



Homeowners Policy Booklet

from Travelers

YOUR HOMEOWNERS POLICY QUICK REFERENCE

	<p>DECLARATIONS PAGE Your Name Location of Your Residence Policy Period Coverages Amounts of Insurance Deductible Amounts</p>	<p>Beginning On Page</p>
	<p>AGREEMENT 1 DEFINITIONS 1</p>	
<p>SECTION I PROPERTY COVERAGES</p>	<p>COVERAGES 2 Coverage A - Dwelling 2 Coverage B - Other Structures 2 Coverage C - Personal Property 2 Coverage D - Loss of Use 3 Additional Coverages 3 PERILS INSURED AGAINST 5 EXCLUSIONS 8 CONDITIONS 9 Your Duties After Loss 9 Loss Settlement 9</p>	
<p>SECTION II LIABILITY COVERAGES</p>	<p>COVERAGES 12 Coverage E - Personal Liability 12 Coverage F - Medical Payments to Others 12 EXCLUSIONS 12 ADDITIONAL COVERAGES 14 CONDITIONS 15 Limit of Liability 15 Duties After Loss 15</p>	
<p>SECTION I and SECTION II CONDITIONS</p>	<p>CONDITIONS 16 Policy Period 16 Cancellation 16 Nonrenewal 17</p>	

Homeowners 3 – Special Form

AGREEMENT

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

DEFINITIONS

Throughout this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse, if a resident of the same household, and "we", "us" and "our" refer to the Company providing this insurance. In addition, certain words and phrases are defined as follows:

1. **"aircraft"** means any contrivance designed for the navigation of the air capable of carrying cargo or people.
2. **"bodily injury"** means bodily harm, sickness or disease, including required care, loss of services and death that results.
3. **"business"** includes trade, profession or occupation.
4. **"insured"** means you and the following residents of your household:
 - a. your relatives;
 - b. any other person under the age of 21 who is in the care of any person named above.

Under Section II, **"insured"** also means:

 - c. with respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in **4.a.** or **4.b.** above. A person or organization using or having custody of these animals or watercraft in the course of any business, or without permission of the owner is not an insured;
 - d. with respect to any vehicle to which this policy applies:
 - (1) persons while engaged in your employ or that of any person included in **4.a.** or **4.b.** above; or
 - (2) other persons using the vehicle on an **insured location** with your consent.
5. **"insured location"** means:
 - a. the **residence premises**;
 - b. the part of any other premises, other structures, and grounds, used by you as a residence and which is shown in the Declarations or which is acquired by you during the policy period for your use as a residence;
 - c. any premises used by you in connection with the premises included in **5.a.** or **5.b.**;
 - d. any part of a premises not owned by any **insured** but where any **insured** is temporarily residing;
 - e. vacant land owned by or rented to any **insured** other than farm land;
 - f. land owned by or rented to any **insured** on which a one or two family dwelling is being constructed as a residence for any **insured**;
 - g. individual or family cemetery plots or burial vaults of any **insured**;
 - h. any part of a premises occasionally rented to any **insured** for other than **business** purposes.
6. **"occurrence"** means an accident, including exposure to conditions, which results, during the policy period, in:
 - a. **bodily injury**; or
 - b. **property damage**.
7. **"property damage"** means physical injury to or destruction of tangible property, including loss of use of this property.
8. **"residence employee"** means an employee of any **insured** who performs duties in connection with the maintenance or use of **the residence premises**, including household or domestic services, or who performs duties elsewhere of a similar nature not in connection with the **business** of any **insured**.
9. **"residence premises"** means the one or two family dwelling, other structures, and grounds or that part of any other building where you reside and which is shown as the "residence premises" in the Declarations.

SECTION I – PROPERTY COVERAGES

COVERAGE A - DWELLING**We cover:**

- a. the dwelling on the **residence premises** shown in the Declarations used principally as a private residence, including structures attached to the dwelling on the same or contiguous foundation; and
- b. materials and supplies located on or adjacent to the **residence premises** for use in the construction, alteration or repair of the dwelling or other structures on the **residence premises**.

This coverage does not apply to land, including land on which the dwelling is located.

COVERAGE B - OTHER STRUCTURES**We cover:**

Other structures on the **residence premises**, separated from the dwelling by clear space. Structures with a separation from the dwelling and its foundation and linked by only a conduit, deck, fence, patio, utility line, walk, wall, or similar connector means that structure is an other structure.

This coverage does not apply to land, including land on which the other structures are located.

WE DO NOT COVER OTHER STRUCTURES:

- a. USED IN WHOLE OR IN PART FOR **BUSINESS** PURPOSES: OR
- b. RENTED OR HELD FOR RENTAL TO ANY PERSON NOT A TENANT OF THE DWELLING, UNLESS USED SOLELY AS A PRIVATE GARAGE.

COVERAGE C - PERSONAL PROPERTY

We cover personal property owned or used by any **insured** while it is anywhere in the world. At your request, we will cover personal property owned by others while the property is on the part of the **residence premises** occupied by any **insured**. In addition, we will cover at your request, personal property owned by a guest or a **residence employee**, while the property is in any residence occupied by any **insured**.

Our limit of liability for personal property usually located at any **insured's** residence, other than the **residence premises**, is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. Personal property in a newly acquired principal residence is not subject to this limitation for the 30 days immediately after you begin to move the property there.

SPECIAL LIMITS OF LIABILITY. THESE LIMITS DO NOT INCREASE THE COVERAGE C LIMIT OF LIABILITY. THE SPECIAL LIMIT FOR EACH FOLLOWING NUMBERED CATEGORY IS THE TOTAL LIMIT FOR EACH OCCURRENCE FOR ALL PROPERTY IN THAT NUMBERED CATEGORY.

1. \$200 ON MONEY, BANK NOTES, BULLION, GOLD OTHER THAN GOLDWARE, SILVER OTHER THAN SILVERWARE, PLATINUM, COINS AND MEDALS.
2. \$1,000 ON SECURITIES, ACCOUNTS, DEEDS, EVIDENCES OF DEBT, LETTERS OF CREDIT, NOTES OTHER THAN BANK NOTES, MANUSCRIPTS, PASSPORTS, TICKETS AND STAMPS.
3. \$1,000 ON WATERCRAFT, INCLUDING THEIR TRAILERS, FURNISHINGS, EQUIPMENT AND OUTBOARD MOTORS.
4. \$1,000 ON TRAILERS NOT USED WITH WATERCRAFT.
5. \$1,000 ON GRAVE MARKERS.
6. \$1,000 FOR LOSS BY THEFT OF JEWELRY, WATCHES, FURS, PRECIOUS AND SEMIPRECIOUS STONES.
7. \$2,500 FOR LOSS BY THEFT OF SILVERWARE, SILVER-PLATED WARE, GOLDWARE, AND GOLD-PLATED WARE AND PEWTERWARE. THIS INCLUDES FLATWARE, HOLLOWARE, TEA SETS, TRAYS AND TROPHIES MADE OF OR INCLUDING SILVER, GOLD OR PEWTER.
8. \$2,000 FOR LOSS BY THEFT OF FIREARMS.
9. \$2,500 ON **BUSINESS** PROPERTY ON THE **RESIDENCE PREMISES** IN STORAGE OR AS A SAMPLE OR FOR SALE OR DELIVERY AFTER SALE AND **BUSINESS** PROPERTY PERTAINING TO A **BUSINESS** ACTUALLY CONDUCTED ON THE **RESIDENCE PREMISES**;
10. \$250 ON **BUSINESS** PROPERTY AWAY FROM THE **RESIDENCE PREMISES**.

PROPERTY NOT COVERED. WE DO NOT COVER:

1. ARTICLES SEPARATELY DESCRIBED AND SPECIFICALLY INSURED IN THIS OR ANY OTHER INSURANCE;
2. ANIMALS, BIRDS OR FISH;
3. MOTORIZED LAND VEHICLES INCLUDING THEIR ACCESSORIES, EQUIPMENT, OR PARTS, EXCEPT WE DO COVER:

- a. MOTORIZED LAND VEHICLES, NOT SUBJECT TO MOTOR VEHICLE REGISTRATION USED TO SERVICE AN **INSURED'S** RESIDENCE.
 - b. MOTORIZED LAND VEHICLES, NOT REQUIRING MOTOR VEHICLE REGISTRATION DESIGNED FOR ASSISTING THE HANDICAPPED.
 - c. EXTRA ACCESSORIES, EQUIPMENT OR PARTS DETACHED FROM THE MOTORIZED LAND VEHICLE AT THE TIME OF LOSS FOR AN AMOUNT NOT EXCEEDING \$500.
4. ANY DEVICE OR INSTRUMENT, INCLUDING ANY ACCESSORIES OR ANTENNAS, FOR THE TRANSMITTING, RECORDING, RECEIVING OR REPRODUCTION OF SOUND WHICH IS OPERATED BY POWER FROM THE ELECTRICAL SYSTEM OF A MOTOR VEHICLE, OR ANY TAPE, WIRE, RECORD, DISC OR OTHER MEDIUM FOR USE WITH ANY SUCH DEVICE OR INSTRUMENT WHILE ANY OF THIS PROPERTY IS IN OR UPON A MOTOR VEHICLE;
 5. **AIRCRAFT AND AIRCRAFT PARTS;**
 6. PROPERTY OF ROOMERS, BOARDERS AND OTHER TENANTS, EXCEPT PROPERTY OF ROOMERS AND BOARDERS RELATED TO ANY **INSURED;**
 7. PROPERTY CONTAINED IN AN APARTMENT REGULARLY RENTED OR HELD FOR RENTAL TO OTHERS BY ANY **INSURED;**
 8. PROPERTY RENTED OR HELD FOR RENTAL TO OTHERS AWAY FROM THE **RESIDENCE PREMISES.**

COVERAGE D - LOSS OF USE

The limit of liability for Coverage D is the total for all the following coverages.

1. **Additional Living Expense.** If a loss covered under this Section makes the **residence premises** uninhabitable, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living. PAYMENT SHALL BE FOR THE SHORTEST TIME REQUIRED TO REPAIR OR REPLACE THE PREMISES OR, IF YOU PERMANENTLY RELOCATE, THE SHORTEST TIME REQUIRED FOR YOUR HOUSEHOLD TO SETTLE ELSEWHERE. This period of time is not limited by expiration of this policy.
2. **Fair Rental Value.** If a loss covered under this section makes that part of the **residence premises** rented to others or held for rental by you uninhabitable, we cover its fair rental value.

PAYMENTS SHALL BE FOR THE SHORTEST TIME REQUIRED TO REPAIR OR REPLACE THE PART OF THE PREMISES RENTED OR HELD FOR RENTAL. This period of time is not limited by expiration of this policy. FAIR RENTAL VALUE SHALL NOT INCLUDE ANY EXPENSE THAT DOES NOT CONTINUE WHILE THAT PART OF THE **RESIDENCE PREMISES** RENTED OR HELD FOR RENTAL IS UNINHABITABLE.
3. **Prohibited Use.** If a civil authority prohibits you from use of the **residence premises** as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover any resulting **Additional Living expense** and **Fair Rental Value loss** FOR A PERIOD NOT EXCEEDING TWO WEEKS DURING WHICH USE IS PROHIBITED.

WE DO NOT COVER LOSS OR EXPENSE DUE TO CANCELLATION OF A LEASE OR AGREEMENT.

ADDITIONAL COVERAGES

1. Debris Removal.

We will pay the reasonable expense incurred by you in:

- a. the removal of debris of Covered property PROVIDED COVERAGE IS AFFORDED FOR THE PERIL CAUSING THE LOSS; and
- b. the removal of one or more trees fallen on the **residence premises** as a result of a peril insured against, but not more than \$500 for any one occurrence regardless of the number of fallen trees.

Debris removal expense is included in the limit of liability applying to the damaged property. When the amount payable for the actual damage to the property plus the expense for debris removal exceeds the limit of liability for the damaged property, an additional 5% of that limit of liability will be available to cover debris removal expense. However the availability of this additional amount does not change the \$500 maximum payable for tree debris removal under subsection b above.

2. **Reasonable Repairs.** We will pay the reasonable cost incurred by you for necessary repairs made solely to protect covered property from further damage PROVIDED COVERAGE IS AFFORDED FOR THE PERIL CAUSING THE LOSS. THIS COVERAGE DOES NOT INCREASE THE LIMIT OF LIABILITY APPLYING TO THE PROPERTY BEING REPAIRED.

3. **Trees, Shrubs and Other Plants.** We cover trees, shrubs, plants or lawns, on the **residence premises**, for loss caused by the following Perils

Insured Against; Fire or lightning, Explosion, Riot or civil commotion, Aircraft, Vehicles not owned or operated by a resident of the residence premises, Vandalism or malicious mischief or Theft. THE LIMIT OF LIABILITY FOR THIS COVERAGE SHALL NOT EXCEED 5% OF THE LIMIT OF LIABILITY THAT APPLIES TO THE DWELLING FOR ALL TREES, SHRUBS, PLANTS AND LAWNS NOR MORE THAN \$500 FOR ANY ONE TREE, SHRUB OR PLANT. WE DO NOT COVER PROPERTY GROWN FOR BUSINESS PURPOSES.

4. **Fire Department Service Charge.** WE WILL PAY UP TO \$250 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. No deductible applies to this coverage.
5. **Property Removed.** Covered property while being removed from a premises endangered by a Peril Insured Against and for not more than 30 days while removed is covered for direct loss from any cause. THIS COVERAGE DOES NOT CHANGE THE LIMIT OF LIABILITY APPLYING TO THE PROPERTY BEING REMOVED.
6. **Credit Card, Fund Transfer Card, Forgery and Counterfeit Money.** We will pay up to \$500 for:
 - a. the legal obligation of any **insured** to pay because of the theft or unauthorized use of credit cards or fund transfer cards issued to or registered in any **insured's** name. WE DO NOT COVER USE BY A RESIDENT OF YOUR HOUSEHOLD, A PERSON WHO HAS BEEN ENTRUSTED WITH THE CREDIT CARD OR FUND TRANSFER CARD, OR ANY PERSON, IF ANY **INSURED** HAS NOT COMPLIED WITH ALL TERMS AND CONDITIONS UNDER WHICH THE CREDIT CARD OR FUND TRANSFER CARD IS ISSUED.
 - b. loss to any **insured** caused by forgery or alteration of any check or negotiable instrument; and
 - c. loss to any **insured** through acceptance in good faith of counterfeit United States or Canadian paper currency.

WE DO NOT COVER LOSS ARISING OUT OF **BUSINESS** PURSUITS OR DISHONESTY OF ANY **INSURED**.

No deductible applies to this coverage.

Defense:

- a. We may make any investigation and settle any claim or suit that we decide is appropriate.

ate. OUR OBLIGATION TO DEFEND ANY CLAIM OR SUIT ENDS WHEN THE AMOUNT WE PAY FOR THE LOSS EQUALS OUR LIMIT OF LIABILITY.

- b. If a claim is made or a suit is brought against any **insured** for liability under the Credit Card or Fund Transfer Card coverage, we will provide a defense at our expense by counsel of our choice.
 - c. We have the option to defend at our expense any **insured** or any **insured's** bank against any suit for the enforcement of payment under Forgery coverage.
7. **Loss Assessment.** We will pay up to \$1,000 for your share of any loss assessment charged during the policy period against you by a corporation or association of property owners. This only applies when the assessment is made as a result of each direct loss to the property; owned by all members collectively, caused by a Peril Insured Against under Coverage A - Dwelling.

This coverage applies only to loss assessments charged against you as owner or tenant of the **residence premises**.

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

8. **Collapse.** EXCEPT FOR LOSS CAUSED BY SETTLING, CRACKING, BULGING OR EXPANSION, we insure for risk of direct physical loss to covered property resulting from collapse of a building or any part of a building CAUSED ONLY BY ONE OR MORE OF THE FOLLOWING:
 - a. hidden decay;
 - b. hidden bird, insect or vermin damage;
 - c. weight of contents, equipment, animals or people;
 - d. weight of precipitation which collects on a roof;
 - e. use of defective material or methods in alteration, construction, remodeling or renovation if the collapse occurs during the course of the alteration, construction, remodeling or renovation.

UNDER ITEMS a.-e., THIS COVERAGE DOES NOT INCLUDE LOSS TO AN AWNING, FENCE, PATIO, DRIVEWAY, ROADWAY, WALKWAY, PAVEMENT, SWIMMING POOL, SPA, HOT TUB, UNDERGROUND PIPE, FLUE, DRAIN, DECKS, CESSPOOL, SEPTIC TANK, FOUNDATION, RETAINING WALL, BULKHEAD, PIER, WHARF OR DOCK UNLESS THE LOSS IS A

DIRECT RESULT OF THE COLLAPSE OF A BUILDING.

f. The specific Perils that follow:

- (1) **Fire or Lightning**
- (2) **Windstorm or Hail**
- (3) **Explosion**
- (4) **Riot or civil commotion**
- (5) **Aircraft** including self-propelled missiles and spacecraft.
- (6) **Vehicles**
- (7) **Smoke**, meaning sudden and accidental damage from smoke.
- (8) **Theft**
- (9) **Falling objects**
- (10) **Weight of ice, snow or sleet**
- (11) **Accidental discharge or overflow of water or steam** from within a plumbing, drainage, heating, or air conditioning

system or from within a household appliance.

- (12) **Sudden and accidental tearing asunder, cracking, burning or bulging** of a steam or hot water heating system, an air conditioning system, or an appliance for heating water.
- (13) **Freezing** of a plumbing, drainage, heating, air conditioning system or of a household appliance.
- (14) **Sudden and accidental damage from artificially generated electrical current.**

These perils apply to covered building and personal property for loss insured by this additional coverage:

THIS COVERAGE DOES NOT INCREASE ANY LIMIT OF LIABILITY APPLYING TO THE DAMAGED COVERED PROPERTY.

SECTION I - PERILS INSURED AGAINST

COVERAGE A - DWELLING AND COVERAGE B - OTHER STRUCTURES

We insure against risks of direct physical loss to property described in **COVERAGE A** and **B**, **EXCEPT**:

- A. WE DO NOT COVER ANY LOSS THAT RESULTS FROM A PERIL EXCLUDED OR LIMITED BY THIS POLICY, EVEN IF A COVERED PERIL IS A CONCURRENT CAUSE OF LOSS.
- B. WE DO NOT COVER ANY LOSS OR DAMAGE TO YOUR DWELLING OR OTHER STRUCTURES CAUSED DIRECTLY OR INDIRECTLY, CONTRIBUTED TO, OR AGGRAVATED BY DEFECTIVE, INADEQUATE, OR FAULTY PLANNING, CONSTRUCTION, OR MAINTENANCE OF ANY PROPERTY WHETHER ON OR OFF THE **insured location** RESULTING FROM:
DEFECTIVE, INADEQUATE, OR FAULTY:
 1. DEVELOPMENT, SUBDIVIDING, SURVEYING, OR SITING; INCLUDING GRADING, EXCAVATION, AND SOIL COMPACTION;
 2. SPECIFICATIONS, BUILDING CODES OR THEIR ENFORCEMENT OR ZONING REQUIREMENTS;
 3. ALTERATION, CONSTRUCTION, REPAIRS, RENOVATION, OR REMODELING;
 4. MATERIALS RECOMMENDED, SELECTED, SUPPLIED, OR USED IN ALTERATION,

CONSTRUCTION, REPAIRS, RENOVATION OR REMODELING;

5. MAINTENANCE.

C. WE DO NOT COVER:

1. LOSSES EXCLUDED UNDER **SECTION I - EXCLUSIONS**.
2. LOSS CAUSED BY FREEZING OF A PLUMBING, DRAINAGE, HEATING, AIR CONDITIONING SYSTEM OR AUTOMATIC FIRE PROTECTIVE SPRINKLER SYSTEM OR OF A HOUSEHOLD APPLIANCE, OR BY DISCHARGE, LEAKAGE OR OVERFLOW FROM WITHIN THE SYSTEM OR APPLIANCE CAUSED BY FREEZING. THIS EXCLUSION APPLIES ONLY WHILE THE DWELLING IS VACANT, UNOCCUPIED OR BEING CONSTRUCTED UNLESS YOU HAVE USED REASONABLE CARE TO:
 - a. MAINTAIN HEAT IN THE BUILDING, OR
 - b. SHUT OFF THE WATER SUPPLY AND DRAIN THE SYSTEM AND APPLIANCES OF WATER.
3. LOSS CAUSED BY FREEZING, THAWING, PRESSURE OR WEIGHT OF WATER, SNOW OR ICE, WHETHER DRIVEN BY WIND OR NOT TO A:

- a. FENCE, DRIVEWAY, ROADWAY, WALKWAY, PAVEMENT, PATIO, SWIMMING POOL, SPA, OR HOT TUB;
 - b. FOUNDATION, RETAINING WALL, BULKHEAD; OR
 - c. PIER, DECK, WHARF OR DOCK
4. LOSS CAUSED BY THEFT IN OR TO A DWELLING UNDER CONSTRUCTION, OR OF MATERIALS AND SUPPLIES FOR USE IN THE CONSTRUCTION UNTIL THE DWELLING IS COMPLETED AND OCCUPIED;
5. LOSS CAUSED BY VANDALISM AND MALICIOUS MISCHIEF OR BREAKAGE OF GLASS AND SAFETY GLAZING MATERIALS IF THE DWELLING HAS BEEN VACANT FOR MORE THAN 30 CONSECUTIVE DAYS IMMEDIATELY BEFORE THE LOSS. A DWELLING BEING CONSTRUCTED IS NOT CONSIDERED VACANT;
6. CONTINUOUS OR REPEATED SEEPAGE OR LEAKAGE OF WATER OR STEAM OVER A PERIOD OF TIME, WEEKS, MONTHS OR YEARS, FROM WITHIN A PLUMBING, DRAINAGE, HEATING, AIR CONDITIONING SYSTEM OR AUTOMATIC FIRE PROTECTIVE SPRINKLER SYSTEM OR FROM WITHIN A HOUSEHOLD APPLIANCE;
7. LOSS CAUSED BY:
- a. WEAR AND TEAR, MARRING, DETEIORATION, AND FAILURE TO MAINTAIN;
 - b. INHERENT VICE, LATENT DEFECT, MECHANICAL BREAKDOWN;
 - c. SMOG, RUST, MOLD, WET OR DRY ROT;
 - d. SMOKE FROM AGRICULTURAL SMUDGING OR INDUSTRIAL OPERATIONS;
 - e. RELEASE, DISCHARGE OR DISPERSAL OF CONTAMINANTS OR POLLUTANTS;
 - f. SETTLING, CRACKING, SHRINKING, BULGING OR EXPANSION OF DRIVEWAYS, ROADWAYS, WALKWAYS, PAVEMENTS, PATIOS, FOUNDATIONS, WALLS, FLOORS, ROOFS OR CEILINGS;
 - g. BIRDS, VERMIN, RODENTS, INSECTS OR DOMESTIC ANIMALS. HOWEVER, THE BREAKAGE OF GLASS OR SAFETY GLAZING MATERIAL WHICH

IS PART OF A BUILDING, STORM DOOR OR STORM WINDOW BY A BIRD OR DOMESTIC ANIMAL IS COVERED; OR

- h. DAMAGE CAUSED BY BIRDS, VERMIN, RODENTS, INSECTS OR DOMESTIC ANIMALS. HOWEVER, THE BREAKAGE OF GLASS OR SAFETY GLAZING MATERIAL WHICH IS PART OF A BUILDING, STORM DOOR OR STORM WINDOW BY A BIRD OR DOMESTIC ANIMAL IS COVERED.

If any of these cause water to suddenly escape from a plumbing, heating, air conditioning system or automatic fire protective sprinkler system or household appliance, we cover loss caused by the water. We also cover the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. WE DO NOT COVER LOSS TO THE SYSTEM OR APPLIANCE FROM WHICH THIS WATER ESCAPED.

8. LOSS CAUSED BY COLLAPSE OTHER THAN PROVIDED AS **ADDITIONAL COVERAGE 8**.

UNDER ITEMS 2. THROUGH 7. ANY ENSUING LOSS NOT EXCLUDED IS COVERED.

COVERAGE C - PERSONAL PROPERTY

We insure for risk of direct physical loss described in Coverage C caused only by the perils named below, unless excepted or excluded by **SECTION I- EXCLUSIONS**:

1. Fire or lightning.

2. Windstorm or hail.

THIS PERIL DOES NOT INCLUDE LOSS TO THE PROPERTY CONTAINED IN A BUILDING BY RAIN, SNOW, SLEET, SAND OR DUST UNLESS THE DIRECT FORCE OF WIND OR HAIL DAMAGES THE BUILDING CAUSING AN OPENING IN A ROOF OR WALL AND THE RAIN, SNOW, SLEET, SAND OR DUST ENTERS THROUGH THIS OPENING.

THIS PERIL INCLUDES LOSS TO WATERCRAFT AND THEIR TRAILERS, FURNISHINGS, EQUIPMENT, AND OUTBOARD MOTORS, ONLY WHILE INSIDE A FULLY ENCLOSED BUILDING.

3. Explosion.

4. Riot or civil commotion.

5. Aircraft, including self-propelled missiles and spacecraft.

6. Vehicles.

7. **Smoke**, meaning sudden and accidental damage from smoke.

THIS PERIL DOES NOT INCLUDE LOSS CAUSED BY SMOKE FROM AGRICULTURAL SMUDGING OR INDUSTRIAL OPERATIONS.

8. **Vandalism or malicious mischief.**

9. **Theft**, including attempted theft and loss of property from a known location when it is likely that the property has been stolen.

THIS PERIL DOES NOT INCLUDE LOSS CAUSED BY THEFT:

- a. COMMITTED BY ANY **INSURED**, OR ANY PERSON RENTING THE **RESIDENCE PREMISES**;
- b. IN OR TO A DWELLING UNDER CONSTRUCTION, OR OF MATERIALS AND SUPPLIES FOR USE IN THE CONSTRUCTION UNTIL THE DWELLING IS COMPLETED AND OCCUPIED: OR
- c. FROM ANY PART OF A **RESIDENCE PREMISES** RENTED FOR MORE THAN 60 DAYS ANNUALLY BY AN INSURED TO OTHER THAN AN INSURED.

THIS PERIL DOES NOT INCLUDE LOSS CAUSED BY THEFT THAT OCCURS AWAY FROM THE **RESIDENCE PREMISES** OF:

- a. PROPERTY WHILE AT ANY OTHER RESIDENCE OWNED, RENTED TO, OR OCCUPIED BY ANY **INSURED**, EXCEPT WHILE ANY **INSURED** IS TEMPORARILY RESIDING THERE. PROPERTY OF A STUDENT WHO IS AN **INSURED** IS COVERED WHILE AT A RESIDENCE AWAY FROM HOME IF THE STUDENT HAS BEEN THERE AT ANY TIME DURING THE 45 DAYS IMMEDIATELY BEFORE THE LOSS;
- b. WATERCRAFT, INCLUDING ITS FURNISHINGS, EQUIPMENT AND OUTBOARD MOTORS; OR
- c. TRAILERS AND CAMPERS.

10. Falling Objects

THIS PERIL DOES NOT INCLUDE LOSS TO PROPERTY CONTAINED IN A BUILDING UNLESS THE ROOF OR AN EXTERIOR WALL OF THE BUILDING IS FIRST DAMAGED BY A FALLING OBJECT. DAMAGE TO THE FALLING OBJECT ITSELF IS NOT INCLUDED.

11. **Weight of ice, snow or sleet** which causes damage to property contained in a building.

12. **Accidental discharge or overflow of water or steam** from within a plumbing, drainage, heating or air conditioning system or from within a household appliance.

THIS PERIL DOES NOT INCLUDE LOSS:

- a. TO THE SYSTEM OR APPLIANCE FROM WHICH THE WATER OR STEAM ESCAPED;
- b. CAUSED BY OR RESULTING FROM FREEZING, except AS PROVIDED IN THE PERIL FREEZING (14. **FREEZING**) BELOW; OR
- c. ON THE **RESIDENCE PREMISES** CAUSED BY ACCIDENTAL DISCHARGE OR OVERFLOW WHICH OCCURS OFF THE **RESIDENCE PREMISES**.

13. **Sudden and accidental tearing asunder, cracking, burning or bulging** of a steam or hot water heating system, an air conditioning system, or an appliance for heating water.

WE DO NOT COVER LOSS CAUSED BY OR RESULTING FROM FREEZING UNDER THIS PERIL.

14. **Freezing** of a plumbing, drainage, heating or air conditioning system or of a household appliance. THIS PERIL DOES NOT INCLUDE LOSS ON THE **RESIDENCE PREMISES** WHILE THE DWELLING IS UNOCCUPIED, UNLESS YOU HAVE USED REASONABLE CARE TO:

- a. MAINTAIN HEAT IN THE BUILDING: OR
- b. SHUT OFF THE WATER SUPPLY AND DRAIN THE SYSTEM AND APPLIANCES OF WATER.

15. **Sudden and accidental damage from artificially generated electrical current.** THIS PERIL DOES NOT INCLUDE LOSS TO A TUBE, TRANSISTOR OR SIMILAR ELECTRONIC COMPONENT.

16. **Damage by glass or safety glazing material** which is part of a building, storm door or storm window.

THIS PERIL DOES NOT INCLUDE LOSS ON THE **RESIDENCE PREMISES** IF THE DWELLING HAS BEEN VACANT FOR MORE THAN 30 CONSECUTIVE DAYS IMMEDIATELY BEFORE THE LOSS. A dwelling being constructed is not considered vacant.

SECTION I - EXCLUSIONS

WE DO NOT COVER LOSS RESULTING DIRECTLY OR INDIRECTLY FROM:

1. **ORDINANCE OR LAW**, MEANING ESTABLISHING, ENFORCEMENT OF, OR THE FAILURE TO ESTABLISH OR ENFORCE ANY ORDINANCE, REGULATION OR LAW REGULATING THE CONSTRUCTION, REPAIR, DEMOLITION OR ZONING OF A BUILDING OR OTHER STRUCTURE, UNLESS SPECIFICALLY PROVIDED UNDER THIS POLICY.
2. **EARTH MOVEMENT**, MEANING ANY LOSS CAUSED BY, RESULTING FROM, CONTRIBUTED TO, OR AGGRAVATED BY EVENTS THAT INCLUDE, BUT ARE NOT LIMITED TO THE FOLLOWING:
 - a. EARTHQUAKE AND EARTHQUAKE AFTERSHOCKS
 - b. VOLCANO ACTIVITY INCLUDING BUT NOT LIMITED TO:
 1. VOLCANIC ERUPTION;
 2. VOLCANIC EXPLOSION;
 3. EFFUSION OF VOLCANIC MATERIAL; OR
 4. LAVA FLOW;
 - c. MUDSLIDE INCLUDING, MUDFLOW, DEBRIS FLOW, LANDSLIDE, AVALANCHE, OR SEDIMENT;
 - d. SINKHOLE;
 - e. SUBSIDENCE;
 - f. EXCAVATION COLLAPSE;
 - g. EROSION;
 - h. ANY EXPANSION, SHIFTING, RISING, SINKING, CONTRACTING, OR SETTLING OF THE EARTH, SOIL, OR LAND.

THIS EXCLUSION APPLIES WHETHER OR NOT THE EARTH, SOIL, OR LAND IS COMBINED OR MIXED WITH WATER OR ANY OTHER LIQUID OR MATERIAL NATURAL OR MAN-MADE. However, loss caused directly by the specific perils of fire, explosion, breakage of glass or theft following any EARTH MOVEMENT is covered.

3. **WATER DAMAGE**, MEANING:
 - a. FLOOD, SURFACE WATER, WAVES, WAVE WASH, TIDAL WATER, OVERFLOW OF A BODY OF WATER, OR SPRAY FROM ANY OF THESE, WHETHER OR NOT A

RESULT OF PRECIPITATION; OR DRIVEN BY WIND;

- b. WATER
 - (1) WHICH BACKS UP THROUGH SEWERS AND DRAINS;
 - (2) WHICH OVERFLOWS FROM A SUMP; OR
- c. WATER BELOW THE SURFACE OF THE GROUND, INCLUDING WATER:
 - (1) WHICH EXERTS PRESSURE ON, OR SEEPS OR LEAKS THROUGH A BUILDING, DRIVEWAY, ROADWAY, WALKWAY, PAVEMENT, FOUNDATION, SPA, HOT TUB, SWIMMING POOL OR OTHER STRUCTURE;
 - (2) WHICH CAUSES EARTH MOVEMENT.

ALL LOSS FROM **WATER DAMAGE** IS EXCLUDED NO MATTER IF LOSS OR DAMAGE WAS CAUSED BY, OR AGGRAVATED BY ANY OTHER PERIL IN ANY SEQUENCE. However, direct loss by fire, explosion or theft resulting from **WATER DAMAGE** will be covered.

4. **POWER FAILURE**, MEANING THE FAILURE OF POWER OR OTHER UTILITY SERVICE IF THE FAILURE TAKES PLACE OFF THE **RESIDENCE PREMISES**. IF A PERIL INSURED AGAINST ENSUES ON THE **RESIDENCE PREMISES**, WE WILL PAY ONLY FOR LOSS CAUSED BY THE ENSUING PERIL.
5. **NEGLECT**, MEANING NEGLECT OF THE **INSURED** TO USE ALL REASONABLE MEANS TO SAVE AND PRESERVE PROPERTY AT AND AFTER THE TIME OF A LOSS, OR WHEN PROPERTY IS ENDANGERED BY A PERIL INSURED AGAINST.
6. **WAR**, INCLUDING UNDECLARED WAR, CIVIL WAR, INSURRECTION, REBELLION, REVOLUTION, WARLIKE ACT BY A MILITARY FORCE OR MILITARY PERSONNEL, DESTRUCTION OR SEIZURE OR USE FOR A MILITARY PURPOSE, AND INCLUDING ANY CONSEQUENCE OF ANY OF THESE. DISCHARGE OF A NUCLEAR WEAPON SHALL BE DEEMED A WARLIKE ACT EVEN IF ACCIDENTAL.
7. **NUCLEAR HAZARD**, TO THE EXTENT SET FORTH IN THE NUCLEAR HAZARD CLAUSE OF SECTION I - CONDITIONS.
8. **INTENTIONAL LOSS**, MEANING ANY LOSS ARISING OUT OF ANY ACT COMMITTED:

- (1) BY OR AT THE DIRECTION OF AN **INSURED**; and
- (2) WITH THE INTENT TO CAUSE A LOSS.

LOSS OR DAMAGE EXCLUSIONS 1-8 APPLY ABOVE EVEN IF A COVERED PERIL IS A CONCURRENT CAUSE OF LOSS. Ensuing loss specifically accepted by the terms of this policy is covered.

SECTION I - CONDITIONS

- 1. Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, WE SHALL NOT BE LIABLE:
- a. TO THE **INSURED** FOR AN AMOUNT GREATER THAN THE **INSURED'S** INTEREST; nor
 - b. FOR MORE THAN THE APPLICABLE LIMIT OF LIABILITY.
- 2. Your Duties After Loss.** In case of a loss to which this insurance may apply, you shall see that the following duties are performed:
- a. GIVE IMMEDIATE NOTICE TO US OR OUR AGENT, AND IN CASE OF THEFT ALSO TO THE POLICE. IN CASE OF LOSS UNDER THE CREDIT CARD OR FUND TRANSFER CARD COVERAGE ALSO NOTIFY THE CREDIT CARD OR FUND TRANSFER CARD COMPANY;
 - b. PROTECT THE PROPERTY FROM FURTHER DAMAGE, MAKE REASONABLE AND NECESSARY REPAIRS REQUIRED TO PROTECT THE PROPERTY, AND KEEP AN ACCURATE RECORD OF REPAIR EXPENDITURES;
 - c. PREPARE AN INVENTORY OF DAMAGED PERSONAL PROPERTY SHOWING IN DETAIL THE QUANTITY, DESCRIPTION, ACTUAL CASH VALUE AND AMOUNT OF LOSS. ATTACH TO THE INVENTORY ALL BILLS, RECEIPTS AND RELATED DOCUMENTS THAT SUBSTANTIATE THE FIGURES IN THE INVENTORY;
 - d. AS OFTEN AS WE REASONABLY REQUIRE:
 - (1) EXHIBIT THE DAMAGED PROPERTY;
 - (2) PROVIDE US WITH RECORDS AND DOCUMENTS WE REQUEST AND PERMIT US TO MAKE COPIES; AND
 - (3) SUBMIT TO EXAMINATION UNDER OATH AND SIGN IT.
 - e. SUBMIT TO US, WITHIN 60 DAYS AFTER WE REQUEST, YOUR SIGNED, SWORN STATEMENT OF LOSS WHICH SETS FORTH, TO THE BEST OF YOUR KNOWLEDGE AND BELIEF:
 - (1) THE TIME AND CAUSE OF LOSS;
 - (2) INTEREST OF THE **INSURED** AND ALL OTHERS IN THE PROPERTY INVOLVED AND ALL ENCUMBRANCES ON THE PROPERTY;
 - (3) OTHER INSURANCE WHICH MAY COVER THE LOSS;
 - (4) CHANGES IN TITLE OR OCCUPANCY OF THE PROPERTY DURING THE TERM OF THE POLICY;
 - (5) SPECIFICATIONS OF ANY DAMAGED BUILDING AND DETAILED ESTIMATES FOR REPAIR OF THE DAMAGE;
 - (6) AN INVENTORY OF DAMAGED PERSONAL PROPERTY DESCRIBED IN 2c. ABOVE;
 - (7) RECEIPTS FOR ADDITIONAL LIVING EXPENSES INCURRED AND RECORDS SUPPORTING THE FAIR RENTAL VALUE LOSS;
 - (8) EVIDENCE OR AFFIDAVIT SUPPORTING A CLAIM UNDER THE CREDIT CARD, FUND TRANSFER CARD, FORGERY AND COUNTERFEIT MONEY COVERAGE, STATING THE AMOUNT AND CAUSE OF LOSS.
- 3. Loss Settlement.** Covered property losses are settled as follows:
- a. PERSONAL PROPERTY AND STRUCTURES THAT ARE NOT BUILDINGS AT ACTUAL CASH VALUE AT THE TIME OF LOSS, BUT NOT EXCEEDING THE AMOUNT NECESSARY TO REPAIR OR REPLACE;
 - b. CARPETING, DOMESTIC APPLIANCES, AWNINGS, OUTDOOR ANTENNAS AND OUTDOOR EQUIPMENT, WHETHER OR NOT ATTACHED TO BUILDINGS, AT ACTUAL CASH VALUE AT THE TIME OF LOSS BUT NOT EXCEEDING THE AMOUNT NECESSARY TO REPAIR OR REPLACE;
 - c. BUILDINGS UNDER COVERAGE A OR B AT REPLACEMENT COST WITHOUT DEDUCTION FOR DEPRECIATION, SUBJECT TO THE FOLLOWING:

- (1) IF AT THE TIME OF LOSS THE AMOUNT OF INSURANCE IN THIS POLICY ON THE DAMAGED BUILDING IS 80% OR MORE OF THE FULL REPLACEMENT COST OF THE BUILDING IMMEDIATELY PRIOR TO THE LOSS, WE WILL PAY THE COST OF REPAIR OR REPLACEMENT, WITHOUT DEDUCTION FOR DEPRECIATION, BUT NOT EXCEEDING THE SMALLEST OF THE FOLLOWING AMOUNTS:
- (a) THE LIMIT OF LIABILITY UNDER THIS POLICY APPLYING TO THE BUILDING;
 - (b) THE REPLACEMENT COST OF THAT PART OF THE BUILDING DAMAGED FOR EQUIVALENT CONSTRUCTION AND USE ON THE SAME PREMISES; OR
 - (c) THE AMOUNT ACTUALLY AND NECESSARILY SPENT TO REPAIR OR REPLACE THE DAMAGED BUILDING.
- (2) IF AT THE TIME OF LOSS THE AMOUNT OF INSURANCE IN THIS POLICY ON THE DAMAGED BUILDING IS LESS THAN 80% OF THE FULL REPLACEMENT COST OF THE BUILDING IMMEDIATELY PRIOR TO THE LOSS, WE WILL PAY THE LARGER OF THE FOLLOWING AMOUNTS, BUT NOT EXCEEDING THE LIMIT OF LIABILITY UNDER THIS POLICY APPLYING TO THE BUILDING;
- (a) THE ACTUAL CASH VALUE OF THAT PART OF THE BUILDING DAMAGED; OR
 - (b) THAT PROPORTION OF THE COST TO REPAIR OR REPLACE, WITHOUT DEDUCTION FOR DEPRECIATION, OF THAT PART OF THE BUILDING DAMAGED, WHICH THE TOTAL AMOUNT OF INSURANCE IN THIS POLICY ON THE DAMAGED BUILDING BEARS TO 80% OF THE REPLACEMENT COST OF THE BUILDING.
- (3) IN DETERMINING THE AMOUNT OF INSURANCE REQUIRED TO EQUAL 80% OF THE FULL REPLACEMENT COST OF THE BUILDING IMMEDIATELY PRIOR TO THE LOSS, YOU SHALL DISREGARD THE VALUE OF EXCAVATIONS, FOUNDATIONS, PIERS AND OTHER SUPPORTS WHICH ARE BELOW THE UNDER-SURFACE OF THE LOWEST BASEMENT FLOOR OR, WHERE THERE IS NO BASEMENT, WHICH ARE BELOW THE SURFACE OF THE GROUND INSIDE THE FOUNDATION WALLS, AND UNDERGROUND FLUES, PIPES, WIRING AND DRAINS.
- (4) WHEN THE COST TO REPAIR OR REPLACE THE DAMAGE IS MORE THAN \$1,000 OR MORE THAN 5% OF THE AMOUNT OF INSURANCE IN THIS POLICY ON THE BUILDING, WHICHEVER IS LESS, WE WILL PAY NO MORE THAN THE ACTUAL CASH VALUE OF THE DAMAGE UNTIL ACTUAL REPAIR OR REPLACEMENT IS COMPLETED.
- (5) YOU MAY DISREGARD THE REPLACEMENT COST LOSS SETTLEMENT PROVISIONS AND MAKE CLAIM UNDER THIS POLICY FOR LOSS OR DAMAGE TO BUILDINGS ON AN ACTUAL CASH VALUE BASIS AND THEN MAKE CLAIM WITHIN 180 DAYS AFTER LOSS FOR ANY ADDITIONAL LIABILITY ON A REPLACEMENT COST BASIS.
4. **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.
5. **Glass Replacement.** Loss for damage to glass caused by a Peril Insured Against shall be settled on the basis of replacement with safety glazing materials when required by ordinance or law.
6. **Appraisal.** If you and we fail to agree on the amount of loss, either one can demand that the amount of loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, you or we can ask a judge of a court of record in the state where the **residence premises** is located to select an umpire. The appraisers shall then set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time,

they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by you and us.

7. **Other Insurance.** If a loss covered by this policy is also covered by other insurance, WE WILL PAY ONLY THE PROPORTION OF THE LOSS THAT THE LIMIT OF LIABILITY THAT APPLIES UNDER THIS POLICY BEARS TO THE TOTAL AMOUNT OF INSURANCE COVERING THE LOSS.
8. **Suit Against Us.** No action shall be brought UNLESS THERE HAS BEEN COMPLIANCE WITH THE POLICY PROVISIONS AND THE ACTION IS STARTED WITHIN ONE YEAR AFTER THE OCCURRENCE CAUSING LOSS OR DAMAGE.
9. **Our Option.** If we give you written notice within 30 days after we receive your signed, sworn statement of loss, we may repair or replace any part of the property damaged with equivalent property.
10. **Loss Payment.** We will adjust all losses with you. We will pay you UNLESS SOME OTHER PERSON NAMED IN THE POLICY IS LEGALLY ENTITLED TO RECEIVE PAYMENT. Loss will be payable 60 days after we receive your proof of loss and;
 - a. Reach agreement with you; or
 - b. There is an entry of a final judgment; or
 - c. There is a filing of an appraisal award with us.
11. **Abandonment of Property.** We need not accept any property abandoned by any **insured**.
12. **Mortgage Clause.** The word "mortgagee" includes trustee. If a mortgagee is named in this policy, any loss payable under Coverage A or B shall be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment shall be the same as the order or precedence of the mortgages. If we deny your claim, that denial shall not apply to a valid claim of the mortgagee, if the mortgagee:
 - a. notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - b. pays any premium due under this policy on demand if you have neglected to pay the premium;
 - c. submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions re-

lating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

If the policy is cancelled by us, the mortgagee shall be notified at least 10 days before the date cancellation takes effect.

If we pay the mortgagee for any loss and deny payment to you:

- a. we are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
- b. at our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we shall receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

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

13. **No Benefit to Bailee.** We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this policy.
14. **Nuclear Hazard Clause.**
 - a. "Nuclear Hazard" means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
 - b. LOSS CAUSED BY THE NUCLEAR HAZARD SHALL NOT BE CONSIDERED LOSS CAUSED BY FIRE, EXPLOSION, OR SMOKE, WHETHER THESE PERILS ARE SPECIFICALLY NAMED IN OR OTHERWISE, INCLUDED WITHIN THE PERILS INSURED AGAINST IN SECTION I.
 - c. THIS POLICY DOES NOT APPLY UNDER SECTION I TO LOSS CAUSED DIRECTLY OR INDIRECTLY BY NUCLEAR HAZARD, EXCEPT THAT DIRECT LOSS BY FIRE RESULTING FROM THE NUCLEAR HAZARD IS COVERED.

15. Inflation Protection Coverage

- a. During the term of this policy, we will increase the limit of liability for Coverage A monthly at the rate of 1/12 of the annual residential building cost percentage change factors as determined by our cost calculation method which is based on a nationally recognized construction cost index.
- b. The limit of liability shown on the Declarations Page for Coverage A will be revised yearly at

each renewal to reflect any changes in building costs during the policy period as determined in paragraph 1 above. Any adjustment in premium resulting from this change will be made on the basis of rates in use by us at the time the change is made. You have the right to refuse this change prior to the renewal date by contacting your agent or us.

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

SECTION II - LIABILITY COVERAGES

COVERAGE E - PERSONAL LIABILITY

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

- a. pay up to our limit of liability for the damages for which the **insured** is legally liable; and
- b. provide a defense at our expense by counsel of our choice. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when the amount we pay for damages resulting from the **occurrence** equals our limit of liability.

COVERAGE F - MEDICAL PAYMENTS TO OTHERS

We will pay the necessary medical expenses incurred or medically ascertained within three years from the date of an accident causing **bodily injury**. Medical

expenses means reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except **residence employees**. As to others, this coverage applies only:

- a. to a person on the **insured location** with the permission of any **insured**; or
- b. to a person off the **insured location**, if the **bodily injury**:
 - (1) arises out of a condition on the **insured location** or the ways immediately adjoining;
 - (2) is caused by the activities of any **insured**;
 - (3) is caused by a **residence employee** in the course of the **residence employee's** employment by any **insured**; or
 - (4) is caused by an animal owned by or in the care of any **insured**.

SECTION II - EXCLUSIONS

1. Coverage E - Personal Liability and Coverage F - Medical Payments to Others do not apply to **bodily injury or property damage**:

- a. which is expected or intended by any **insured**;
- b. arising out of **business** pursuits of any **insured** or the rental or holding for rental of any part of any premises by any **insured**.

NOTE: The furnishing of home day care services for

- (1) a fee, or
- (2) other compensation

by the insured and the rendering of such services two or more days per week for a period of two or more hours per day constitutes one type of many different business pursuits.

This exclusion does not apply to:

- (1) activities which are ordinarily incident to non-**business** pursuits;
- (2) incidental **business** activities of minors; or
- (3) the rental or holding for rental of an **insured location**
 - (a) on an occasional basis if used only as a residence;
 - (b) in part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) in part, as an office, school, studio or private garage;
- c. arising out of the rendering or failing to render professional services;

- d. arising out of any premises owned or rented to any **insured** or rented to others by any **insured** which is not an **insured location**;
- e. arising out of:
 - (1) the ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers, owned or operated by or rented or loaned to any **insured**;
 - (2) the entrustment by any **insured** of a motor vehicle or any other motorized land conveyance to any person; or
 - (3) statutorily imposed vicarious parental liability for the actions of a child or minor using a conveyance excluded in paragraph (1) or (2) above.

This exclusion does not apply to:

- (1) a trailer not towed by or carried on a motorized land conveyance.
- (2) a motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and:
 - (a) not owned by any **insured**; or
 - (b) owned by any **insured** and on an **insured location**.
- (3) a motorized golf cart when used to play golf on a golf course.
- (4) a vehicle or conveyance not subject to motor vehicle registration which is:
 - (a) used to service any **insured's** residence;
 - (b) designed for assisting the handicapped; or
 - (c) in dead storage on an **insured location**.
- f. arising out of:
 - (1) the ownership, maintenance, use, loading or unloading of watercraft described below;
 - (2) the entrustment by any **insured** of a watercraft described below to any person; or
 - (3) statutorily imposed vicarious parental liability for the actions of a child or minor using a watercraft described below.

Watercraft:

- (1) with inboard or inboard-outdrive motor power of more than 50 horsepower owned by or rented to any **insured**;

- (2) that is a sailing vessel, with or without auxiliary power, 26 feet or more in length owned by or rented to any **insured**; or
- (3) powered by one or more outboard motors with more than 25 total horsepower if the outboard motor is owned by any **insured**. But, outboard motors of more than 25 total horsepower are covered for the policy period if:
 - (a) you acquire them prior to the policy period and:
 - (i) you declare them at policy inception; or
 - (ii) your intention to insure is reported to us in writing within 45 days after you acquire the outboard motors.
 - (b) you acquire them during the policy period.

This exclusion does not apply while the watercraft is stored.

- g. arising out of:
 - (1) the ownership, maintenance, use, loading or unloading of any **aircraft**;
 - (2) the entrustment by any **insured** of an **aircraft** to any person; or
 - (3) statutorily imposed vicarious parental liability for the actions of a child or minor using an **aircraft**.

Exclusions d, e, f, and g do not apply to **bodily injury** to any **residence employee** arising out of and in the course of the **residence employee's** employment by any **insured**.

- h. caused directly or indirectly by war, including undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental.
- i. which arises out of the transmission of a communicable disease by any **insured**.
- 2. **Coverage E - Personal Liability**, does not apply to:
 - a. Liability:
 - (1) for your share of any loss assessment charged against all members of an association, corporation or community of property owners;

- (2) under any contract or agreement. However, this exclusion does not apply to written contracts:
- (a) that directly relate to the ownership, maintenance or use of an **insured location**; or
 - (b) where the liability of others is assumed by the **insured** prior to an **occurrence**; unless excluded in (1) above or elsewhere in this policy;
- b. **property damage** to property owned by any insured;
- c. **property damage** to property rented to, occupied or used by or in the care of any **insured**. This exclusion does not apply to **property damage** caused by fire, smoke or explosion;
- d. **bodily injury** to any person eligible to receive any benefits:
- (1) voluntarily provided; or
 - (2) required to be provided;
- by the **insured** under any:
- (1) workers' compensation law;
 - (2) non-occupational disability law; or
 - (3) occupational disease law;
- e. **bodily injury** or **property damage** for which an **insured** under this policy:
- (1) is also an insured under a nuclear energy liability policy; or
 - (2) would be an insured under that policy but for the exhaustion of its limit of liability.
- A nuclear energy liability policy is a one issued by:
- (1) American Nuclear Insurers;
 - (2) Mutual Atomic Energy Liability Underwriters;
- (3) Nuclear Insurance Association of Canada;
- or any of their successors; or
- f. **bodily injury** to any person who is related by blood, marriage, or adoption to a covered person and who is a resident of the household of that person; or **bodily injury** to you.
3. **Coverage F - Medical Payments to Others**, does not apply to **bodily injury**:
- a. to a **residence employee** if the **bodily injury**:
 - (1) occurs off the **insured location**; and
 - (2) does not arise out of or in the course of the **residence employee's** employment by an **insured**;
 - b. to any person eligible to receive benefits:
 - (1) voluntarily provided; or
 - (2) required to be provided;

under any:

 - (1) workers' compensation law;
 - (2) non-occupational disability law; or
 - (3) occupational disease law;
 - c. from any:
 - (1) nuclear reaction;
 - (2) nuclear radiation; or
 - (3) radioactive contamination;

all whether controlled or uncontrolled or however caused; or

 - (4) any consequence of any of these.
 - d. to any person, other than a **residence employee** of an **insured**, regularly residing on any part of the **insured location**.

SECTION II - ADDITIONAL COVERAGES

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

1. **Claim Expenses.** We pay:

- a. expenses incurred by us and costs taxed against any **insured** in any suit we defend;
- b. premiums on bonds required in a suit defended by us, but not for bond amounts greater than the limit of liability for Coverage E. We are not obligated to apply for or furnish any bond;
- c. reasonable expenses incurred by any **insured** at our request, including actual loss of earnings (but not loss of other income) up to \$50 per day for assisting us in the investigation or defense of any claim or suit;
- d. interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

2. **First Aid Expenses.** We will pay expenses for first aid to others incurred by any **insured** for **bodily injury** covered under this policy. We will not pay for first aid to you or any other **insured**.
3. **Damage to Property of Others.** We will pay at replacement cost, up to \$500 per **occurrence** for **property damage** to property of others caused by any **insured**. **We will not pay for property damage:**
- a. to property covered under Section I of this policy;
 - b. caused intentionally by any **insured** who is 13 years of age or older;
 - c. to property owned by any **insured**;
 - d. to property owned by or rented to a tenant of any **insured**, or a resident in your household; or
 - e. arising out of:
 - (1) **business** pursuits;
 - (2) any act or omission in connection with a premises owned, rented or controlled by any **insured**, other than the **insured location**; or
 - (3) the ownership, maintenance, or use of **aircraft**, watercraft, motor vehicles or all other motorized land conveyances.
- This exclusion does not apply to a motorized land conveyance designed for recreational use off
- public roads, not subject to motor vehicle registration and not owned by an **insured**.
4. **Loss Assessment.** We will pay up to \$1,000 for your share of any loss assessment charged during the policy period against you by a corporation or association of property owners, 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 of a director, officer or trustee, provided:
 - (1) the director, officer or trustee is elected by the members of the corporation or association of property owners; and
 - (2) the director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.
- This coverage applies only to loss assessments charged against you as owner or tenant of the **residence premises**.
- We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.
- Section II - Coverage E - Personal Liability Exclusion 2.a.(1) does not apply to this coverage.

SECTION II - CONDITIONS

1. **Limit of Liability.** Our total liability under Coverage E for all damages resulting from any one **occurrence** will not be more than the limit of liability for Coverage E as shown in the Declarations. This limit is the same regardless of the number of **insureds**, claims made, or persons injured.

Our total liability under Coverage F for all medical expense payable for **bodily injury** to one person as the result of one accident will not be more than the limit of liability for Coverage F as shown in the Declarations.
2. **Severability of Insurance.** This insurance applies separately to each **insured**. This condition shall not increase our limit of liability for any one **occurrence**.
3. **Duties After Loss.** In case of an accident or **occurrence**, the **insured** shall perform the following duties that apply. You will help us in seeing that these duties are performed:
 - a. give written notice to us or our agent as soon as is practical, which sets forth:
 - (1) the identity of the policy and **insured**;
 - (2) reasonably available information on the time, place and circumstances of the accident or **occurrence**; and
 - (3) names and addresses of any claimants and witnesses;
 - b. forward to us every notice, demand, summons or other process relating to the accident or **occurrence**;
 - c. at our request, help us
 - (1) to make settlement;
 - (2) to enforce any right of contribution or indemnity against any person or organization who may be liable to any **insured**;
 - (3) with the conduct of suits and attend hearings and trials;

- (4) to secure and give evidence and to obtain the attendance of witnesses;
- d. under this coverage - Damage to the Property of Others - submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if within the **insured's** control;
- e. the **insured** will not, except at the **insured's** own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of **bodily injury**.
4. **Duties of an Injured Person - Coverage F - Medical Payments to Others.** The injured person or someone acting for the injured person will:
- a. give us written proof of claim, under oath if required, as soon as practical;
- b. authorize us to obtain copies of medical reports and records.
- The injured person will submit to physical examination by a doctor of our choice when and as often as we reasonably require.
5. **Payment of Claim - Coverage F - Medical Payments to Others.** Payment under this coverage is not an admission of liability by any **insured** or us.
6. **Suit Against Us.** No action shall be brought against us unless there has been compliance with the policy provisions.
- No one shall have any right to join us as a party to any action against any **insured**. Also, no action with respect to Coverage E can be brought against us until the obligation of the **insured** has been determined by final judgment or agreement signed by us.
7. **Bankruptcy of any Insured.** Bankruptcy or insolvency of any **insured** shall not relieve us of any of our obligations under this policy.
8. **Other Insurance - Coverage E - Personal Liability.** This insurance is excess over any other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

SECTION I AND SECTION II - CONDITIONS

1. **POLICY PERIOD.** THIS POLICY APPLIES ONLY TO LOSS UNDER SECTION I OR BODILY INJURY OR PROPERTY DAMAGE UNDER SECTION II, WHICH OCCURS DURING THE POLICY PERIOD.
- YOU MAY CONTINUE THIS POLICY, SUBJECT TO OUR CONSENT, FOR SUCCESSIVE PERIODS BY PAYING REQUIRED PREMIUMS WHEN DUE.
2. **CONCEALMENT OR FRAUD.** WE DO NOT PROVIDE COVERAGE FOR ANY INSURED WHO HAS:
- a. INTENTIONALLY CONCEALED OR MISREPRESENTED ANY MATERIAL FACT OR CIRCUMSTANCE;
- b. MADE FALSE STATEMENTS OR ENGAGED IN FRAUDULENT CONDUCT; RELATING TO THIS INSURANCE.
3. **Liberalization Clause.** If we adopt any revision which would broaden the coverage under this policy without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.
4. **WAIVER OR CHANGE OF POLICY PROVISIONS.** A WAIVER OR CHANGE OF ANY PROVISION OF THIS POLICY MUST BE IN WRITING BY US TO BE VALID. OUR REQUEST
- FOR AN APPRAISAL OR EXAMINATION SHALL NOT WAIVE ANY OF OUR RIGHTS.
5. **Cancellation.**
- a. You may cancel this policy at any time by returning it to us or by notifying us in writing of the date cancellation is to take effect.
- b. WE MAY CANCEL THIS POLICY FOR THE REASONS STATED IN THIS CONDITION BY NOTIFYING YOU IN WRITING OF THE DATE CANCELLATION TAKES EFFECT. THIS CANCELLATION NOTICE MAY BE DELIVERED TO YOU, OR MAILED TO YOU AT YOUR MAILING ADDRESS SHOWN IN THE DECLARATIONS. PROOF OF MAILING SHALL BE SUFFICIENT PROOF OF NOTICE.
- (1) WHEN YOU HAVE NOT PAID THE PREMIUM, WHETHER PAYABLE TO US OR TO OUR AGENT OR UNDER ANY FINANCE OR CREDIT PLAN, WE MAY CANCEL AT ANY TIME BY NOTIFYING YOU AT LEAST 10 DAYS BEFORE THE DATE CANCELLATION TAKES EFFECT.
- (2) WHEN THIS POLICY HAS BEEN IN EFFECT FOR LESS THAN 60 DAYS AND IS NOT A RENEWAL WITH US,

WE MAY CANCEL FOR ANY REASON BY NOTIFYING YOU AT LEAST 10 DAYS BEFORE THE DATE CANCELLATION TAKES EFFECT.

- (3) WHEN THIS POLICY HAS BEEN IN EFFECT FOR 60 DAYS OR MORE, OR AT ANY TIME IF IT IS A RENEWAL WITH US, WE MAY CANCEL IF THERE HAS BEEN A MATERIAL MISREPRESENTATION OF FACT WHICH IF KNOWN TO US WOULD HAVE CAUSED US NOT TO ISSUE THE POLICY OR IF THE RISK HAS CHANGED SUBSTANTIALLY SINCE THE POLICY WAS ISSUED. THIS CAN BE DONE BY NOTIFYING YOU AT LEAST 30 DAYS BEFORE THE DATE CANCELLATION TAKES EFFECT.
- (4) WHEN THIS POLICY IS WRITTEN FOR A PERIOD LONGER THAN ONE YEAR, WE MAY CANCEL FOR ANY REASON AT ANNIVERSARY BY NOTIFYING YOU AT LEAST 30 DAYS BEFORE THE DATE CANCELLATION TAKES EFFECT.
- c. WHEN THIS POLICY IS CANCELLED, THE PREMIUM FOR THE PERIOD FROM THE DATE OF CANCELLATION TO THE EXPIRATION DATE WILL BE REFUNDED. WHEN YOU REQUEST CANCELLATION IN THE FIRST POLICY YEAR, THE RETURN PREMIUM WILL BE BASED ON OUR SHORT-RATE TABLE. OTHERWISE, THE RETURN PREMIUM WILL BE PRO RATA.
- d. IF THE RETURN PREMIUM IS NOT REFUNDED WITH THE NOTICE OF CANCELLATION OR WHEN THIS POLICY IS RETURNED TO US, WE WILL REFUND IT WITHIN A REASONABLE TIME AFTER THE DATE CANCELLATION TAKES EFFECT.
6. **NON-RENEWAL.** WE MAY ELECT NOT TO RENEW THIS POLICY. WE MAY DO SO BY DELIVERING TO YOU, OR MAILING TO YOU AT YOUR MAILING ADDRESS SHOWN IN THE DECLARATIONS WRITTEN NOTICE AT LEAST 30 DAYS BEFORE THE EXPIRATION DATE OF THIS POLICY. PROOF OF MAILING SHALL BE SUFFICIENT PROOF OF NOTICE.
7. **Assignment.** ASSIGNMENT OF THIS POLICY SHALL NOT BE VALID UNLESS WE GIVE OUR WRITTEN CONSENT.
8. **Subrogation.** Any **insured** may waive in writing before a loss all rights of recovery against any person. IF NOT WAIVED, WE MAY REQUIRE AN ASSIGNMENT OF RIGHTS OF RECOVERY FOR A LOSS TO THE EXTENT THAT PAYMENT IS MADE BY US.
- IF AN ASSIGNMENT IS SOUGHT, ANY **INSURED** SHALL SIGN AND DELIVER RELATED PAPERS AND COOPERATE WITH US IN ANY REASONABLE MANNER.
- Subrogation does not apply under Section II to Medical Payments to Others or Damage to Property of Others.
9. **Death.** If any person named in the Declarations or the spouse, if a resident of the same household dies;
- a. we insure the legal representative of the deceased BUT ONLY WITH RESPECT TO THE PREMISES AND PROPERTY OF THE DECEASED COVERED UNDER THE POLICY AT THE TIME OF DEATH;
- b. **INSURED INCLUDES:**
- (1) ANY MEMBER OF YOUR HOUSEHOLD WHO IS AN **INSURED** AT THE TIME OF YOUR DEATH, BUT ONLY WHILE A RESIDENT OF THE **RESIDENCE PREMISES**; AND
- (2) WITH RESPECT TO YOUR PROPERTY, THE PERSON HAVING PROPER TEMPORARY CUSTODY OF THE PROPERTY UNTIL APPOINTMENT AND QUALIFICATION OF A LEGAL REPRESENTATIVE.
10. **PREMIUM.** THE PREMIUM STATED IN THE DECLARATIONS IS THE INITIAL PREMIUM FOR THIS POLICY. ON EACH RENEWAL, CONTINUATION OR ANNIVERSARY OF THE EFFECTIVE DATE OF THIS POLICY, THE PREMIUM SHALL BE COMPUTED BY US IN ACCORDANCE WITH RULES AND RATES IN EFFECT.

This policy is signed for the company which is the insurer under this policy.



Wendy C. Skjerven
Corporate Secretary



Michael Klein
President
Personal Insurance

IN WITNESS WHEREOF, the Company has executed and attested these presents.

TRAVELERS 