuild using our home replacement cost estimator based on the information:
 - a. you furnished to us or made available to you by us for your review; or
 - b. we obtained upon an inspection by us of the **residence premises**.
2. You have taken the Inflation Protection changes in the amount of insurance applied to your policy at each renewal.
3. You must let us know within 90 days after the start of any addition or other physical changes which increase by \$25,000 or more the rebuilding value of your dwelling or other building on the **residence premises**.

Property Loss Settlement

Blanket Property – Replacement Cost Section I – How We Settle A Property Loss

Section I – Loss Deductible Clause

We will pay only when a loss exceeds the deductible amount that applies to the covered claim. The deductible amount is shown in the Declarations. We will pay only that part of the loss that is over the deductible.

Blanket Property Limit

We will pay the loss to covered property under **Coverage A – Dwelling**, **Coverage B – Private Structures**, and **Coverage C – Personal Property** as shown in this policy form.

The maximum amount we pay for a loss under a settlement below is the Blanket Property Limit shown in the Declarations. This amount of insurance applies regardless of the:

- a. combination of covered losses under Coverages A, B or C; or
- b. number of losses from the same loss event.

Section I – Loss Settlement

1. Actual Cash Value Settlement

At the time of the loss, we will pay the **actual cash value** for direct physical loss or damage that is over the deductible. We will pay no more than the amount required to repair or replace the damaged property with property of like kind and quality.

2. Replacement Cost Settlement Eligibility and Conditions

- A. Actual Cash Value Settlement applies until actual repair or replacement is complete.
- B. Personal Property Ineligible for Replacement Cost Settlement:
 1. Antiques, fine arts, paintings, statuary, and similar articles which, by their inherent nature, cannot be replaced with new articles.
 2. Articles for which the age, history, scarcity, or condition contribute substantially to their value. This includes, but is not limited to, memorabilia, souvenirs, and collectors' items such as trading cards, comic books, and autographed merchandise.
 3. Obsolete or unusable item because of its age or condition prior to the loss, or not being used for the purpose for which it was originally intended.
 4. Watercraft. This includes their trailers, furnishings, equipment, and outboard motors.
 5. Motorized land vehicles. This includes trailers.
- C. You may make further claim for additional payments under Replacement Cost Settlement if you comply with these conditions.
 1. You have not reached the applicable amount of insurance.
 2. You still have an insurable interest in the property.
 3. You notify us of your decision to repair or replace the property within 180 days after the date of **actual cash value** payment.
 4. You notify us within 30 days after the repair or replacement has been completed.
 5. You have completed the repair or replacement of the property within one year from the date of **actual cash value** payment.

These conditions will apply unless you or your representative submits, in writing, clear and reasonable justification for the failure to comply with such condition.

3. **Replacement Cost Settlement**

We will pay the cost to repair or replace that is over the deductible. There will be no depreciation. The terms "cost to repair or replace" and "replacement cost" do not include any compensation for actual or perceived decrease in the market value of any property. If you rebuild at an address other than shown in the Declarations, those costs will not increase the amount we pay under this settlement. The amount we pay does not include the value of any land connected with the rebuilt building(s).

The amount we pay for any loss will not be more than the least of the following.

- A. The cost to repair or replace the property with that of like kind and quality on the same premises for the same occupancy and use.
- B. The amount actually and necessarily spent to repair or replace the property with that of like kind and quality on the same premises for the same occupancy and use.
- C. The cost of repair to restore the property to its original condition.
- D. The amount of insurance that applies under **Coverage C – Personal Property, Special Limitations on Certain Property**.
- E. The amount of insurance that applies to any item separately described and specifically insured under this policy.

4. **Land**

Land is not covered under Coverages A and B. Refer to **Land** as provided in **Section I - Additional Coverages**.

Property Loss Settlement

Blanket Property – Guaranteed Rebuild Section I – How We Settle A Property Loss

Section I – Loss Deductible Clause

We will pay only when a loss exceeds the deductible amount that applies to the covered claim. The deductible amount is shown in the Declarations. We will pay only that part of the loss that is over the deductible.

Blanket Property Limit

We will pay the loss to covered property under **Coverage A – Dwelling, Coverage B – Private Structures, and Coverage C – Personal Property** as shown in this policy form.

The maximum amount we pay for a loss under a settlement below is the Blanket Property Limit shown in the Declarations. This amount of insurance applies regardless of the:

- a. combination of covered losses under Coverages A, B or C; or
- b. number of losses from the same loss event.

Section I – Loss Settlement

1. Actual Cash Value Settlement

At the time of the loss, we will pay the **actual cash value** for direct physical loss or damage that is over the deductible. We will pay no more than the amount required to repair or replace the damaged property with property of like kind and quality.

2. Replacement Cost Settlement Eligibility and Conditions

- A. Actual Cash Value Settlement applies until actual repair or replacement is complete.
- B. Personal Property Ineligible for Replacement Cost Settlement:
 1. Antiques, fine arts, paintings, statuary, and similar articles which, by their inherent nature, cannot be replaced with new articles.
 2. Articles for which the age, history, scarcity, or condition contribute substantially to their value. This includes, but is not limited to, memorabilia, souvenirs, and collectors' items such as trading cards, comic books, and autographed merchandise.
 3. Obsolete or unusable item because of its age or condition prior to the loss, or not being used for the purpose for which it was originally intended.
 4. Watercraft. This includes their trailers, furnishings, equipment, and outboard motors.
 5. Motorized land vehicles. This includes trailers.
- C. You may make further claim for additional payments under Replacement Cost Settlement if you comply with these conditions.
 1. You have not reached the applicable amount of insurance.
 2. You still have an insurable interest in the property.
 3. You notify us of your decision to repair or replace the property within 180 days after the date of **actual cash value** payment.
 4. You notify us within 30 days after the repair or replacement has been completed.
 5. You have completed the repair or replacement of the property within one year from the date of **actual cash value** payment.

These conditions will apply unless you or your representative submits, in writing, clear and reasonable justification for the failure to comply with such condition.

3. **Replacement Cost Settlement**

We will pay the cost to repair or replace that is over the deductible. There will be no depreciation. The terms "cost to repair or replace" and "replacement cost" do not include any compensation for actual or perceived decrease in the market value of any property. If you rebuild at an address other than shown in the Declarations, those costs will not increase the amount we pay under this settlement. The amount we pay does not include the value of any land connected with the rebuilt building(s).

The amount we pay for any loss will not be more than the least of the following.

- A. The cost to repair or replace the property with that of like kind and quality on the same premises for the same occupancy and use.
- B. The amount actually and necessarily spent to repair or replace the property with that of like kind and quality on the same premises for the same occupancy and use.
- C. The cost of repair to restore the property to its original condition.
- D. The amount of insurance that applies under **Coverage C – Personal Property, Special Limitations on Certain Property**.
- E. The amount of insurance that applies to any item separately described and specifically insured under this policy.

4. **Land**

Land is not covered under Coverages A and B. Refer to **Land** as provided in **Section I - Additional Coverages**.

5. **Guaranteed Rebuild**

- A. We will pay the additional cost to rebuild your destroyed dwelling:
 1. that exceeds the remaining amount of insurance available under the Blanket Property Limit shown in the Declarations; and
 2. after loss to property covered under **Coverage B - Private Structures** and **Coverage C - Personal Property** has been settled.
- B. This is additional insurance.
 1. This applies when:
 - a. you rebuild the building in compliance with the Replacement Cost Settlement Eligibility and Conditions; and
 - b. the remaining amount of insurance available under the Blanket Property Limit is not enough to rebuild the damaged building.
 2. If you rebuild at an address other than shown in the Declarations, those costs will not increase the amount we pay under this settlement. The amount we pay does not include the value of any land connected with the rebuilt dwelling.
- C. Each of the following requirements applies.
 1. You have insured your dwelling at 100% of its cost to rebuild using our home replacement cost estimator based on the information:
 - a. you furnished to us or made available to you by us for your review; or
 - b. we obtained upon an inspection by us of the **residence premises**.
 2. You have taken the Inflation Protection changes applied to your policy at each renewal.
 3. You must let us know within 90 days after the start of any addition or other physical changes you make on the **residence premises**. This applies when the increase is \$25,000 or more of the rebuilding value of your dwelling or other building.

GrandProtect Liability Coverages

We have enhanced the liability protection in our Home Value Policy. These are changes from what is shown in the HP6000 form found in your policy package just prior to this form. These improvements change your insurance by:

- a. removing restrictive language from the same-titled coverage,
- b. increasing an amount of insurance that applies in the same-titled coverage, or
- c. adding a new coverage previously not found in the Home Value Policy.

Section II – Losses We Do Not Cover

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

Exclusion 10. **Watercraft** does not apply to any watercraft you acquire ownership if you ask us to insure the watercraft within 30 days of acquisition and pay any additional premiums. Watercraft includes any accompanying equipment, engines, and motors.

Section II – Additional Coverages

1. Damage to Property of Others.

- A. We will pay up to \$2,500 each time you cause **property damage** to someone else's property during the term of the policy. At our option, we will pay the cost to either repair or replace the damaged property.
- B. We do not cover **property damage**:
 1. to the extent of any amount that is recoverable under Section I of this policy.
 2. caused intentionally by you if you are 13 years of age or older.
 3. to property owned by or rented to you, any resident of your household, or any of your tenants.
 4. arising out of any act or omission in connection with premises you own, rent, or control, other than the **insured premises**.
 5. arising out of **business** activities.
 6. arising out of the ownership, maintenance, occupancy, operation, use, loading or unloading of:
 - a. any motorized land vehicle. This exclusion does not apply to a motorized land vehicle not owned by you that is principally designed for recreational use off public roads and is not subject to motor vehicle registration.
 - b. a trailer. This exclusion does not apply to a trailer not owned by you while not being towed or carried by a motor vehicle.
 - c. aircraft, hovercraft, or watercraft of any type.

2. Claim Expenses

- A. We will pay all costs we incur and costs taxed against you in any suit we defend.
- B. We will pay premiums on bonds required in any suit we defend, but not for bond amounts greater than the limit of liability for **Coverage E – Personal Liability**.
- C. We will pay reasonable expenses you incur at our request.
- D. We will pay up to \$500 per day for lost wages or salary, but not other income, because you attended a hearing or trial at our request.

4. Loss Assessment.

- A. This coverage applies for loss assessments charged against you as owner or tenant of the **insured premises** when the assessment is made as a result of:
 - A. each **occurrence** to which Section II of this policy would apply.
 - B. liability for each act or failure to act of a director, officer, or trustee in their capacity as a director, officer, or

trustee, provided:

1. such person is elected by the members of an association of property owners; and
2. such person serves without deriving any income from the exercise of duties which are solely on behalf of an association of property owners.

B. We do not cover assessments charged against you or an association of property owners by any governmental body.

C. We will pay up to \$10,000 for your share of any loss assessment against you by an association of property owners. If Increased Loss Assessment is shown in the Declarations, then the \$10,000 limit is increased to the amount shown. Payment will be covered under the policy period in which the loss assessment was made against you.

However, the loss assessment limit that applies is the one in effect under your policy with us on the date of the event that caused the loss. If you did not have homeowners insurance with us, on the date of the event that caused the loss, the loss assessment limit for the policy period in which the loss assessment was made against you will apply.

Regardless of the number of assessments, the limit referenced above is the most we will pay for loss arising out of:

1. one accident. This includes continuous or repeated exposure to substantially the same general harmful condition; or
2. a covered act of a director, officer, or trustee. An act that involves more than one director, officer, or trustee is considered to be a single act.

D. This coverage is excess over any other insurance covering the association of property owners. This specific provision does not apply if your assessment results from a deductible in the policy of insurance purchased by an association of property owners.

E. We will pay only when the assessment exceeds \$250. We will pay only for that part of the loss that exceeds the deductible.

5. **Rented or Borrowed Watercraft.** We will pay up to \$25,000 for property damage to watercraft, including any accompanying equipment, motors and trailers, which you rent or borrow. This applies if there is no other insurance or coverage provided by this or any other insurance policy or written contract for the rented or borrowed property.

All other policy terms and conditions apply.

Back Up of Sewers, Drains, and Sump

Agreement

1. For your property covered under **Section I – Coverages**, we will pay for accidental direct physical loss caused by or resulting from water or water-borne material:
 - A. which backs up through sewers or drains; or
 - B. which enters and overflows or is discharged from a system designed to remove subsurface water which is drained from the foundation area. This includes a sump pump within a sump pump well.

However, we do not provide coverage if the loss occurs or is in progress prior to the effective date of this coverage or policy.

2. **Waiting Period.**

- A. Coverage does not apply or is restricted during the first 5 days if included at inception date of the first policy period for this policy.
- B. Coverage does not apply or is restricted during the first 15 days after we have received your request if added any time after your policy has been in effect.
- C. If coverage is in effect prior to your request to increase the amount of insurance or decrease the deductible amount, we will pay no more than the amount we owe to you prior to your request. This applies if the loss occurs during the waiting period.

Amount of Insurance

1. If there is no amount of insurance shown in the Declarations for Back Up of Sewers, Drains, and Sump, then the amount of insurance is the most we will pay under **Section I – Coverage A, B, or C** that applies to the type of damaged or destroyed property.
2. If an amount of insurance is shown in the Declarations for Back Up of Sewers, Drains, and Sump, then the limit shown is the most we will pay in any one loss for damaged property under **Section I – Coverages A, B, and C**.

Exclusions

Under **Section I – Losses We Do Not Cover**, 1. D. **Water Damage**, item 2. is replaced with the following.

2. water or water-borne material which is a direct result of flood that backs up through sewers or drains:

Deductible

We will pay only that part of the loss that exceeds the deductible amount shown in the Declarations for this coverage. This deductible amount applies separately to each loss.

Building Code Upgrade and Demolition Costs

Agreement

This coverage applies in response to an ordinance or law for buildings on the **residence premises** covered under **Coverage A – Dwelling** or **Coverage B – Private Structures**. The ordinance or law regulates the repair, demolition, construction, or zoning that applies to all or part of a covered building. It applies when the building is physically damaged by a cause of loss we cover.

You may use all or part of this coverage to pay for the increased costs you incur to remove debris resulting from the repair of the building.

No deductible will apply to loss under this coverage.

1. **Building Code Upgrade**

We will pay the increased costs you incur required by any ordinance or law to comply with a building code upgrade in effect at the time of loss.

2. **Demolition Costs**

We will pay the increased costs you incur required by any ordinance or law to comply with the demolition and reconstruction of the undamaged part of a covered building. This is for the requirement in effect at the time of loss.

This applies when that building must be totally demolished because of a covered cause of loss to another part of that building.

We will pay the increased costs you incur required by any ordinance or law to comply with the repair, removal, replacement, or changes to the undamaged part of a covered building. This is for the requirement in effect at the time of loss. This applies when it is necessary to complete the repair or replacement of the damaged part of that building.

Amount of Insurance

Our amount of insurance applies for all loss covered under the Agreement.

If there is an amount shown in the Declarations for Building Code Upgrade and Demolition Costs, the loss covered will not be more than the amount shown at the time of loss. If the amount shown is a percentage (%), the dollar amount is determined by multiplying the percentage (%) shown by the amount of insurance shown in the Declarations that applies to Coverage A – Dwelling. This coverage is additional insurance.

If there is no amount shown in the Declarations for Building Code Upgrade and Demolition Costs, the loss covered is paid within the Blanket Property Limit shown in the Declarations at the time of loss.

Exclusions

Under **Section I - Losses We Do Not Cover**, item F. **Ordinance or Law** is replaced with the following.

We do not cover the costs to comply with any ordinance or law which requires you or others to abate, remove, contain, neutralize, clean up, treat, monitor, or test any property.

We do not cover any loss in value to any covered building due to the requirements of any ordinance or law.

Personal Injury

Agreement

We extend **Section II – Losses We Cover, Coverage E – Personal Liability** to include **Personal Injury**. This applies when a claim is made or suit is brought against you for damages resulting from a defined offense.

Definition

“**Personal injury**” means injury arising out of one or more of the following offenses.

1. False arrest, false imprisonment or wrongful detention
2. Malicious prosecution
3. Wrongful eviction from or wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or in behalf of its owner, landlord or lessor
4. Oral statements or publication of writings or pictures that slanders or libels a person or organization
5. Oral statements or publication of writings or pictures that falsely disparages a person’s or organization’s values, goods, products, or services
6. Oral statements or publication of writings or pictures that violates a person’s right of privacy

Limit of Liability

We will pay for damages resulting from a **personal injury** offense. A series of related offenses are counted as a single offense. The most we will pay under this coverage will not be more than the limit for each occurrence shown in the Declarations for Coverage E – Personal Liability.

Exclusions

This coverage is subject to **Section II – Losses We Do Not Cover** to which those exclusions are modified to state we also do not cover **personal injury**. It is also subject to the following.

1. We do not cover injury as a result of an offense caused by you or at your direction with the knowledge that the act would violate the rights of another and would inflict **personal injury**. This applies whether or not you are charged or convicted of a crime.
2. We do not cover injury as a result of an offense arising out of oral statements or publication of writings or pictures:
 - a. if done by you or at your direction with knowledge of its falsity.
 - b. first spoken or published before the beginning of the policy period.
3. We do not cover injury as a result of an offense that falsely disparages a stock entity by providing misleading information which results in a decrease in the stock value.
4. We do not cover injury as a result of an offense sustained by any person as a result of an offense related to the employment of this person by you.

Loss Assessment Additional Coverage

The insurance under **Section II – Additional Coverages, 4. Loss Assessment** is extended to include **personal injury**. This applies when the assessment is made as a result of an offense to which this coverage would apply. The limit under this coverage is the most we will pay for loss regardless of the number of assessments.

Property Loss Settlement

Section I – How We Settle A Property Loss **Personal Property – Actual Cash Value on Contents**

Section I - Loss Deductible Clause

We will pay only when a loss exceeds the deductible amount applicable to the covered claim. We will pay only that part of the loss that is over the deductible.

2. Coverage C - Personal Property

Covered property losses are settled as follows.

A. Actual Cash Value Settlement

At the time of the loss, we will pay the **actual cash value** for the damaged property that is over the deductible.

We will pay no more than the lesser of:

1. the amount required to repair or replace the damaged property with property of like kind and quality; or
2. the amount of insurance that applies to the property.

Maine Amendatory

Please review for important updates to your policy.

1. Under **Section I - Losses We Do Not Cover, 1. Major Exclusions:**

A. item A. **Intentional Loss**, the following is added:

However, this exclusion will not apply to deny an insured's claim for an otherwise covered property loss under this policy if such loss is caused by:

- a. The peril of fire; and
- b. The insured making claim:
 - 1) Did not commit, conspire to commit, cooperate in, or contribute to the creation of the loss; and
 - 2) Cooperates in any investigation or prosecution relating to the loss.

Any payment to the innocent co-insured is limited to that person's insurable interest in the property less any payments we first made to a mortgagee or other party with a secured interest in the policy. We may exclude property owned solely by the perpetrator from coverage under the policy. Our payment is subject to the coverages, exclusions except as revised in this amendment, and conditions including any applicable deductible. In no event will we pay more than the amount of insurance specified in the policy for that property. We may require an assignment of rights of recovery to the extent that payment is made by us. We may apply reasonable standards of proof to claims for such fire loss.

B. item B. **Pollution**, the following is added:

However, we pay for sudden and accidental direct physical loss resulting from overflow of a heating fuel container.

C. item 1.C. **Lead Exposure** is deleted.

2. Under **Section I - Conditions**, item 12. **Rights and Duties of Mortgagee**, item D. is replaced by:

D. If this policy is cancelled by us, we will provide to the mortgagee the same advance notice period before the date cancellation takes effect as applies under the Maine Home Policy Termination Conditions.

3. Under **Section II - Losses We Do Not Cover, Coverage E - Personal Liability and Coverage F - Medical Payments to Others:**

A. item 3. **Pollution**, the following is added:

However, coverage is provided for **bodily injury** or **property damage**:

1. caused by heat, smoke or fumes from a hostile fire. As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be; and
2. resulting from the use of products normally used in the cleaning or maintenance of the household or residence premises.

B. item 1.C. **Lead Exposure**, item A. is replaced by:

A. We do not cover damages arising out of **bodily injury** caused by or resulting from ingestion, poisoning or exposure to lead starting:

1. 31 days or more after either the State of Maine Department of Human Services or a lead inspector licensed by that department has given notice of the existence of an environmental lead hazard to either you or any person authorized to enter into a residential rental agreement on behalf of you and ordered that the lead-based substances at the **insured premises** be removed, replaced or securely and permanently covered within 30 days of receipt of the notice; or upon expiration of an extension of that order granted either by the Department of Human Services or a lead inspector licensed by that department.
2. This exclusion does not apply to **bodily injury** that starts after the Department of Human Services states that the environmental lead hazard described in the notice no longer exists.

4. Under **Section I and II - General Conditions**, 12. **Lawsuits Against Us**, item A. is replaced by:

A. Under Section I of this policy, any suit or action seeking coverage must be brought within 2 years after the date of our denial of the loss.

All other policy terms and conditions apply.

Identity Theft and Credit Protection

1. Identity Theft Resolution

We will provide you with an expert of our choice to assist you with:

- A. protecting your identify, and
- B. use of your personal information or your credit information without your permission.

Our duty is limited to paying for the services of our chosen expert. The expenses from this assistance will not reduce the amount we pay under Identity Theft and Credit Protection.

2. Identity Theft Expenses

A. Agreement

We will pay up to \$25,000 for expense reimbursement incurred by you as the direct result of any one identity fraud first learned of during the policy period. Any act or series of acts committed by one or more persons, or in which such person or persons are aiding or abetting others against you, is to be counted as one identity fraud, even if it continues into a subsequent policy period.

B. Exclusions

1. We do not cover loss arising out of or in connection with a **business**.
2. We do not cover expense reimbursement incurred due to any fraudulent, dishonest, or criminal act by:
 - a. you,
 - b. any person aiding or abetting any person defined as you, or
 - c. by any representative authorized by you whether acting alone or in collusion with others.
3. We do not cover loss other than expense reimbursement.

C. Conditions

1. We will not make a duplicate payment under this expense reimbursement coverage for which payment has already been made by any other source.
2. Within 60 days after our request, you must send to us any receipts, bills, or other records that support your claim for expense reimbursement under this coverage.

D. Definitions

1. Identify fraud means the act of knowingly transferring or using, without lawful authority, a means of identification of any person defined as you with the intent:
 - a. to commit, or
 - b. to aid or abet another to commit any unlawful activity that constitutes a violation of law.
2. Financial Company means:
 - a. company that provides financial services for its customers,
 - b. bank,
 - c. credit union, or
 - d. similar credit grantors.
3. Expense reimbursement means:
 - a. We will pay your costs for notarizing affidavits or similar documents attesting to fraud required by:
 1. financial companies, or

2. credit agencies.
- b. We will pay your costs for certified mail to:
 1. law enforcement agencies,
 2. credit agencies, or
 3. financial companies.
- c. We will pay your lost income resulting from time taken off work to:
 1. complete fraud affidavits,
 2. meet with or talk to:
 - a. law enforcement agencies,
 - b. credit agencies, and/or
 - c. legal counsel.

Our maximum payment per day for lost income is \$250. Total payment for lost income is not to exceed \$5,000.

- d. We will pay your loan reapplication fee when the original application is rejected by the lender solely because of identity fraud.
- e. We will pay your lease reapplication fee when the original application is rejected by the landlord solely because of identity fraud.
- f. We will pay your reasonable attorneys' fees incurred as a result of identity fraud to defend you from lawsuits brought against you by:
 1. merchants,
 2. financial companies, or
 3. their collection agencies.

3. **Credit Card Protection**

A. **Agreement.** We will pay up to \$10,000 for loss:

1. that you are legally required to pay because of the unauthorized use of any credit card or debit card issued to or registered in your name;
2. to you caused by forgery or alteration of any check or negotiable instrument; and
3. to you through acceptance in good faith of counterfeit United States or Canadian paper currency.

B. **Defense**

1. We may make any investigation and settle any claim or suit that we decide is appropriate. Our duty to defend any claim or suit ends when our amount of insurance for the loss has been exhausted by payment of a judgment or settlement.
2. If a suit is brought against you for liability under the Credit Card Protection coverage, we will provide a defense at our expense and by counsel of our choice.
3. We have the option to defend you or your bank, at our expense, against any suit for the enforcement of payment under the Forgery coverage.

C. **Exclusions**

1. We will not pay more than the amount of insurance stated above. All loss due to forgery or unauthorized use by any one person or in which that person is concerned is considered one loss.
2. We will not pay any loss arising out of your dishonesty.
3. We will not pay any loss resulting from your **business** activities.

All other policy terms and conditions apply.

GrandProtect Property Coverages

We have enhanced the property protection in our Home Value Policy. These are changes from what is shown in the HP2000 form found in your policy package just prior to this form. These improvements change your insurance by

- a. removing restrictive language from the same-titled coverage,
- b. increasing an amount of insurance that applies in the same-titled coverage, or
- c. adding a new coverage previously not found in the Home Value Policy.

Section I – Coverages

Coverage C – Personal Property

Personal Property at a Commercial Self-Storage Facility

Personal Property at a Commercial Self-Storage Facility does not apply. This means we have removed a lower limit that restricts the amount of insurance we cover when you store your items in a self-storage unit.

Special Limitations On Certain Property

1. **Jewelry (Theft)**. \$5,000 for loss by theft of jewelry, watches, and loose precious and semi-precious stones. This limit includes loss by misplacing or losing when Comprehensive Perils is shown in the Declarations.
2. **Furs (Theft)**. \$5,000 for loss by theft of furs. This limit includes loss by misplacing or losing when Comprehensive Perils is shown in the Declarations.
3. **Silverware and Gold Ware (Theft)**. \$10,000 for loss by theft of silverware and gold ware. This limit includes loss by misplacing or losing when Comprehensive Perils is shown in the Declarations.
4. **Firearms (Theft)**. \$5,000 for loss by theft of firearms and related items. This includes ammunition, cases and holders, sights, holsters and belts, slings, range bags, shooting pod sticks, traps and throwers. This limit includes loss by misplacing or losing when Comprehensive Perils is shown in the Declarations.
5. **Tools (Theft)**. This Special Limitation does not apply.
6. **Memorabilia**. \$10,000 for memorabilia, souvenirs, and collector's items for which the age, history, scarcity, and condition contribute to a large extent to their value. Items in this category include, but are not limited to, trading cards, comic books, autographed merchandise, and similar articles.
7. **Coin, Currency and Stamp Collections**. \$5,000 for numismatic and philatelic property for which the age, history, scarcity, and condition contribute to a large extent to their value. Numismatic property includes coins and paper currency. Philatelic property includes postage stamps, postmarks, post cards, and stamped envelopes.
8. **Money**. \$1,000 for coins and currency at face value, bullion, bank notes, and scrip. It also includes stored value cards for which no account exists in your name and nothing can be traced back to you.
9. **Securities**. \$5,000 for any combination of the following:

A. securities;	H. deeds;
B. checks;	I. evidences of debt;
C. cashier's checks;	J. letters of credit;
D. traveler's checks;	K. notes other than bank notes;
E. money orders and other negotiable instruments;	L. passports;
F. accounts;	M. stamps at face value; and
G. bills;	N. tickets.
10. **Manuscripts**. \$5,000 for manuscripts. This includes the cost to research, replace, or restore the information from the lost or damaged material.

12. **Motorized Tractors.** \$15,000 for motorized land vehicles as long as the vehicle is designed for and used principally to service and maintain residential property. The operator rides upon the vehicle whether sitting or standing. An example is a lawn tractor. This amount also includes accessories designed to be used with the tractor such as:

- | | |
|--------------|----------------------|
| A. aerators; | E. dethatchers; |
| B. baggers; | F. rollers; |
| C. blades; | G. snow blowers; and |
| D. carts; | H. sweepers. |

The accessories do not need to be attached to the tractor at the time of loss or damage to such equipment. However, a loss must be covered by a peril listed under **Section I – Broad Named Perils**.

13. **Motor Vehicle Parts.** \$2,000 for motorized land vehicle equipment and parts. Coverage applies when such parts are disconnected and removed from the vehicle prior to a loss caused by a covered peril. However, a loss must be covered by a peril listed under **Section I – Broad Named Perils**.

14. **Watercraft.** \$5,000 for watercraft, their trailers, furnishings, equipment, and outboard engines and motors. Watercraft means a craft principally designed to be propelled on or in water by wind, engine power, or electric motor. This includes canoes, kayaks, rowboats, outboard, inboard, inboard-outdrive, and sailboats.

15. **Trailers.** \$5,000 for trailers not used with watercraft.

16. **Business Property.** \$7,500 for any property used or intended for use at any time or in any manner for any **business purpose**. This includes merchandise held for sale, whether from past, present or future businesses. This does not include any computer and the peripheral device, media or purchased software used with it.

Coverage D – Loss of Use

The amount of insurance for Coverage D – Loss of Use for:

- Additional Living Expense or Short-Term Home is the Actual Loss Sustained for up to two years.
- Loss of Rental Income is the Actual Loss Sustained for up to one year.
- Prohibited Use is for a period of time not to exceed sixty days.

No deductible applies directly to Loss of Use although a deductible may will to the loss under Coverages A, B or C.

3. **Prohibited Use.** This applies when access to the **residence premises** is denied by civil authorities. The denied access is because of actual direct damage to a residence close to you. That damage must be by a cause of loss we insure under this policy if such damage had been to the **residence premises**. We will pay the reasonable increase in living expenses you need and incur to maintain your normal standard of living and the loss of rental income. Payment is for a period of time not to exceed 60 days. This period of time may extend past the expiration date of this policy period.

Prohibited Use does not apply to threatened damage. We do not cover loss of rental income connected with your **business**. We do not cover the loss or expense due to cancellation of a lease or agreement.

Section I – Additional Coverages

3. Debris Removal

A. We will pay reasonable expenses you incur to remove debris of covered property resulting from a cause of loss we cover for the damaged property. This expense is included within our amount of insurance that applies for the covered property. If the amount payable for the actual damage to the property plus the debris removal expense is more than our amount of insurance for the covered property, we will pay up to an additional 5% of that limit for debris removal.

B. We will also pay up to \$2000 for the loss from the same event but no more than \$500 of this limit will be paid for any one tree, shrub, or plant. This coverage is for the reasonable expenses you incur for the removal from your **residence premises** of:

- your tree(s) felled by windstorm, hail or the weight of ice, snow or sleet.
- your neighbor's tree(s) felled by a loss caused by **Section I – Broad Named Perils** provided the tree(s):
 - caused damage to property covered under **Coverage A - Dwelling Or Coverage B - Private Structures**;
 - blocks a driveway on the **residence premises** which prevents a motor vehicle from entering or leaving the

residence premises; or

c. blocks a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling.

C. No deductible will apply to loss under this coverage.

5. **Fire Department Charges – Mutual Aid.** We will pay up to \$2000 for fire department service charges incurred under a mutual aid agreement. This applies when a fire department is called to save or protect the **residence premises** from a covered cause of loss. We do not cover fire department service charges if the property is located within the limits of the fire protection district furnishing the fire department response.

This coverage is in addition to the amount of insurance that applies to the damaged property.

No deductible will apply to loss under this coverage.

8. **Land.** We will pay up to \$25,000 for the cost you incur to replace, rebuild, stabilize, or otherwise restore the land necessary to support that portion of a structure you own. That structure must sustain a covered loss covered under Coverage A or Coverage B.

We will not pay for any:

- a. loss caused by chemicals in the soil or resulting from the release of toxic materials or other pollutants or contaminants; or
- b. assessment charged against you by an association of property owners.

This coverage is in addition to the amount of insurance that applies to the Coverage A or B property.

No deductible will apply to loss under this coverage.

10. **Loss Assessment.** This coverage applies for loss assessments charged against you as owner or tenant of the **residence premises** when the assessment is made as a result of direct loss to property owned by all members collectively. We cover loss caused by a peril covered under **Section I - Losses We Cover For Coverage A - Dwelling**. However, this coverage does not include loss caused by:

- a. earthquake; or
- b. land shock waves or tremors before, during or after a volcanic eruption.

We do not cover assessments charged against you or an association of property owners by any governmental body.

We will pay up to \$10,000 for your share of any loss assessment against you by an association of property owners. If Increased Loss Assessment is shown in the Declarations, then the \$10,000 limit is increased to the amount shown. Payment will be covered under the policy period in which the loss assessment was made against you.

However, the loss assessment limit that applies is the one in effect under your policy with us on the date of the event that caused the damage. If you did not have homeowners insurance with us, on the date of the event that caused the damage, the loss assessment limit for the policy period in which the loss assessment was made against you will apply.

Regardless of the number of assessments, the limit referenced above is the most we will pay for any one loss.

This coverage is excess over any other insurance covering the association of property owners. This does not apply if the assessment against you results from a deductible in the policy of insurance purchased by the association of property owners.

A \$250 deductible does apply to this coverage unless you also have a loss covered under Coverage A, B or C from the same event.

This coverage is in addition to the amount of insurance applying to the Coverage A, B or C property.

13. **Data and Records.** We will pay up to \$2,500 for data and records when loss or damage is caused by **Section I – Broad Named Perils** or by computer virus. This includes the cost of blank books, cards, or other blank material. It also includes the cost of labor you incur to research, transcribe, copy, replace, or restore the information from the lost or damaged data or record. Computer virus means an illegal or malicious entry into your computer which results in functions that distort, corrupt, or manipulate the computer, peripheral device, or media.

No deductible will apply to loss under this coverage.

14. Dwelling Under Construction – Extension of Coverages

- A. We agree to extend **Coverage C - Personal Property, Coverage E - Personal Liability and Coverage F - Medical Payments To Others** to the residence where you are living. These coverages apply while you are waiting for the dwelling under its initial construction to be completed and occupied. That dwelling at the location described in the Declarations is a one- or two-family dwelling that you intend to occupy one of the units.

This coverage remains in force until the dwelling is completed and occupied or the policy expires, cancels, or terminates, whichever comes first.

B. Provisional Amount of Insurance

The amount of insurance for the dwelling is provisional. That amount is based upon the projected value of the dwelling at the date of completion. The actual amount of insurance on the date of loss will be a percentage (%) of the provisional amount. The percentage (%) will be the proportion that the actual value of the property, excluding land, bears to the projected value at the date of completion. However, this amount of insurance will not be greater than the amount of insurance shown in the Declarations for Coverage A.

C. Theft of Personal Property

We cover theft loss of personal property, other than building materials, in or from a dwelling under construction at the location described in the Declarations. However, this coverage applies only if the dwelling is fully enclosed and capable of being locked. The personal property must be owned by you, not supplied by the contractor. We do not cover theft committed by anyone defined as you.

D. Deductible. The policy deductible will apply to loss under this coverage.

15. **Emergency Living Expense – Power Interruption Off Premises.** We will pay up to \$1,000 for the reasonable increase in living expenses you incur due to a power interruption to the **residence premises**. Coverage does not begin until 48 hours after the power interruption begins. The power interruption must take place away from the **residence premises**. The cause for the power interruption must not be due to retraction of power by the utility or power grid authority resulting in a planned electrical brownout or blackout.

No deductible will apply to loss under this coverage.

16. **Fire Extinguisher Recharge.** We will pay up to \$100 to cover expenses you incur to recharge or replace a portable fire extinguisher which has been discharged to fight a fire or due to mechanical malfunction.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B or C property.

No deductible will apply to loss under this coverage.

17. **Lock Replacement.** This coverage applies when your house key or garage door remote has been stolen. You must report the theft to us and the police within 72 hours after discovery.

We will pay the reasonable expenses you incur, up to \$500, to:

- A. replace the lock corresponding to the stolen key for your exterior doors.
- B. change the garage door transmitter frequency and acquire replacement garage door remotes.

If your smartphone, tablet, or other similar handheld computing device acts as your garage door remote, this coverage does not apply although the theft of such device may be covered elsewhere in this policy.

This coverage is in addition to the amount of insurance that applies to the stolen property.

No deductible will apply to loss under this coverage.

18. **Refrigerated Contents.** We will pay up to \$1,000 for the contents of a freezer or refrigerated food storage unit on the **residence premises** for loss due to a mechanical failure or power interruption. The cause for the power interruption must not be due to retraction of power by the utility or power grid authority resulting in a planned electrical brownout or blackout. If mechanical failure or power interruption is known to you, all reasonable means must be used to protect the property from further damage or this coverage is void.

A \$250 deductible will apply to loss under this coverage unless you also have a loss covered under Section I Coverage A, B or C from the same event.

19. **Reward Coverage.** We will pay 10% of the amount of the loss up to \$5,000 to anyone for information which leads to

an arson arrest and conviction in connection with a fire loss covered by this policy.

We will pay 10% of the value of the recovered property up to \$5,000 to anyone for information which leads to the recovery of personal property stolen from you.

We will pay 10% of the amount of the loss up to \$1,000 to anyone for information which leads to the arrest and conviction of anyone who robs, steals, or burglarizes your property.

These amounts will not be increased regardless of the number of persons providing information.

This coverage is in addition to the amount of insurance that applies to the Coverage A, B or C property.

No deductible will apply to loss under this coverage.

20. **Trees, Shrubs, Plants and Lawns.** We cover trees, shrubs, plants, and lawns owned exclusively by you located in the open outside of your unit. We cover your household plants located in your unit. We do not cover trees, shrubs, plants, and lawns grown for **business purposes**.

Coverage is for direct loss caused by:

- A. fire or lightning,
- B. explosion;
- C. collapse of a building structure or any part of a building structure;
- D. aircraft;
- E. vehicles not owned or operated by an occupant of the **residence premises**;
- F. riot or civil commotion;
- G. vandalism or malicious mischief; or
- H. theft.

Coverage does not include confiscation or destruction of plants authorized by civil authorities.

If your dwelling is a house you own and occupy, we will pay up to 5% of the Coverage A amount of insurance from any one loss event. This includes household plants located in your unit and replacement of outdoor trees, shrubs, plants, and lawns within 100 feet of the dwelling on the **residence premises**. However, we will pay no more than the cost to replace, up to \$1,000, for any one outdoor tree, shrub, or plant within 100 feet of the dwelling on the **residence premises**.

If your dwelling is a condominium, cooperative, or leased property, we will pay up to 5% of the Coverage C amount of insurance from any one loss event.

This coverage is in addition to the amounts of insurance that applies to Section I Property.

The policy deductible will apply to loss under this coverage unless you also have a loss covered under Section I Coverage A, B or C from the same event.

21. **Mortgage Closing Costs Expense.** We will pay up to \$5,000 in mortgage expense you incur in closing costs to acquire a new first mortgage for your owned house, condominium unit, or cooperative unit when each of the following apply:
- A. The house or unit has been destroyed by a covered cause of loss under Coverage A of this policy.
 - B. You have an outstanding balance remaining under the mortgage or debt under a secured line of credit on the date of loss.
 - C. The mortgage or secured line of credit outstanding debt has been paid in full from the proceeds of the insurance loss payment.
 - D. The mortgagee has released the property with the authorized public records officials.

Mortgage expense includes application fee, underwriting expense charges by the mortgage broker, and title insurance premium.

This coverage is in addition to the amount of insurance that applies to the Coverage A property.

No deductible will apply to loss under this coverage.

22. **Newly Acquired Watercraft and Equipment.** We will pay for direct physical loss to watercraft that you acquire ownership during the policy period. This includes any equipment, engines or motors, and trailers that come with it. Coverage applies if:

- A. there is no other insurance provided by this or any other insurance policy for the newly acquired watercraft;
- B. you ask us within 30 days of acquisition to insure the watercraft; and
- C. you pay the additional premium required by us for the newly acquired watercraft.

We do not cover mechanical breakdown.

The most we will pay for a loss to watercraft you acquire is \$25,000.

No deductible will apply to loss under this coverage.

Landlord's Property Rented to Others

Please review for important updates to your policy.

1. Under **Home General Definitions**:

A. "**Business**" or "**business purposes**," the following is added:

Business does not include your property rented or held for rental by you to others as a private residence at the **residence premises** shown in the Declarations.

B. "**Residence premises**," the following is added:

Residence premises includes the premises that you rent or hold for rental to others as a private residence if shown as the **residence premises** in the Declarations.

C. "You" and "Your," the following are added:

4. The person or persons named in the Declarations as a partnership or joint venture and any partner or member thereof.
5. An organization named in the Declarations and any executive officer, member of the board of trustees, directors or governors or stockholder thereof while acting within the scope of their duties.
6. Under **Coverage E – Personal Liability** only, any employee while engaged in employment by you in connection with the **insured premises**.

2. Under **Section I – Coverages, Coverage C – Personal Property**:

A. **Personal Property Covered**, this section is deleted and replaced by:

Personal Property Covered

We cover personal property owned or used by you while it is on the **residence premises** and while it is rented or held for rental with the **residence premises** or used in connection with servicing the **residence premises**. We cover such personal property while it is temporarily away from the **residence premises** for repair or servicing.

B. **Special Limitations on Certain Property**, the limitation for loss by theft is amended to apply to loss by burglary.

C. **Personal Property Not Covered**, item 8. **Insured's Property Rented to a Tenant** is deleted.

D. **Section I – Additional Coverages**, item 9. **Landlord's Furnishings** is deleted.

3. Under **Section I – Broad Named Perils**, item 9. **Theft** is deleted and replaced by:

9. **Burglary**. There must be visible signs of forced entry to the exterior of the building or other structure. We do not pay for loss if the dwelling has been vacant or unoccupied for more than 30 consecutive days immediately before the loss.

4. Under **Section II – Losses We Cover, Coverage F – Personal Liability** and **Coverage G – Medical Payments To Others** are restricted to apply only to an **occurrence** arising out of the ownership, maintenance, or use of the **residence premises** shown in the Declarations.

All other policy terms and conditions apply.

Value Plus Liability Coverages

We have enhanced the liability protection in our Home Value Policy. These are changes from what is shown in the HP6000 form found in your policy package just prior to this form. These improvements change your insurance by:

- a. removing restrictive language from the same-titled coverage,
- b. increasing an amount of insurance that applies in the same-titled coverage, or
- c. adding a new coverage previously not found in the Home Value Policy.

Section II – Additional Coverages

1. **Damage to Property of Others.**

- A. We will pay up to \$1,500 each time you cause **property damage** to someone else's property during the term of the policy. At our option, we will pay the cost to either repair or replace the damaged property.
- B. We do not cover **property damage**:
 1. to the extent of any amount that is recoverable under Section I of this policy.
 2. caused intentionally by you if you are 13 years of age or older.
 3. to property owned by or rented to you, any resident of your household, or any of your tenants.
 4. arising out of any act or omission in connection with premises you own, rent, or control, other than the **insured premises**.
 5. arising out of **business** activities.
 6. arising out of the ownership, maintenance, occupancy, operation, use, loading or unloading of:
 - a. any motorized land vehicle. This exclusion does not apply to a motorized land vehicle not owned by you that is principally designed for recreational use off public roads and is not subject to motor vehicle registration.
 - b. a trailer. This exclusion does not apply to a trailer not owned by you while not being towed or carried by a motor vehicle.
 - c. aircraft, hovercraft, or watercraft of any type.

4. **Loss Assessment.**

- A. This coverage applies for loss assessments charged against you as owner or tenant of the **insured premises** when the assessment is made as a result of:
 - A. each **occurrence** to which Section II of this policy would apply.
 - B. liability for each act or failure to act of a director, officer, or trustee in their capacity as a director, officer, or trustee, provided:
 1. such person is elected by the members of an association of property owners; and
 2. such person serves without deriving any income from the exercise of duties which are solely on behalf of an association of property owners.
- B. We do not cover assessments charged against you or an association of property owners by any governmental body.
- C. We will pay up to \$2,000 for your share of any loss assessment against you by an association of property owners. If Increased Loss Assessment is shown in the Declarations, then the \$2,000 limit is increased to the amount shown. Payment will be covered under the policy period in which the loss assessment was made against you.

However, the loss assessment limit that applies is the one in effect under your policy with us on the date of the event that caused the loss. If you did not have homeowners insurance with us, on the date of the event that caused the loss, the loss assessment limit for the policy period in which the loss assessment was made against you will apply.

Regardless of the number of assessments, the limit referenced above is the most we will pay for loss arising out of:

1. one accident. This includes continuous or repeated exposure to substantially the same general harmful condition;
or
 2. a covered act of a director, officer, or trustee. An act that involves more than one director, officer, or trustee is considered to be a single act.
- D. This coverage is excess over any other insurance covering the association of property owners. This specific provision does not apply if your assessment results from a deductible in the policy of insurance purchased by an association of property owners.
- E. We will pay only when the assessment exceeds \$250. We will pay only for that part of the loss that exceeds the deductible.

All other policy terms and conditions apply.

Enhanced Liability Coverages

We have enhanced the liability protection in our Home Value Policy. These are changes from what is shown in the HP6000 form found in your policy package just prior to this form. These improvements change your insurance by:

- a. removing restrictive language from the same-titled coverage,
- b. increasing an amount of insurance that applies in the same-titled coverage, or
- c. adding a new coverage previously not found in the Home Value Policy.

Section II – Additional Coverages

1. Damage to Property of Others.

- A. We will pay up to \$2,500 each time you cause **property damage** to someone else's property during the term of the policy. At our option, we will pay the cost to either repair or replace the damaged property.
- B. We do not cover **property damage**:
 1. to the extent of any amount that is recoverable under Section I of this policy.
 2. caused intentionally by you if you are 13 years of age or older.
 3. to property owned by or rented to you, any resident of your household, or any of your tenants.
 4. arising out of any act or omission in connection with premises you own, rent, or control, other than the **insured premises**.
 5. arising out of **business** activities.
 6. arising out of the ownership, maintenance, occupancy, operation, use, loading or unloading of:
 - a. any motorized land vehicle. This exclusion does not apply to a motorized land vehicle not owned by you that is principally designed for recreational use off public roads and is not subject to motor vehicle registration.
 - b. a trailer. This exclusion does not apply to a trailer not owned by you while not being towed or carried by a motor vehicle.
 - c. aircraft, hovercraft, or watercraft of any type.

2. Claim Expenses

- A. We will pay all costs we incur and costs taxed against you in any suit we defend.
- B. We will pay premiums on bonds required in any suit we defend, but not for bond amounts greater than the limit of liability for **Coverage E – Personal Liability**.
- C. We will pay reasonable expenses you incur at our request.
- D. We will pay up to \$500 per day for lost wages or salary, but not other income, because you attended a hearing or trial at our request.

4. Loss Assessment.

- A. This coverage applies for loss assessments charged against you as owner or tenant of the **insured premises** when the assessment is made as a result of:
 - A. each **occurrence** to which Section II of this policy would apply.
 - B. liability for each act or failure to act of a director, officer, or trustee in their capacity as a director, officer, or trustee, provided:
 1. such person is elected by the members of an association of property owners; and
 2. such person serves without deriving any income from the exercise of duties which are solely on behalf of an association of property owners.

- B. We do not cover assessments charged against you or an association of property owners by any governmental body.
- C. We will pay up to \$5,000 for your share of any loss assessment against you by an association of property owners. If Increased Loss Assessment is shown in the Declarations, then the \$5,000 limit is increased to the amount shown. Payment will be covered under the policy period in which the loss assessment was made against you.

However, the loss assessment limit that applies is the one in effect under your policy with us on the date of the event that caused the loss. If you did not have homeowners insurance with us, on the date of the event that caused the loss, the loss assessment limit for the policy period in which the loss assessment was made against you will apply.

Regardless of the number of assessments, the limit referenced above is the most we will pay for loss arising out of:

- 1. one accident. This includes continuous or repeated exposure to substantially the same general harmful condition;
or
 - 2. a covered act of a director, officer, or trustee. An act that involves more than one director, officer, or trustee is considered to be a single act.
- D. This coverage is excess over any other insurance covering the association of property owners. This specific provision does not apply if your assessment results from a deductible in the policy of insurance purchased by an association of property owners.
 - E. We will pay only when the assessment exceeds \$250. We will pay only for that part of the loss that exceeds the deductible.

All other policy terms and conditions apply.

Home General Conditions

Section I and II – General Conditions

1. **Policy Period.** This policy applies only to accidental loss in Section I or an **occurrence** or an offense in Section II, which occurs during the policy period.
2. **Assignment.** No one may assign this policy to another person unless we give our written consent.
3. **Policy Changes or Waiver.** This policy contains all of the agreements between you and us. A change in the terms of this policy must be by an endorsement issued by us to be valid. A waiver must be in writing by us to be valid. Our request for an appraisal or examination under oath will not waive any of our rights.
4. **Liberalization.** If we broaden our coverage under a new edition of the forms and endorsements that are made a part of this policy and do it without additional charge, we will apply the change to your policy as of the date of the change first begins in your state. If an update is made that both broadens and restricts coverage or is an increase in premium, your policy will not apply that change until it renews for the next policy period.
5. **Premium**
 - A. All premiums for this policy will be computed in accordance with our rules, rates, rating plans, premiums and minimum premiums in effect when the policy was first issued. Each year, the premium for renewal of this policy will be computed with manual rates and rules then in use for the effective date of the renewal of the policy.
 - B. The premiums we charge are based on the information provided by you and other information we possess. You agree to help us obtain correct and complete information. We are permitted to adjust your premiums when this information changes.
 - C. Premiums are payable on the dates set forth by us.
 - D. If your initial payment for the first policy period is by check, draft, credit card, debit card, e-check, or electronic funds transfer and it is not honored by the financial institution, we may, at our option, deem this policy void from its inception. This means that we will not be liable under this policy for any claims that would otherwise have been covered had your payment been honored by the financial institution. We retain the right to void this policy, even if we contact the financial institution for payment more than once.
6. **Bankruptcy or Insolvency.** Your bankruptcy or insolvency will not change or relieve us of any of our obligations under this policy.
7. **Conformity to Law.** The terms of this policy that conflict with the laws of the state in which the **insured premises** are located are amended to conform to those laws.
8. **Concealment or Fraud.** No coverage is provided under this policy to any person defined as you, if any person defined as you:
 - A. conceals or misrepresents any material fact or circumstance;
 - B. makes any material false statement; or
 - C. engages in fraudulent conductaffecting any matter relating to this insurance or any loss for which coverage is sought, whether before or after a loss.
9. **Death.** If any person named in the Declarations dies, this policy continues until the end of the policy period.
 - A. We insure the spouse, if a resident of the household at the time of death.
 - B. We insure any member of the deceased's household who was covered at the time of death, but only while a resident of the same household.
 - C. We insure the person having proper temporary custody of the property of the deceased, but only until appointment and qualification of a legal representative.
 - D. We insure the legal representative of the deceased, but only with respect to the premises and property of the deceased covered by this policy at the time of death.

10. Other Insurance and Service Agreement

A. If you have other insurance for a loss covered under Section I of this policy:

1. We will pay the proportionate amount that this insurance bears to the total amount of all insurance. This applies when the policies insure the same risk, that is, the same insured, the same property, and the same interest in the property.
2. This insurance is excess over any amounts payable by the other insurance when the policies do not insure the risk on the same basis as covered under Section I of this policy.

This part does not apply to other insurance written in the name of an association of property owners.

B. If you have a service agreement for a loss covered under Section I of this policy, we will pay only the portion of the loss covered under this policy that is in excess over the limit that applies under the service agreement even if it is described as insurance.

Service agreement means:

1. a service plan,
2. a property restoration plan,
3. a home warranty, or
4. any other similar service warranty agreement.

C. When there is other insurance or service agreement written in the name of an association of property owners covering the same real property insured under Section I of this policy:

1. This insurance is primary and will pay the amount of the loss covered by this policy that is not recoverable because of the deductible that applies under such other insurance or service agreement.
2. This insurance is excess over the other insurance from which you could collect.

D. When you have other insurance for a loss covered under **Coverage E – Personal Liability** of this policy:

1. This insurance is excess over the other insurance from which you could collect.
2. We will pay only our share of the loss with policies written with an excess other insurance clause like us. Our share is the proportion that our limit bears to the total of all applicable limits. However, any insurance we provide for a vehicle or watercraft is excess over any other insurance expressly written for vehicles or watercraft.
3. We will pay on a primary basis up to the required underlying limit of the policy written exclusively to cover as an umbrella or excess limits policy. We will not pay in excess of our limit.

11. **Our Right of Recovery.** You 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. We are entitled to payment up to the amount we have paid regardless if the total amount of recovery by you is less than the actual amount you have suffered.

If an assignment is sought, you must sign and deliver all related papers, cooperate with us and do nothing after a loss to prejudice such rights.

This does not apply under Section II to **Coverage F - Medical Payments to Others** or to **Additional Coverages, Damage to Property of Others.**

12. **Lawsuits Against Us.** No suit or action may be brought against us by you unless there has been full compliance with all of the terms of this policy.

- A. Under Section I of this policy, any suit or action seeking coverage must be brought within twelve months after the date of the loss.
- B. Under Section II of this policy, no one may sue us until the amount of legal liability has been finalized by judgment after trial or by written agreement of you, the injured person, and us. We will not be liable for damages that are not payable under Section II or that are in excess of the limits that apply.
- C. No one will have any right to make us a party to a suit to find out your liability.

Property Conditions

Section I – Conditions

1. **Insurable Interest and Amount of Insurance.** We will not pay any person or organization an amount greater than their insurable interest in the property covered at the time of the loss.

The amount of insurance that applies is the most we will pay. This applies regardless of the number of persons or organizations who qualify for coverage.

2. **Your Duty to Select and Maintain Policy Limits.** It is your duty to select and maintain adequate amounts of insurance for your dwelling, private structures, and personal property.

At your request and to help you simplify this duty, we will give you an estimate of the cost to rebuild your dwelling. We will use a home replacement cost estimator supplied to us by recognized residential construction cost specialists who are independent from us.

We will also suggest annual changes to your policy amounts based upon labor and material cost trends for your area. These suggestions will be made effective on the renewal of your policy. Payment of your renewal is all that is necessary to indicate your acceptance of the new amounts.

3. **Your Duty to Inform Us of Changes in Occupancy.** Coverage under this policy is conditioned upon you being an occupant of the **residence premises**. It is your duty to inform us if the named insured is no longer an occupant. It is your duty to inform us if you no longer occupy the **residence premises** because it is rented or held for rental exclusively to others.
4. **What You Must Do After a Loss.** We do not provide coverage under this policy if you, your representative, or any other person or entity claiming coverage fail to comply with the following duties.
 - A. Promptly notify us or our representative.

In case of theft, promptly notify the police.
In case of loss under the coverage for credit card or debit card, promptly notify the issuing company or bank.
 - B. Protect the property from further damage. Make reasonable and necessary repairs needed to protect the property. Keep records and receipts of your costs for necessary repairs. Some or all of these expenses may be reimbursable under this policy.
 - C. Cooperate with us in the investigation, settlement, or defense of any claim or suit.
 - D. Prepare a list of the loss to the damaged or stolen property. Show in detail the quantity, age, description, replacement cost, **actual cash value**, and amount of loss claimed for each item. Attach all bills, receipts, and other documents that support the figures in the list.
 - E. At any reasonable time and place upon which we agree and as often as we reasonably require, you agree to the following.
 1. Show us the damaged property.
 2. Submit to questions concerning the loss under oath while not in the presence of any other person defined as “you.” A parent or guardian may be present for minors during an examination under oath. Sign and swear to your answers. You are entitled to have your attorney present during any examination taken under oath.
 3. Not interfere with us examining any other person defined as “you.”
 4. Allow us to examine and copy any pertinent records and documents we request.
 - F. Within 60 days after our request, you must file with us a signed and sworn proof of loss, stating to the best of your knowledge the following.
 1. The time and cause of loss.
 2. Your interest and that of any other person in the property involved and all liens on the property.

3. A description of each item, including all information contained in the list you prepared for us.
4. A description of other insurance policies that might apply to the loss.
5. Any changes in ownership, use, possession, or location of the property that took place since this policy was issued.
6. Occupancy of the building at the time of loss, including the purposes of such occupancy, and whether the building stood on leased ground.
7. Specifications of any damaged building, fixture, or machinery and detailed estimates for repair of the damage.
8. Receipts for additional living expenses you incur.
9. Records supporting the loss of rental income.
10. Evidence or affidavit about a claim under **Identity Theft and Credit Protection**, stating the amount and cause of loss.

5. **Our Settlement Options.** We will adjust all losses with you subject to **Section I - How We Settle A Property Loss**. We will pay you unless another payee is named in the policy. We will pay within 30 days after the amount of loss is agreed upon. This amount may be determined by an agreement between you and us, an appraisal award, or entry of a final judgment.

We have the option to repair, replace, or rebuild the damaged property within a reasonable time. We must give you notice of our intention within 30 days after we receive your signed, sworn proof of loss.

We have the option of taking all or part of the property at the agreed or appraised value.

6. **Loss.** Any loss we pay does not reduce the amount of insurance.
7. **Loss to a Pair or Set.** In case of loss to a pair or set we may elect to:
 - a. repair or replace any part to restore the pair or set to its value before the loss; or
 - b. pay the difference between **actual cash value** of the property before and after the loss.
8. **Abandonment.** There can be no abandonment of any property by you to us.
9. **Salvage.** Any value that may be realized from salvage will not diminish the amount owed by you under the deductible. We need not accept, but have all rights to salvage.
10. **No Benefit to Bailee.** A person or organization holding, storing or moving property for a fee is not covered regardless of any other part of this policy.
11. **Appraisal.** If you as the named insured and we fail to agree on the amount of a covered loss, either you or we can make a written demand for an appraisal of the loss.

Each party will select a fair, competent, and disinterested appraiser who has no financial interest in the outcome of the appraisal. Each party will notify the other within 20 days of the appraiser's identity. The two appraisers will select an impartial, competent, and disinterested umpire. If the two appraisers are unable to select an umpire within 15 days, you or we can request that the choice of an umpire 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 determining the full replacement cost and **actual cash value** for each item as needed. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of the loss. If they fail to agree, they will submit only their differences to the umpire. The written agreement by two of these three people for any item will set the amount of loss and is binding on you and us when filed with us.

You will pay the appraiser selected by you. We will pay the appraiser selected by us. You and we will split the other expenses of appraisal and the fee of the umpire.

Disagreements over any coverage provided by this policy are not subject to appraisal.

12. Rights and Duties of Mortgagee

- A. If a mortgagee is named in the Declarations, any payment for loss under Coverage A or B will be made to the mortgagee and you, as your interests appear. If more than one mortgagee is named, payment will be made in the order of priority of the mortgagees.
- B. The interest of the mortgagee under this policy will not be affected by any action or neglect by you.

- C. If the mortgagee makes a claim directly to us for loss to covered real property on the **residence premises**, all terms of this policy apply to the mortgagee. The mortgagee must not prejudice our rights in any way. We do not provide coverage unless the mortgagee:
 - 1. notifies us of any change of ownership, occupancy, or increase in hazard within a reasonable time after the mortgagee was made aware;
 - 2. pays upon demand any premium due if you fail to do so; and
 - 3. submits a signed, sworn statement of loss within 60 days after our request
- D. If this policy is cancelled by us, the mortgagee will be given notice at least 10 days before the date cancellation takes effect.
- E. If we pay the mortgagee for any loss and deny payment to you:
 - 1. we obtain all the rights that the mortgagee has under the mortgage on the property to the extent of our payment; or
 - 2. at our option, we may pay to the mortgagee the whole principal on the mortgage and any interest due. In this event, we may receive a full assignment and transfer of the mortgage and all securities held as collateral for the mortgage debt.
- F. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

Liability and Medical Expenses

Section II – Losses We Cover

Coverage E – Personal Liability

1. Agreement

- A. We will pay all sums for **bodily injury** and **property damage** to others for which the law holds you responsible because of an **occurrence** to which this coverage applies.
 - B. Damages include prejudgment and post-judgment interest awarded against you.
 - C. We will defend you against any suit seeking these damages even if the suit is groundless, false, or fraudulent. The defense we provide is with counsel of our choice and at our expense. We may investigate, negotiate, or settle any suit. It is not our duty to defend any claim or suit seeking damages not covered under this policy.
 - D. We do not pay any judgment or defend any suit if we have already exhausted the limit shown in the Declarations by paying judgments or settlements.
2. **Limit of Liability.** The limit shown in the Declarations for "each occurrence" is the most we will pay for all damages as a result of any one **occurrence**. This limit is the same regardless of the number of insureds, persons injured, or claims made.

Coverage F – Medical Payments to Others

1. Agreement

- A. We will pay the reasonable **medical expenses** that are incurred or medically ascertained within three years from the date of the accident causing **bodily injury**. This coverage does not apply to you.
 - B. This coverage does apply to others who sustain **bodily injury** as a result of an accident, while they are:
 1. on the **insured premises** with your permission.
 2. off the insured premises, if the **bodily injury**:
 - a. rises out of a condition on the **insured premises** or immediately adjoining ways.
 - b. is caused by your activities.
 - c. is caused by an animal owned by you or in your care.
 - d. is caused by a **residence employee** arising out of and in the course of employment by you.
 - e. is sustained by any **residence employee** arising out of and in the course of employment by you.
2. **Limit of Liability.** The limit shown in the Declarations for "each person" is the most we will pay to any one person as a result of any one accident. We pay the least amount needed to satisfy the health care provider and not necessarily the amount billed.
3. **Our Payment of Loss.** We may pay the injured person or the provider of the medical services. Such payment is not an admission of liability by you or us.

Section II – Losses We Do Not Cover

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

1. Intentional Loss

- A. We do not cover **bodily injury** or **property damage** which:
 1. is reasonably expected or intended by you; or
 2. is the result of your willful and malicious acts or omissions.
- B. This exclusion applies:
 1. even if you lack the mental capacity to govern your conduct.
 2. even if such **bodily injury** or **property damage** is of a different kind or degree than reasonably expected or intended by you.

3. even if such **bodily injury** or **property damage** is sustained by a different person or entity than you expected or intended.
 4. whether you are charged with or convicted of a crime.
 5. even if the acts were done by others with the knowledge or consent by you.
- C. This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force by you to protect persons or property.
2. **Violation of Criminal Law.** We do not cover **bodily injury** or **property damage** which results from a violation of criminal law committed by you or with your knowledge or with your consent.
3. **Pollution**
- A. We do not cover **bodily injury** or **property damage** resulting from the actual, alleged, or threatened:
 1. discharge, dispersal, release, or escape of toxic chemicals or other pollutants or contaminants;
 2. discharge, dispersal, release, or escape of fuel oil or other petroleum products;
 3. electrical or magnetic emissions, whether visible or invisible, and sound emissions; or
 4. failure to disclose the existence on any premises of toxic chemicals or other pollutants or contaminants; fuel oil or other petroleum products; or electrical, magnetic, or sound emissions.
 - B. We do not cover any costs or expenses or loss incurred as a result of any governmental action to abate, remove, contain, neutralize, clean up, treat, monitor, or test or response to pollution. Governmental action includes law, regulation, mandate, requirement, directive, or request and includes any suit or statutory hearings.
4. **Lead Exposure**
- A. We do not cover damages arising out of **bodily injury** caused by or resulting from ingestion, poisoning, or exposure to lead.
 - B. We do not cover damages arising out of **property damage** resulting from lead arising out of the existence, use, possession, or occupancy of any premises. This also includes:
 1. property containing lead.
 2. soil, or earth, containing lead.
 3. water, pipes or plumbing containing lead.
 4. paint, putty, dust, or plaster containing lead.
 5. any other product or substance containing lead.
 - C. We do not cover any costs or expenses or loss incurred as a result of any governmental action to abate, remove, contain, neutralize, clean up, treat, monitor, or test or response to lead. Governmental action includes law, regulation, mandate, requirement, directive, or request and includes any suit or statutory hearings. This also includes:
 1. property containing lead.
 2. soil, or earth, containing lead.
 3. water, pipes or plumbing containing lead.
 4. paint, putty, dust, or plaster containing lead.
 5. any other product or substance containing lead.

The costs or expenses or loss incurred are in response to damages arising out of the existence, use, possession, or occupancy of any premises. This includes the structures and approaches.
 - D. We do not cover damages arising out of **bodily injury** or **property damage** resulting from the failure to disclose the existence of lead on any premises. This also includes:
 1. property containing lead.
 2. soil, or earth, containing lead.
 3. water, pipes or plumbing containing lead.
 4. paint, putty, dust, or plaster containing lead.
 5. any other product or substance containing lead.

5. **Business**

- A. We do not cover **bodily injury** or **property damage** arising out of or in connection with:
1. your **business** activities. This applies, but is not limited to, an act or omission regardless of its circumstance that involves a service or duty because of the nature of the **business**. Such service or duty may be implied to be provided, promised, owed, or rendered.
 2. the rental or holding for rental of any part of any premises for **business purposes**.
- B. With respect to **Coverage E – Personal Liability**, this exclusion does not apply to your part-time or occasional **business** activities as long as the **business**:
1. is owned or operated by an insured but is not the full-time vocation of the insured;
 2. is conducted from an **insured premises** or is engaged in by an insured as an independent contractor for the services to be provided;
 3. revenue from the **business** is incidental;
 4. does not have any employees; and
 5. does not use any independent contractors, other than insureds under this policy, to perform the services for the **business**.
6. **Care of Persons**. We do not cover your liability to any person resulting from your regular care of one or more persons anywhere for economic gain. This applies whether such care or premises is licensed or not.

This exclusion does not apply to your services listed below performed in the care of persons as long as you do not have any employees or use any independent contractors to perform the care services.

- A. Home day care services to a relative(s) of the named insured or spouse for which no compensation is paid other than for expenses.
- B. Mutual exchange of home day care services is not considered to be for economic gain.
- C. Part-time or occasional babysitting or care of persons when such activities are exempted under the Business exclusion.
7. **Professional Services**. We do not cover **bodily injury** or **property damage** arising out of professional services of any kind that you render or fail to render.
8. **Other Premises**. We do not cover **bodily injury** or **property damage** arising out of the use of any premises owned, rented, or controlled by you. We do cover:
- A. the **insured premises**; and
- B. **bodily injury** to a **residence employee**.
9. **Motorized Land Vehicles**

A. **Exclusions**

1. We do not cover **bodily injury** or **property damage** arising out of the:
 - a. ownership;
 - b. maintenance;
 - c. occupancy;
 - d. operation;
 - e. use; or
 - f. loading or unloadingof a motorized land vehicle owned or operated by or rented or loaned to you. Motorized land vehicle includes any self-propelled land or amphibious vehicle, whether or not it is operated on rails, skis, or sled, tracks, or treads. It also includes any trailer which is being carried on, towed by, or hitched for towing by a vehicle.
2. We do not cover **bodily injury** or **property damage** involving a motorized land vehicle arising out of:
 - a. the entrustment by you to any person;
 - b. the failure to supervise or negligent supervision by you of any person; or
 - c. the vicarious liability, whether or not imposed by law, for the actions of a child or minor.

B. **Coverage Extensions.** With respect to **Coverage E – Personal Liability**, our payment is excess over any other insurance expressly written for vehicles.

1. Coverage is extended for **bodily injury** and **property damage** arising out of a motorized land vehicle used exclusively on an **insured premises**.
2. Coverage is extended for **bodily injury** and **property damage** arising out of:
 - a. a motorized land vehicle in dead storage or trailer on an **insured premises**; or
 - b. a trailer while not being towed or carried by a motor vehicle and not being used as a primary residence.
3. Coverage is extended for **bodily injury** and **property damage** arising out of a motorized land vehicle:
 - a. designed for assisting a person requiring a power wheelchair or mobility scooter;
 - b. designed for and principally used to service and maintain residential property;
 - c. principally designed for recreational use off public roads, not subject to motor vehicle registration, and owned by you, while on an **insured premises**; or
 - d. principally designed for recreational use off public roads, not subject to motor vehicle registration, and not owned by you.

However, coverage does not apply to any motorized land vehicle:

1. while used to carry persons for a charge.
2. while rented to others.
3. while used for **business purposes**.
4. while being operated in any planned race, speed contest, or other competition.
4. Coverage is extended for **bodily injury** and **property damage** arising out of a golf cart:
 - a. while used to play golf on a golf course including crossing public roads at designated points to access other parts of the golfing facility.
 - b. when operated within the legal boundaries of a private residential community which is subject to the authority of a property owners association and contains the **insured premises**. This includes its public roads upon which a motorized golf cart can legally travel.
5. Coverage is extended for **bodily injury** and **property damage** arising out of a motorized land vehicle designed as a motorized toy for use by children 12 years in age or younger and:
 - a. not subject to registration.
 - b. propelled by battery power.
 - c. built to be operated at a low speed not more than 15 miles per hour.
 - d. not modified after manufacture to increase its speed.

10. Watercraft

A. Exclusions

1. We do not cover **bodily injury** or **property damage** arising out of the:
 - a. ownership;
 - b. maintenance;
 - c. occupancy;
 - d. operation;
 - e. use; or
 - f. loading or unloadingof a watercraft owned or operated by or rented or loaned to you. Watercraft means a craft principally designed to be propelled on or in water by wind, engine power, or electric motor.
2. We do not cover **bodily injury** or **property damage** involving a watercraft arising out of:
 - a. the entrustment by you to any person;
 - b. the failure to supervise or negligent supervision by you of any person; or
 - c. the vicarious liability, whether or not imposed by law, for the actions of a child or minor.

- B. **Coverage Extensions.** With respect to **Coverage E - Personal Liability**, our payment is excess over any other insurance expressly written for watercraft.
1. Coverage is extended for **bodily injury** and **property damage** arising out of a watercraft on the **insured premises**.
 2. Coverage is extended for **bodily injury** and **property damage** arising out of a watercraft in dead storage on the **insured premises**.
 3. Coverage is extended for **bodily injury** and **property damage** arising out of a watercraft, owned or furnished or available for your regular use:
 - a. that is powered with 50 total horsepower or less by one or more engines or motors. This includes watercraft propelled by a water jet pump engine or motor.
 - b. that is a sailing vessel 31 feet and under in length with or without auxiliary power.
 4. Coverage is extended for **bodily injury** and **property damage** arising out of a rented watercraft:
 - a. that is powered by one or more outboard engines or motors. This includes watercraft propelled by a water jet pump engine or motor.
 - b. with an inboard or inboard-outdrive engine or motor with 50 horsepower or less. This includes watercraft propelled by a water jet pump engine or motor.
 - c. that is a sailing vessel 31 feet and under in length with or without auxiliary power.
 5. Coverage is extended for **bodily injury** and **property damage** arising out of watercraft not owned by you, not rented to you, nor furnished or available for your regular use.
 6. Coverage is extended for **bodily injury** and **property damage** to a **residence employee** arising out of watercraft owned by you or under your care, custody, or control. This applies when in the course of the **residence employee's** employment by you. However, we will not cover a **residence employee** using or having custody of watercraft:
 - a. without your permission; or
 - b. in any **business**.

11. **Hovercraft**

- A. We do not cover **bodily injury** or **property damage** arising out of the:
1. ownership;
 2. maintenance;
 3. occupancy;
 4. operation;
 5. use; or
 6. loading or unloading
- of a hovercraft owned or operated by or rented or loaned to you. Hovercraft means a motorized ground effect vehicle or craft designed to be operated over land or water. This includes, but is not limited to, flarecraft and air cushion vehicles.
- B. We do not cover **bodily injury** or **property damage** involving a hovercraft arising out of:
1. the entrustment by you to any person;
 2. the failure to supervise or negligent supervision by you of any person; or
 3. the vicarious liability, whether or not imposed by law, for the actions of a child or minor.

12. **Aircraft**

- A. We do not cover **bodily injury** or **property damage** arising out of the:
1. ownership;
 2. maintenance;
 3. occupancy;
 4. operation;
 5. use; or
 6. loading or unloading
- of an aircraft owned or operated by or rented or loaned to you. Aircraft means any device used for or designed for flight.

- B. We do not cover **bodily injury** or **property damage** involving an aircraft arising out of:
 - 1. the entrustment by you to any person;
 - 2. the failure to supervise or negligent supervision by you of any person; or
 - 3. the vicarious liability, whether or not imposed by law, for the actions of a child or minor.
- C. Coverage is extended for **bodily injury** and **property damage** arising out of the occupancy of an aircraft by your **residence employee** when traveling with you. This applies when in the course of the **residence employee's** employment by you. However, no coverage is provided to any **residence employee** while that person is engaged in the operation or maintenance of aircraft.

13. War

- A. We do not cover **bodily injury** or **property damage** caused directly or indirectly by war. This includes:
 - 1. undeclared war;
 - 2. civil war;
 - 3. rebellion;
 - 4. insurrection;
 - 5. revolution;
 - 6. warlike act by a military force or military personnel;
 - 7. destruction or seizure or use for a military purpose; and
 - 8. any consequence of any of these.
- B. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

14. **Injury of an Insured.** We do not cover **bodily injury** to any insured within the meaning of parts 1 and 2 of the definition of you. This exclusion applies regardless of whether claim is made or suit is brought against you by the injured person or by a third party seeking contribution or indemnity.

15. Controlled Substance

- A. We do not cover **bodily injury** or **property damage** arising out of the:
 - 1. use;
 - 2. sale;
 - 3. manufacture;
 - 4. delivery;
 - 5. transfer; or
 - 6. possessionby any person of a Controlled Substance, as defined by the Federal Food, Drug and Cosmetic Act. This includes any amendments.
- B. Controlled Substance includes, but is not limited to:
 - 1. cocaine;
 - 2. LSD;
 - 3. marijuana; and
 - 4. all narcotic or hallucinogenic drugs.
- C. This exclusion does not apply to the rightful use of prescription drugs by a person following the lawful orders of a licensed health care professional.

16. **Fungus and Mold.** This exclusion applies regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to the injury or damage.

- A. We do not cover **bodily injury** directly or indirectly caused by or resulting from inhalation or ingestion of **fungus and mold**. However, we do cover **bodily injury** to the extent that **fungus and mold** are on or are contained in an item intended for consumption.

- B. We do not cover **property damage** directly or indirectly caused by or resulting from existence or exposure to **fungus and mold**.
 - C. We do not cover any costs or expenses or loss incurred as a result of any government directive, law, regulation, request, requirement, or mandate to remove, clean up, test, monitor, abate, contain, neutralize or treat **fungus and mold**.
 - D. We do not cover **bodily injury** or **property damage** caused by or resulting from your failure to disclose the existence on an **insured premises** of **fungus and mold**.
17. **Failure to Disclose.** We do not cover **bodily injury** or **property damage** caused by or resulting from your failure to disclose any condition of real estate property sold to a buyer.
18. **Communicable Disease.** We do not cover **bodily injury** or **property damage** caused by or resulting from any of the following which are transmitted by you to any other person. We do not cover **bodily injury** resulting from the exposure to any of the following by you to any other person.
- A. Disease;
 - B. Bacteria;
 - C. Parasite;
 - D. Virus;
 - E. Other organism.
19. **Abuse**
- A. We do not cover **bodily injury** caused by or resulting from the actual, alleged, or threatened:
 - 1. sexual molestation or contact;
 - 2. corporal punishment;
 - 3. physical, mental, or emotional abuse of a person.
 - B. This applies whether the **bodily injury** is inflicted by you or directed by you for another person to inflict upon a person.
20. **Emotional and Mental Anguish**
- A. We do not cover **bodily injury** caused by or resulting from any of the following committed by you or directed by you for another person to inflict injury upon a person.
 - 1. Emotional anguish or distress or injury;
 - 2. Humiliation;
 - 3. Mental anguish or distress or injury; or
 - 4. Any similar anguish or distress or injury.
 - B. This exclusion does not apply if the person seeking damages from such anguish, distress, humiliation, or injury has first experienced direct physical harm.
21. **Workers' Compensation Law.** We do not cover **bodily injury** to any person eligible to receive benefits under any workers' compensation law. This includes any non-occupational disability or occupational disease law. This applies whether the law requires the benefits to be provided or the benefits are voluntarily provided.

Coverage E – Personal Liability

- 1. **Loss Assessment.** We do not cover liability for your share of any loss assessment charged by an association of property owners. This applies when charged against all members. This exclusion does not apply when coverage is granted under **Section II – Additional Coverages for Loss Assessment**.
- 2. **Contract.** We do not cover liability assumed by you under:
 - A. any unwritten contract or agreement;
 - B. by any contract or agreement in connection with your **business**; or
 - C. any contract or agreement if liability against you would not have existed in the absence of that contract or agreement.

3. **Owned Property.** We do not cover **property damage** to property owned by you. This includes costs or expenses incurred by you or others to repair, replace, enhance, restore, or maintain such property to prevent injury to a person or damage to property of others. This applies whether the incurred costs or expenses are on or away from an **insured premises**.
4. **Care, Custody, or Control**
 - A. We do not cover **property damage** to property occupied or used by you, rented to you, in your care or over which you have physical control.
 - B. Coverage is extended for:
 1. **property damage** caused by fire, explosion or smoke; or
 2. **property damage** arising out of the ownership, maintenance or use of a waterbed at the **residence premises**. A waterbed is a bed with a liner and a liquid filled sealed mattress. However, we do not cover:
 - a. property owned by **you**; or
 - b. **property damage** caused by sagging or collapse of the floor if it is determined that the building construction does not conform to government building codes.
 - C. This exclusion does not apply when coverage is granted under **Section II – Additional Coverages for Damage of Property of Others**.
5. **Nuclear.** We do not cover **bodily injury** or **property damage** for which you are insured under any nuclear energy liability policy. This applies whether or not the insurance from such policy is actually paid to you.
6. **Punitive**
 - A. We do not cover awards designated as punitive, exemplary, or statutory multiple damages. These damages mean damages which may be imposed to punish a wrongdoer or to deter the wrongdoer or others from similar conduct. Such actions may include, but are not limited to, conduct or actions described as being:
 1. willful;
 2. reckless;
 3. with malice; or
 4. with deceit.
 - B. If suit is brought seeking both compensatory and punitive, exemplary, or statutory multiple damages afforded by this policy, we will afford a defense to such covered compensatory damages. We will not be responsible for the payment of any type of punitive damages nor interest on them.
7. **Computer Systems and Data.** We do not cover liability resulting from any transmission, upload, or download of instructions or code by you into any:
 - A. hardware device, such as computer, tablet, smart phone, or other similar device.
 - B. media or peripheral device.
 - C. software, whether as data or program.

This includes, but is not limited to, any error, virus, or malicious entry in computer programming, whether intentional or not.

Coverage F – Medical Payments to Others

1. **Residence Employee.** We do not cover **bodily injury** to a **resident employee**:
 - A. if the **bodily injury** occurs off the **insured premises**; and
 - B. does not arise out of or in the course of the **residence employee's** employment by you.
2. **Nuclear.** We do not cover **bodily injury** from nuclear reaction, radiation, or radioactive contamination or any consequence of any of these. This applies whether controlled or uncontrolled or however caused.
3. **Residents.** We do not cover **bodily injury** to any regular resident of the **insured premises**. We do cover **bodily injury** for your **residence employee**.

Section II – Additional Coverages

We cover the following in addition to Coverages E and F:

1. **Damage to Property of Others**

- A. We will pay up to \$1,000 each time you cause **property damage** to someone else's property during the term of the policy. At our option, we will pay the cost to either repair or replace the damaged property.
- B. We do not cover **property damage**:
 1. to the extent of any amount that is recoverable under Section I of this policy.
 2. caused intentionally by you if you are 13 years of age or older.
 3. to property owned by or rented to you, any resident of your household, or any of your tenants.
 4. arising out of any act or omission in connection with premises you own, rent, or control, other than the **insured premises**.
 5. arising out of **business** activities.
 6. arising out of the ownership, maintenance, occupancy, operation, use, loading or unloading of:
 - a. any motorized land vehicle. This exclusion does not apply to a motorized land vehicle not owned by you that is principally designed for recreational use off public roads and is not subject to motor vehicle registration.
 - b. a trailer. This exclusion does not apply to a trailer not owned by you while not being towed or carried by a motor vehicle.
 - c. aircraft, hovercraft, or watercraft of any type.

2. **Claim Expenses**

- A. We will pay all costs we incur and costs taxed against you in any suit we defend.
- B. We will pay premiums on bonds required in any suit we defend, but not for bond amounts greater than the limit of liability for **Coverage E – Personal Liability**.
- C. We will pay reasonable expenses you incur at our request.
- D. We will pay up to \$250 per day for lost wages or salary, but not other income, because you attended a hearing or trial at our request.

3. **First Aid Expenses**. We will pay expenses for first aid to others you incur at the time of the accident for **bodily injury** to which this insurance applies. We will not pay for first aid to you.

4. **Loss Assessment**

- A. This coverage applies for loss assessments charged against you as owner or tenant of the **insured premises** when the assessment is made as a result of:
 1. each **occurrence** to which Section II of this policy would apply.
 2. liability for each act or failure to act of a director, officer, or trustee in their capacity as a director, officer, or trustee, provided:
 - a. such person is elected by the members of an association of property owners; and
 - b. such person serves without deriving any income from the exercise of duties which are solely on behalf of an association of property owners.
- B. We do not cover assessments charged against you or an association of property owners by any governmental body.
- C. We will pay up to \$1,000 for your share of any loss assessment against you by an association of property owners. If Increased Loss Assessment is shown in the Declarations, then the \$1,000 limit is increased to the amount shown. Payment will be covered under the policy period in which the loss assessment was made against you.

However, the loss assessment limit that applies is the one in effect under your policy with us on the date of the event that caused the loss. If you did not have homeowners insurance with us, on the date of the event that caused the loss, the loss assessment limit for the policy period in which the loss assessment was made against you will apply.

Regardless of the number of assessments, the limit referenced above is the most we will pay for loss arising out of:

1. one accident. This includes continuous or repeated exposure to substantially the same general harmful condition; or
2. a covered act of a director, officer, or trustee. An act that involves more than one director, officer, or trustee is considered to be a single act.

- D. This coverage is excess over any other insurance covering the association of property owners. This specific provision does not apply if your assessment results from a deductible in the policy of insurance purchased by an association of property owners.
- E. We will pay only when the assessment exceeds \$250. We will pay only for that part of the loss that exceeds the deductible.

Section II – Conditions

1. Your Duties in the Event of an Accidental Loss

In the event of an **occurrence** or offense, we have no duty to provide coverage under this policy if you fail to comply with the following duties:

- A. Promptly notify us or our representative, in writing, stating:
 - 1. your name and policy number.
 - 2. the date, place and circumstances of the accident.
 - 3. the name and address of anyone who might have a claim against you.
 - 4. the names and addresses of any witnesses.
- B. Promptly send us any legal papers relating to the accident.
- C. At any reasonable time and place upon which we agree and as often as we reasonably require, you agree to the following.
 - 1. Cooperate with us in the investigation, settlement, or defense of any claim or suit.
 - 2. Submit to questions concerning the accident under oath while not in the presence of any other person defined as “you.” A parent or guardian may be present for minors during an examination under oath. Sign and swear to your answers. You are entitled to have your attorney present during any examination under oath.
 - 3. Help us enforce any right of recovery against any person or organization who may be liable to you.
 - 4. Help us collect and give evidence and obtain the attendance of witnesses.
 - 5. Attend any hearing or trial upon our request.
- D. Under **Damage to Property of Others in Section II – Additional Coverages**, give us a sworn statement of the loss within 60 days after the loss. Be prepared to show us any damaged property under your control.
- E. You may pay for first aid to others at the time of the loss. You must not voluntarily:
 - 1. pay any money;
 - 2. assume any obligations; or
 - 3. incur any expensesat the time of the loss as provided for in this policy.

2. What an Injured Person Must Do Under Coverage F – Medical Payments to Others

The injured person, or someone acting for that person, must do the following:

- A. Promptly give us written proof of the claim. If we request, this must be done under oath.
- B. Authorize us to obtain copies of all pertinent medical records and reports reasonably related to the injury.
- C. Permit doctors we select to examine the injured person as often as we may reasonably require.

Enhanced Plus Liability Coverages

We have enhanced the liability protection in our Home Value Policy. These are changes from what is shown in the HP6000 form found in your policy package just prior to this form. These improvements change your insurance by

- a. removing restrictive language from the same-titled coverage,
- b. increasing an amount of insurance that applies in the same-titled coverage, or
- c. adding a new coverage previously not found in the Home Value Policy.

Section II – Additional Coverages

1. **Damage to Property of Others.**

- A. We will pay up to \$2,500 each time you cause **property damage** to someone else's property during the term of the policy. At our option, we will pay the cost to either repair or replace the damaged property.
- B. We do not cover **property damage**:
 1. to the extent of any amount that is recoverable under Section I of this policy.
 2. caused intentionally by you if you are 13 years of age or older.
 3. to property owned by or rented to you, any resident of your household, or any of your tenants.
 4. arising out of any act or omission in connection with premises you own, rent, or control, other than the **insured premises**.
 5. arising out of **business** activities.
 6. arising out of the ownership, maintenance, occupancy, operation, use, loading or unloading of:
 - a. any motorized land vehicle. This exclusion does not apply to a motorized land vehicle not owned by you that is principally designed for recreational use off public roads and is not subject to motor vehicle registration.
 - b. a trailer. This exclusion does not apply to a trailer not owned by you while not being towed or carried by a motor vehicle.
 - c. aircraft, hovercraft, or watercraft of any type.

2. **Claim Expenses**

- A. We will pay all costs we incur and costs taxed against you in any suit we defend.
- B. We will pay premiums on bonds required in any suit we defend, but not for bond amounts greater than the limit of liability for **Coverage E – Personal Liability**.
- C. We will pay reasonable expenses you incur at our request.
- D. We will pay up to \$500 per day for lost wages or salary, but not other income, because you attended a hearing or trial at our request.

4. **Loss Assessment.**

- A. This coverage applies for loss assessments charged against you as owner or tenant of the **insured premises** when the assessment is made as a result of:
 - A. each **occurrence** to which Section II of this policy would apply.
 - B. liability for each act or failure to act of a director, officer, or trustee in their capacity as a director, officer, or trustee, provided:
 1. such person is elected by the members of an association of property owners; and
 2. such person serves without deriving any income from the exercise of duties which are solely on behalf of an association of property owners.

- B. We do not cover assessments charged against you or an association of property owners by any governmental body.
- C. We will pay up to \$10,000 for your share of any loss assessment against you by an association of property owners. If Increased Loss Assessment is shown in the Declarations, then the \$10,000 limit is increased to the amount shown. Payment will be covered under the policy period in which the loss assessment was made against you.

However, the loss assessment limit that applies is the one in effect under your policy with us on the date of the event that caused the loss. If you did not have homeowners insurance with us, on the date of the event that caused the loss, the loss assessment limit for the policy period in which the loss assessment was made against you will apply.

Regardless of the number of assessments, the limit referenced above is the most we will pay for loss arising out of:

- 1. one accident. This includes continuous or repeated exposure to substantially the same general harmful condition;
or
 - 2. a covered act of a director, officer, or trustee. An act that involves more than one director, officer, or trustee is considered to be a single act.
- D. This coverage is excess over any other insurance covering the association of property owners. This specific provision does not apply if your assessment results from a deductible in the policy of insurance purchased by an association of property owners.
 - E. We will pay only when the assessment exceeds \$250. We will pay only for that part of the loss that exceeds the deductible.

All other policy terms and conditions apply.

Property Loss Settlement

Section I – How We Settle A Property Loss Personal Property – Replacement Cost on Contents

Section I - Loss Deductible Clause

We will pay only when a loss exceeds the deductible amount applicable to the covered claim. We will pay only that part of the loss that is over the deductible.

2. Coverage C - Personal Property

Covered property losses are settled as follows:

A. Actual Cash Value Settlement

At the time of the loss, we will pay the **actual cash value** for the damaged property that is over the deductible. We will pay no more than the lesser of:

1. the amount required to repair or replace the damaged property with property of like kind and quality; or
2. the amount of insurance that applies to the property.

B. Replacement Cost on Contents Eligibility and Conditions

1. These types of property are not eligible for Replacement Cost on Contents.

The below items are subject to Actual Cash Value Settlement.

- a. Antiques, fine arts, paintings, statuary, and similar articles which, by their inherent nature, cannot be replaced with new articles
- b. Articles for which the age, history, scarcity, or condition contribute substantially to their value. This includes, but is not limited to, memorabilia, souvenirs, and collectors' items such as trading cards, comic books, and autographed merchandise
- c. Property which is obsolete or unusable because of its age or condition prior to the loss, or not being used for the purpose for which it was originally intended
- d. Articles separately described and specifically insured in any other policy
- e. Watercraft, including their trailers, furnishings, equipment, and outboard motors
- f. Motorized land vehicles principally designed for recreational use
- g. When classified under **Coverage C - Personal Property**:
 - 1) aerials, antennas, awnings;
 - 2) outdoor equipment and swimming pools; or
 - 3) structures, other than building structures.
2. You may make further claim for additional payments under Replacement Cost on Contents Settlement if you comply with these conditions.
 - a. You have not reached the applicable amount of insurance.
 - b. You have completed the repair or replacement of the lost, damaged, or stolen personal property within 180 days after the date of **actual cash value** payment.

C. Replacement Cost on Contents Settlement

1. We will pay the full cost of repair or replacement that is over the deductible. There will be no depreciation.
2. The amount we pay for any loss will not exceed the smallest of the following:
 - a. The cost to replace the property with property of like kind and quality.
 - b. The cost of repair to restore the property to its original condition.
 - c. The amount that applies for the type of property under the **Special Limitations on Certain Property** under **Section I - Coverages, Coverage C - Personal Property**.
 - d. The amount that applies to any item separately described and specifically insured under this policy.

Scheduled Value on Roof for Windstorm or Hail Loss

Section I – How We Settle a Property Loss, item 1. **Coverage A – Dwelling** and **Coverage B – Private Structures** applies as our Property Loss Settlement except for damage to roof surfacing as outlined below. However, scheduled value on roof does not apply if the loss to the building is a total loss.

1. In the event of a covered loss to roof surfacing caused by windstorm or hail:
 - A. The Actual Cash Value Settlement and Replacement Cost Loss Settlement do not apply. If you have functional repair or replacement, the Actual Cash Value Settlement and Functional Replacement Cost Loss Settlement do not apply.
 - B. Loss will be settled based upon the age of the roof and the type of roof surfacing material. Subject to the deductible, we will pay the cost to repair or replace multiplied by the percent shown in the Roof Surfacing Loss Percentage Table.
 - C. The amount we pay for any loss will not exceed the least of the following.
 1. The amount of insurance that applies to the building.
 2. The cost to repair or replace the damaged part(s) of the roof surfacing with materials of like kind and quality.
 3. The amount actually and necessarily spent to repair or replace the damaged part(s) of the roof surfacing with materials of like kind and quality.
 4. The amount as worked out in 1.B above.
 - D. The terms "cost to repair or replace," "replacement cost," and "functional repair or replacement" do not include any compensation for actual or perceived decrease in the market value of any property.
2. The percent shown in the Table applies to the cost of the roof surfacing replacement components and the labor to install the components. The roof surfacing loss percent does not apply to the cost of labor for tear off of the damaged roof surfacing.

Please see page 2 for Table.

Roof Surfacing Loss Percentage Table

Age ² of Roof	Type of Roof Surfacing Material ¹						
	Composition	Slate	Tile	Wood	Metal	Hail Impact Resistant ^{3 4}	All Other Types
<1	100%	100%	100%	100%	100%	100%	100%
1	97%	99%	98%	98%	99%	99%	97%
2	94%	98%	96%	96%	98%	98%	94%
3	91%	97%	94%	94%	97%	97%	91%
4	88%	96%	92%	92%	96%	96%	88%
5	85%	95%	90%	90%	95%	95%	85%
6	82%	94%	88%	88%	94%	94%	82%
7	79%	93%	86%	86%	93%	93%	79%
8	76%	92%	84%	84%	92%	92%	76%
9	73%	91%	82%	82%	91%	91%	73%
10	70%	90%	80%	80%	90%	90%	70%
11	67%	89%	78%	78%	89%	89%	67%
12	64%	88%	76%	76%	88%	88%	64%
13	61%	87%	74%	74%	87%	87%	61%
14	58%	86%	72%	72%	86%	86%	58%
15	55%	85%	70%	70%	85%	85%	55%
16	52%	84%	68%	68%	84%	84%	52%
17	49%	83%	66%	66%	83%	83%	49%
18	46%	82%	64%	64%	82%	82%	46%
19	43%	81%	62%	62%	81%	81%	43%
20	40%	80%	60%	60%	80%	80%	40%
21	37%	79%	58%	58%	79%	79%	37%
22	34%	78%	56%	56%	78%	78%	34%
23	31%	77%	54%	54%	77%	77%	31%
24	28%	76%	52%	52%	76%	76%	28%
25	25%	75%	50%	50%	75%	75%	25%
26	25%	74%	48%	48%	74%	74%	25%
27	25%	73%	46%	46%	73%	73%	25%
28	25%	72%	44%	44%	72%	72%	25%
29	25%	71%	42%	42%	71%	71%	25%
30 & >	25%	70%	40%	40%	70%	70%	25%

¹ If the roof has more than one type of roof surfacing material, select the type that covers the largest physical area on the roof.

² The Age of Roof is determined by subtracting the year of installation from the year of the current policy period effective date.

³ Impact Resistant Composition roof surfacing material must meet the Underwriters' Laboratories' Laboratories impact resistance testing criteria of U.L. Standard 2218. Other standards used by a recognized testing facility will be accepted if equivalent to U.L. Standard 2218. Class 1, 2, 3 or 4, which relate to a roof covering's ability to withstand impacts from 1-1/4, 1-1/2, 1-3/4 and 2 in. diameter steel balls, respectively. Impact resistant roofing materials that are rated Class 4 provide the best resistance to damage.

⁴ Stone Coated Steel Shingles and 24 gauge or thicker Steel Standing Seam