



## **Oklahoma Homeowners Policy**

**CSAA General Insurance Company  
3055 Oak Road, Walnut Creek, CA 94597**

To report a claim: (800) 207-3618  
Claims fax: (877) 548-1610

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## AGREEMENT

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- A.** These policy provisions along with your Application and the Declarations and Endorsements issued to you, constitute your entire policy with us.
- B.** In consideration of the representations in your Application and any renewal of this policy and if you pay your premium as due, we will provide you with the:
1. Types of coverage; and
  2. Limit of liability;
- for which you have paid a premium, as shown in the Declarations.

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## DEFINITIONS

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- A.** Throughout this policy, “you” and “your” refer to:
1. The named insured shown in the Declarations; and
  2. The named insured’s spouse, “domestic partner” or partner in a “civil union” if a “resident” of the same household.
- If the spouse, “domestic partner” or partner in a “civil union” ceases to be a “resident” of the same household during the policy period or prior to the inception of this policy, the spouse, “domestic partner” or partner in a “civil union” will be considered “you” and “your” under this policy but only until the earlier of:
- a. The end of 90 days following that person’s change of residency;
  - b. The effective date of another policy listing the spouse, “domestic partner” or partner in a “civil union” as a named insured; or
  - c. The end of the policy period.
- B.** “We”, “us” and “our” refer to the Company providing this insurance.
- C.** In addition, certain words and phrases in quotation marks are defined as follows:
1. “Actual Cash Value” means:

- a. Under Coverage **A** and Coverage **B** the cost to repair or replace the damaged property, less depreciation.
  - b. Under Coverage **C**, the fair market value of the property. This means what a willing buyer would pay a willing seller immediately before the loss where neither party has an urgent need to engage in the transaction.
2. “Aircraft Liability”, “Hovercraft Liability”, “Motor Vehicle Liability” and “Watercraft Liability”, subject to the provisions in **2.b.** below, mean the following:
- a. Liability for “bodily injury” or “property damage” arising out of the:
    - (1) Ownership of such vehicle or craft by any “insured”;
    - (2) Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
    - (3) Entrustment of such vehicle or craft by any “insured” to any person;
    - (4) Failure to supervise or negligent supervision of any person involving such vehicle or craft by any “insured”; or
    - (5) Vicarious liability, whether or not imposed by law, for the actions of any person involving such vehicle or craft.
  - b. For the purpose of this definition:
    - (1) Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
    - (2) Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
    - (3) Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and

- (4)** “Motor vehicle” means a “motor vehicle” as defined in **18.** below.
- 3.** “Bodily injury” means physical harm, sickness, or disease suffered by a person, including death that results. “Bodily injury” does not include:
- a.** Emotional or mental distress, humiliation or similar injury, or physical injury resulting therefrom, unless arising out of actual physical injury to the person; or
  - b.** “Personal injury”.
- 4.** “Building” means a structure with four or more walls and a roof. A wall or roof does not include any kind of tarp, sheeting or other covering, except a covering that has been installed for temporary purposes due to recent damage covered by this policy.
- 5.** “Business” means:
- a.** A trade, profession or occupation, whether or not engaged in for profit full time or part time;
  - b.** The rental or holding for rental of any part of any premises by any “insured”; or
  - c.** Any other activity engaged in for money or other compensation, except the following:
    - (1)** Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
    - (2)** Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
    - (3)** The rendering of home day care services to a “family member” of any “insured”.
- 6.** “Civil union” means a legal recognition of a committed marriage-like partnership providing rights and legal protection as established by the State provided the union is:

- a. Valid under the laws of the State where it was formed; and
  - b. Is not prohibited by law in the State where this policy is issued.
- 7. “Contamination” means any impairment or impurity due to an accidental or intentional mixture of, or contact with, any foreign substance. This includes, but is not limited to, biological, chemical, or toxic agents. “Contaminant” refers to the foreign substance that causes the impairment or impurity.
- 8. “Damages” under Section II means sums for which any “insured” is legally liable as compensation for “bodily injury”, “personal injury” or “property damage” caused by an “occurrence” to which this insurance applies. It does not include:
  - a. Injunctive or equitable relief; or
  - b. Statutory costs or other fees, penalties or fines incurred in responding to actions for, or complying with any such injunctive or equitable relief.
- 9. “Dogs with prior bite history” means any dog with a history of biting, attacking, or otherwise injuring any person or animal as established by:
  - a. Court records;
  - b. Insurance records, whether or not a claim was paid;
  - c. The records of a local public safety, law enforcement, or similar agency; or
  - d. Statements or other verifiable evidence obtained during our investigation;on one or more occasions prior to the date of the loss for which coverage is sought.
- 10. “Domestic partner” and “domestic partnership” refer to persons who have chosen to share one another’s lives in a committed relationship of mutual caring and financial support provided the relationship:
  - a. Is registered and is a valid domestic partnership under the laws of the jurisdiction where it was formed; and

- b.** Is not prohibited by law in the State where this policy is issued.
- 11.** “Earthquake” means shaking or trembling of the earth whether caused by volcanic activity or tectonic processes or any other natural cause.
- 12.** “Employee” means:
  - a.** A person employed by any “insured”; or
  - b.** A person leased to any “insured” by a labor-leasing firm under an agreement with any “insured”;whose duties are other than those performed by a “residence employee”.
- 13.** “Family member” means a person who is a “resident” of your household and who is:
  - a.** Related to you by blood, marriage, “domestic partnership”, “civil union” or adoption; or
  - b.** Under the age of 25 and who is:
    - (1)** Under your guardianship or who was under your guardianship at the time of reaching the age of majority. This includes a ward or foster child; or
    - (2)** Under the guardianship of a “resident” identified in **13.a.** above or who was under the guardianship of a “resident” identified in **13.a.** above at the time of reaching the age of majority. This includes a ward or foster child.
- 14.** “Fuel system” means:
  - a.** One or more containers which have a total combined storage capacity of 100 or more U.S. gallons of liquid fuel; and
    - (1)** Are, or were, located on any single location covered by this policy; and
    - (2)** Are, or were, used to hold liquid fuel that is intended to be used for one or more of the following:
      - (a)** To heat or cool a building;
      - (b)** To heat water;
      - (c)** To cook food; or





- (2)** With respect to a “motor vehicle” to which this policy applies:
  - (a)** Persons while engaged in your employ or that of any person described in **16.a.**; or
  - (b)** Other persons using the vehicle on an “insured location” with your consent.

Under both Sections I and II, the words any “insured” together mean one or more “insureds”.

**17.** “Insured location” means:

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

**18.** “Motor vehicle” means:

- a.** A self-propelled land or amphibious vehicle; or

- b.** Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **18.a.** above.
- 19.** “Occurrence” means:
  - a.** An accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in “bodily injury” or “property damage”; or
  - b.** An offense, or series of offenses of the same or similar nature, including continuous or repeated exposure to substantially the same general harmful act or acts, that first take place during the policy period and result in “personal injury”.
- 20.** “Personal injury” means injury arising out of one or more of the following offenses, but only if the offense was committed during the policy period:
  - a.** False arrest, detention or imprisonment;
  - b.** Malicious prosecution;
  - c.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d.** Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services; or
  - e.** Oral or written publication of material, in any manner, that violates a person’s right of privacy.
- 21.** “Pollutants” means any solid, liquid, gaseous, or thermal irritant, “contaminant” or toxic substance, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

- 22.** “Property damage” means physical injury to, destruction of, or loss of use of tangible property, including loss of use of the damaged or destroyed property.
- 23.** “Punitive damages” means money awarded to punish a person or set an example. It includes any sums awarded for any purpose other than as compensation for “bodily injury”, “personal injury”, or “property damage”.
- 24.** “Replacement cost” means:
- a.** Under Coverages **A** and **B**: The cost of equivalent construction. This does not include costs to comply with updated building codes, ordinance or laws regulating the construction, repair or demolition of a “building” or other structure.
  - b.** Under Coverage **C**: The cost to replace the personal property with property of like kind and quality, and for like use.
- 25.** “Residence employee” means:
- a.** An employee of any “insured”; or
  - b.** An employee leased to any “insured” by a labor-leasing firm, under an agreement with any “insured”;  
whose duties are related to the maintenance or use of the “residence premises”, including household or domestic services; or
  - c.** One who performs similar duties elsewhere not related to the “business” of any “insured”.
- A “residence employee” does not include a temporary employee who is furnished to any “insured” to substitute for a permanent “residence employee” on leave or to meet seasonal or short-term workload conditions.
- 26.** “Residence premises” means:
- a.** The one-family dwelling where you reside;

- b. The two- three- or four-family dwelling where you reside in at least one of the family units; or
- c. That part of any other “building”\_where you reside;

and which is shown as the “residence premises” in the Declarations.

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

**27. “Resident” means:**

- a. A person who lives with and inhabits the same dwelling as you; or
- b. A “family member” while away from home to:
  - (1) Attend school full time as defined by the school and who is under the age of 25; or

- (2) Serve in the armed forces;

if he or she intends to continue to live with you and is not married or a partner in a “domestic partnership” or “civil union”.

**28. “Vicious dog” means:**

- a. Any dog with ancestry properly classified as any of the following breeds of dogs:
  - (1) Akita;
  - (2) Chow;
  - (3) Doberman Pinscher;
  - (4) Pit Bulls and Pit Bull type, which includes, but is not limited to, American Pit Bull Terriers, American Staffordshire Terriers, and Staffordshire Bull Terriers;
  - (5) Presa Canario;
  - (6) Rottweiler; or
  - (7) Wolf, Wolf Hybrid or Wolf Dog;
- b. Any dog used or bred for fighting with any other dog; or
- c. Any dog trained to attack persons or animals.

However, “vicious dog” does not include a dog used as a service or guide dog and licensed by law as such.

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## **SECTION I – PROPERTY COVERAGES**

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### **A. Coverage A – Dwelling**

1. We cover:
  - a. The dwelling on the “residence premises” shown in the Declarations used principally as a private residence including structures and carpeting permanently affixed to the dwelling; and
  - b. Materials and supplies located on or adjacent to the “residence premises” used to construct, alter or repair the dwelling or structures on the “residence premises”.
2. We do not cover:
  - a. The land, including the cost to replace, rebuild, stabilize or otherwise restore or protect the land on which the dwelling is located; or
  - b. Any structure including fences or other property covered under Coverage **B** – Other Structures.

### **B. Coverage B – Other Structures**

1. We cover other structures on the “residence premises”. These include, but are not limited to, driveways, walkways, exterior patios, hot tubs and swimming pools. An exterior structure connected to or abutting the dwelling such as a fence, utility line, retaining wall or similar connection is considered to be an other structure.
2. We do not cover:
  - a. Land, including the cost to replace, rebuild, stabilize or otherwise restore or protect the land on which the other structures are located;

- b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;
- c. Other structures from which any “business” is conducted; or
- d. Other structures used to store “business” property. However, we do cover a structure that contains “business” property solely owned by an “insured” or a tenant of the dwelling, but only if that “business” property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure.

## **C. Coverage C – Personal Property**

### **1. Covered Property**

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

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

### **2. Limit For Property At Other Locations**

#### **a. Other Residences**

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. However, this limitation does not apply to personal property:

- (1) Moved from the “residence premises” because the “residence premises” is:
  - (a) Being repaired, renovated or rebuilt; and
  - (b) Is not fit to live in or store property in; or

- (2) In a newly acquired principal residence for 30 days from the time you begin to move the property there.

#### **b. Self-Storage Facilities**

Our limit of liability for personal property owned or used by any “insured” and located in a self-storage facility is 10% of the limit of liability for Coverage **C**, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- (1) Moved from the “residence premises” because the “residence premises” is:
  - (a) Being repaired, renovated or rebuilt; and
  - (b) Is not fit to live in or store property in; or
- (2) Usually located in any “insured’s” residence, other than the “residence premises”.

### **3. Special Limits Of Liability**

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

- a. \$200 on money, bank notes, bullion gold other than goldware, silver other than silverware, platinum other than platinumware, negotiable and non-negotiable coins, medals, scrip, stored value cards and smart cards, and collections of all such properties.



- b.** \$1,500 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

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

- c.** \$1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.
- d.** \$1,500 on trailers or semi-trailers not used with watercraft of all types.
- e.** \$1,500 for loss by theft of jewelry, watches, furs, precious and semi-precious stones.
- f.** \$2,500 for loss by theft of firearms and related equipment.
- g.** \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
- h.** \$2,500 on property, on the “residence premises”, used primarily for “business” purposes.
- i.** \$1,500 on property, away from the “residence premises”, used primarily for “business” purposes. However, this limit does not apply to antennas, tapes, wires, records, discs or other media that are:
  - (1)** Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and
  - (2)** In or upon a “motor vehicle”.
- j.** \$1,500 on portable electronic equipment that:

- (1) Reproduces, receives or transmits audio, visual or data signals;
  - (2) Is designed to be operated by more than one power source, one of which is a “motor vehicle’s” electrical system; and
  - (3) Is in or upon a “motor vehicle”.
- k. \$250 for antennas, tapes, wires, records, disks or other media that are:
    - (1) Used with electronic equipment that reproduces receives or transmits audio, visual or data signals; and
    - (2) In or upon a “motor vehicle”.
  - l. \$10,000 in the aggregate for theft of rugs including, but not limited to, any hand-woven silk or wool rug, carpet, tapestry, wall hanging or other similar article whose principal value is determined by its color, design, quality of wool or silk quality of weaving condition or age. The special limit of liability is subject to a maximum of \$5,000 per item.
  - m. \$2,500 on trading cards and comic books, including any of these that are part of a collection.
  - n. \$10,000 in the aggregate, with a maximum of \$5,000 per item, for fine arts, paintings, or musical instruments.
  - o. \$500 in any one incident for loss of your luggage and personal property while in the care, custody, or control of a commercial passenger carrier.

The coverage provided:

- (1) Is excess over any other insurance or coverage provided by the commercial carrier; and
- (2) Does not apply to loss of money, checks, stored value cards or money orders.

#### **4. Property Not Covered**

We do not cover:

- a. Articles separately described and specifically insured, regardless of the limit for which they are insured, in this or other insurance;
- b. Animals, birds, fish or reptiles;
- c. "Motor vehicles";

This includes a "motor vehicle's" equipment and parts, whether or not attached to a vehicle. However, this Paragraph 4.c. does not apply to:

- (1) Portable electronic equipment that:
  - (a) Reproduces, receives or transmits audio, visual or data signals; and
  - (b) Is designed so that it may be operated from a power source other than a "motor vehicle's" electrical system; or
- (2) "Motor vehicles" not required to be registered for use on public roads or property which are:
  - (a) Used solely to service an "insured's" residence, up to a limit of \$10,000 for each loss. This limit does not increase the Coverage C limit of liability; or
  - (b) Designed to assist the handicapped up to a limit of \$10,000 for each loss. This limit does not increase the Coverage C limit of liability;
- d. Aircraft, meaning any contrivance used or designed for flight, including any parts whether or not attached to the aircraft.

We do cover model or hobby aircraft not used or designed to carry people or cargo;
- e. Hovercraft and parts, whether or not attached to the hovercraft. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;

- f. Property of roomers, boarders and other tenants, except for property of any “family member”;
- g. Property in an apartment regularly rented or held for rental to others by any “insured”, except as provided in **E.10. Landlord's Furnishings** under Section I – Property Coverages;
- h. Property rented or held for rental to others off the “residence premises”;
- i. “Business” data, including such data stored in:
  - (1) Books of account, drawings or other paper records; or
  - (2) Computers and related equipment.  
We do cover the cost of blank recording or storage media, and of prerecorded computer programs available on the retail market;
- j. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds except as provided in **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section I – Property Coverages;
- k. Water or steam; or
- l. Contraband property. This includes, but is not limited to, goods and merchandise that are illegal under any Federal, State or Local Ordinance or law to:
  - (1) Possess;
  - (2) Import or export; or
  - (3) Smuggle or bring into the United States.

#### **D. Coverage D – Loss Of Use**

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

## **1. Additional Living Expense**

If a loss covered under Section I makes that part of the “residence premises” where you reside uninhabitable, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

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

## **2. Fair Rental Value**

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

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

## **3. Civil Authority Prohibits Use**

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

## **4. Loss Or Expense Not Covered**

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

We do not cover any loss or expense due to or consisting of “fungi”, wet or dry rot, or bacteria except to the extent coverage is provided in the Limited “Fungi”, Wet Or Dry Rot, Or Bacteria Additional Coverage under Section I – Property Coverages.

## **E. Additional Coverages**

### **1. Debris Removal**

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

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

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

**b.** We will not pay any expenses incurred by you or anyone acting on your behalf to:

- (1) Extract “pollutants” from land or water;
- (2) Remove, restore or replace land or water due to the actual or alleged presence of “contamination”, “contaminants” or “pollutants”; or
- (3) Comply with any ordinance or law which required any “insured” or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess, the effects of “pollutants” or “contaminants” in or on any covered “building” or other structure, and on land or water.

**c.** We will also pay your reasonable expense, up to \$1,000, for the removal from the “residence premises” of:

- (1) Your tree(s) felled by the peril of Windstorm or Hail or Weight of Ice, Snow or Sleet; or
- (2) A neighbor's tree(s) felled by a Peril Insured Against under Coverage **C**; provided the tree(s):
- (3) Damage a covered structure; or

- (4) Do not damage a covered structure, but:
  - (a) Block a driveway on the “residence premises” which prevents a “motor vehicle” that is registered for use on public roads or property, from entering or leaving the “residence premises”; or
  - (b) Block a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling “building”.

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

This coverage is additional insurance.

## **2. Reasonable Repairs**

- a. We will pay the reasonable cost incurred by you for the necessary measures taken solely to protect covered property that is damaged by a Peril Insured Against from further damage.
- b. If the measures taken involve repair to other damaged property, we will only pay if that property is covered under this policy and the damage is caused by a Peril Insured Against.

This coverage does not:

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

## **3. Trees, Shrubs And Other Plants**

- a. We cover trees, shrubs, plants or lawns, on the “residence premises”, for loss caused by the following Perils Insured Against:
  - (1) Fire or Lightning;

- (2) Explosion;
- (3) Riot or Civil Commotion;
- (4) Aircraft;
- (5) Vehicles not owned or operated by a "resident" of the "residence premises";
- (6) Vandalism or Malicious Mischief; or
- (7) Theft.

We will pay up to 5% of the limit of liability that applies to the dwelling as shown in the Declarations for Coverage **A** for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be paid for any one tree, shrub or plant.

**b.** We do not cover property that is:

- (1) Grown for any "business" purpose;
- (2) Grown for use or sale as a drug, including, but not limited to, marijuana, hallucinogens, or any narcotic; or
- (3) Illegal to grow, cultivate or harvest under any Federal, State or local ordinance, law, or statute.

This coverage is additional insurance.

#### **4. Fire Department Service Charge**

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

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

#### **5. Property Removed**

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



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

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

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

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

The limit of \$500 is the most we will pay with respect to one loss. All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

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

b. We do not cover:

- (1) Use of a credit card, electronic fund transfer card or access device:
  - (a) By a “resident” of your household;
  - (b) By a person who has been entrusted with either type of card or access device; or



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

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

This coverage is additional insurance.

## **8. Collapse**

- a. The coverage provided under this Additional Coverage – Collapse, applies only to an abrupt collapse.
- b. Abrupt collapse means an abrupt falling down or caving in of a “building” or any part of a “building” with the result that the “building” or part of the “building” cannot be occupied for its intended purpose.
- c. This Additional Coverage – Collapse does not apply to:
  - (1) A “building” or any part of a “building” that is in danger of falling down or caving in;
  - (2) A part of a “building” that is standing even if it has separated from another part of the “building”;  
or
  - (3) A “building” or any part of a “building” that is standing even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- d. We insure for direct physical loss to covered property involving abrupt collapse of a “building” or any part of a “building” if such collapse was caused by one or more of the following:

- (1) The Perils Insured Against named under Coverage **C**;
  - (2) Decay of a “building”, or any part of a “building”, that is hidden from view, unless the presence of such decay is known to any “insured” prior to collapse;
  - (3) Insect or animal damage, to a “building” or any part of a “building”, that is hidden from view, unless the presence of such damage is known to any “insured” prior to collapse;
  - (4) Weight of contents, equipment, animals or people;
  - (5) Weight of rain, ice or snow which collects on a roof; or
  - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
- e. Loss to any one or more of the following is not included under **d.(2)** through **d.(6)** above, unless the loss is a direct result of the collapse of a “building” or any part of a “building”:
- (1) Awning;
  - (2) Fence;
  - (3) Patio, deck or pavement;
  - (4) Spa, hot tub or swimming pool;
  - (5) Underground pipe, flue or drain;
  - (6) “Fuel system”;
  - (7) Cesspool or septic tank;
  - (8) Foundation, retaining wall or bulkhead; or
  - (9) Pier, wharf or dock.
- f. This coverage does not increase the limit of liability that applies to the damaged covered property.

## **9. Glass Or Safety Glazing Material**

- a. We cover:

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

**b.** This coverage does not include loss:

- (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in **a.(3)** above; or
- (2) On the "residence premises" if the dwelling has been vacant for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided in **a.(2)** above. A dwelling being constructed is not considered vacant.

**c.** This coverage does not increase the limit of liability that applies to the damaged property.

## **10. Landlord's Furnishings**

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

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

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

## **11. Ordinance Or Law**

- a.** You may use up to 10% of the limit of liability that applies to Coverage **A** for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
  - (1)** The construction, demolition, remodeling, renovation or repair of that part of a covered “building” or other structure damaged by a Peril Insured Against;
  - (2)** The demolition and reconstruction of the undamaged part of a covered “building” or other structure, when that “building” or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered “building” or other structure; or
  - (3)** The remodeling, removal or replacement of the portion of the undamaged part of a covered “building” or other structure necessary to complete the remodeling, repair or replacement of that part of the covered “building” or other structure damaged by a Peril Insured Against.
- b.** You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in **11.a.** above.
- c.** We do not cover:
  - (1)** The loss in value to any covered “building” or other structure due to the requirements of any ordinance or law; or

(2) The costs to comply with any ordinance or law which requires any “insured” or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, “pollutants” or “contaminants”:

(a) In or on any covered “building” or other structure; or

(b) In or on land or water.

This coverage is additional insurance.

## 12. Grave Markers

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

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

## 13. Refrigerated Property

We will pay under Coverage C an amount not to exceed \$500 for loss or damage to the contents of freezer or refrigerated units on the “residence premises” resulting from:

- a. Interruption of electrical service; or
- b. Mechanical or electrical breakdown of a refrigeration system.

This coverage only applies if you use due care to inspect and maintain such equipment in proper working order, and, once the interruption or breakdown is known, all reasonable means are used to protect the property from further damage.

No deductible applies to this coverage.

## 14. Home Lock Coverage

We will pay those reasonable and necessary expenses you incur to replace or rekey, whichever is less, exterior door locks at the “residence premises” if your keys to the “residence premises” are lost by theft.

For the purposes of this coverage:

- a. This coverage includes loss of your keys to the “residence premises” from a known place when it is likely that your keys to the “residence premises” have been stolen; and
- b. This coverage does not apply to loss caused by theft committed by any “insured”.

No deductible applies to this coverage.

## **15. Auto Lock Coverage**

We will pay those reasonable and necessary expenses you incur, up to \$250, to replace, rekey, or reprogram, whichever is less, auto keys or auto locks if your auto keys are lost by theft. This is the most we will pay for one theft, regardless of the number of keys or the number of autos.

For the purposes of this coverage:

- a. This coverage includes loss of your auto keys from a known place when it is likely that your auto keys have been stolen; and
- b. This coverage does not apply to loss caused by theft committed by any “insured”.

You must have auto insurance with us for the auto to qualify for this coverage.

No deductible applies to this coverage.

## **16. Limited “Fungi”, Wet Or Dry Rot, Or Bacteria**

\$5,000 is the most we will pay for the total of all “occurrences” during the policy period, payable under Section I – Perils Insured Against, caused by or consisting of “fungi”, wet or dry rot, or bacteria. “Occurrences” may not be stacked across policy periods.

- a. This coverage only applies when:
  - (1) The loss or costs are a result of a Peril Insured Against under Section I; and



- (2) All reasonable means were used to save and preserve the property from further damage at and after the time of the loss.
- b. The limit of \$5,000 applies regardless of the date:
  - (1) Each loss is discovered; or
  - (2) The cost or expense is incurred or paid.
- c. The limit of \$5,000 applies to the total of all costs:
  - (1) To remove “fungi”, wet or dry rot, or bacteria from property covered under Section I – Property Coverages;
  - (2) To tear out or replace any part of a structure to gain access to the “fungi”, wet or dry rot, or bacteria;
  - (3) To test air or property to confirm the absence, presence, or level of “fungi”, wet or dry rot, or bacteria. This includes testing prior to, during or after removal, repair, restoration or replacement. We will pay the cost to test only if there is reason to believe that “fungi”, wet or dry rot, or bacteria are present; or
  - (4) To provide reasonable and necessary increase in living expenses actually incurred by you under the same terms and conditions in 1. Additional Living Expense in Coverage D.
- d. The limit of \$5,000 applies regardless of:
  - (1) The number of structures damaged; or
  - (2) The number of claims made.
- e. This coverage does not apply to:
  - (1) The system or appliance from which the water escaped; or

- (2) “Fungi”, wet or dry rot, or bacteria damage on the “residence premises” caused by an accidental discharge or overflow of water that occurs off the “residence premises”.

This Additional Coverage does not increase the limits of liability that apply to the covered property.

## **17. Flood Emergency Assistance**

We will pay up to \$3,000 of reasonable and necessary Additional Living Expense actually incurred by you within four weeks of a loss caused by flood or surface water from rain or snow if the “residence premises” is uninhabitable during that period.

Any loss deductible clause shall not apply to this Flood Emergency Assistance.

**OTHER THAN AS PROVIDED BY ADDITIONAL COVERAGE FLOOD EMERGENCY ASSISTANCE, THIS POLICY DOES NOT PROVIDE FLOOD INSURANCE.**

## **18. Arson Reward**

We will pay \$5,000 for information that leads to an arson conviction with connection to a fire loss to property covered by this policy. This coverage may increase the limit otherwise applicable. However, the \$5,000 limit shall not be increased regardless of the number of persons providing the information.

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## **SECTION I – PERILS INSURED AGAINST**

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

1. We insure against direct physical loss to property described in Coverages **A** and **B**.
2. We do not insure, however, for loss:
  - a. Excluded under Section I – Exclusions;
  - b. Involving collapse, including any of the following conditions of property or any part of the property:
    - (1) An abrupt falling down or caving in;

- (2)** Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
  - (3)** Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to **(1)** or **(2)** above;
- except as provided in **E.8. Collapse** under Section **I – Property Coverages**;

**c. Caused by:**

- (1)** Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
  - (a)** Maintain heat in the entire “building”; or
  - (b)** Shut-off the water supply and drain all systems and appliances of water.

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

For purposes of this provision **c.(1)**, a plumbing system or household appliance does not include:

- (i)** A sump, sump pump or related equipment;
  - (ii)** A roof drain, gutter, downspout or similar fixtures or equipment; or
  - (iii)** A water cistern or catchment system;
- (2)** Freezing, thawing, pressure or weight of water snow or ice whether driven by wind or not to a:
  - (a)** Fence, pavement, patio, deck, swimming pool, spa or hot tub;
  - (b)** Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a “building”, or other structure;
  - (c)** Retaining wall or bulkhead that does not support all or part of a “building” or other structure; or
  - (d)** Pier, wharf or dock;
- (3)** Theft in or to a dwelling under construction, or of materials and supplies for use in the construction, until the dwelling is finished and occupied;
- (4)** Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- (5)** “Fungi”, wet or dry rot, or bacteria except as provided by Section I – Additional Coverages Limited “Fungi”, Wet Or Dry Rot, Or Bacteria;
- (6)** Constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor over a period of weeks,

months or years. This does not apply if such condition and the resulting damage are unknown to all “insureds” and hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure; or

- (7)** Any of the following:
- (a)** Wear and tear, marring, deterioration;
  - (b)** Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;
  - (c)** Smog, rust, electrolysis or other corrosion;
  - (d)** Smoke from agricultural smudging or industrial operations;
  - (e)** Release, discharge or dispersal of insecticides, “contaminants”, or “pollutants”;
  - (f)** Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings;
  - (g)** Birds, rodents, or insects;
  - (h)** Nesting, or infestation, or discharge or release of waste products or secretions by any animals;
  - (i)** Animals owned or kept by any “insured” or tenant; or
  - (j)** Growth of trees, shrubs, plants or lawns including their roots, whether or not such growth is above or below the surface of the ground.

**Exception to 2.c.(7) above:**

This exception only applies if:

One of the causes listed in **2.c.(7)** results in water damage, not otherwise excluded, to

property covered under Coverages **A** or **B**, and

The damage is a direct result of an accidental discharge or overflow of water or steam from within a:

- (i) Storm drain, or water, steam or sewer pipe off the “residence premises”; or
- (ii) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the “residence premises”.

The amount we will pay includes the cost to tear out and replace any part of a “building” or other structure on the “residence premises”, but only when necessary to repair that part of the damaged system or appliance.

However, we will pay to tear out and replace Other Structures only if the water or steam causes actual damage to a “building” on the “residence premises”.

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

For purposes of this Exception, a plumbing system or household appliance does not include:

- (i) A sump, sump pump or related equipment;
- (ii) A roof drain, gutter, downspout or similar fixtures or equipment; or
- (iii) A water cistern or catchment system.

Section I – Exclusion **A.3. Water Paragraphs a.** and **c.** that apply to surface and water below the surface of the ground do not apply to loss by water covered under **2.c.(7)** above, when the source of water is solely from a plumbing pipe that is fully enclosed within a “building”, or fully encased within a slab foundation beneath a “building”.

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

## **B. Coverage C – Personal Property**

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

### **1. Fire Or Lightning**

### **2. Windstorm Or Hail**

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

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

### **3. Explosion**

### **4. Riot Or Civil Commotion**

### **5. Aircraft**

This peril includes self-propelled missiles and spacecraft.

### **6. Vehicles**

This peril means impact from a vehicle, but not including damage to the vehicle itself.

### **7. Smoke**

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

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

### **8. Vandalism Or Malicious Mischief**

## 9. Theft

- a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.
- b. This peril does not include loss caused by theft:
  - (1) Committed by any “insured”;
  - (2) In or to a dwelling under construction, or of materials and supplies for use in the construction, until the dwelling is finished and occupied;
  - (3) From that part of a “residence premises” rented by any “insured” to someone other than another “insured”; or
  - (4) That occurs off the “residence premises” of:
    - (a) Trailers, semitrailers and campers;
    - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
    - (c) Property while at any other residence owned by, rented to, or occupied by any “insured”, except while any “insured” is temporarily living there. Property of any “insured” who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss.

## 10. Falling Objects

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



## **11. Weight Of Ice, Snow Or Sleet**

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

## **12. Accidental Discharge Or Overflow Of Water Or Steam**

a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

b. This peril does not include loss:

(1) To the system or appliance from which the water or steam escaped;

(2) Caused by or resulting from freezing except as provided in Peril Insured Against **14. Freezing**;

(3) On the “residence premises” caused by accidental discharge or overflow which occurs off the “residence premises”;

(4) Caused by “fungi”, wet or dry rot, or bacteria except as provided by Section **I - Additional Coverages Limited “Fungi”, Wet Or Dry Rot, Or Bacteria**; or

(5) Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor over a period of weeks, months or years.

This Exclusion **b.(5)** does not apply if such condition, including the resulting damage, is unknown to all “insureds” and is hidden within the walls or ceilings or beneath the floors or above the ceiling of a fully enclosed “building”.

c. In this peril, a plumbing system or household appliance does not include:

(1) A sump, sump pump or related equipment;

- (2) A roof drain, gutter, downspout or similar fixtures or equipment; or
- (3) A water cistern or catchment system.

d. Section I – Exclusion **A.3.** Water Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril, when the source of water is solely from a plumbing pipe that is fully enclosed within a “building”, or fully encased within a slab foundation beneath a “building”.

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

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

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

### **14. Freezing**

a. This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, but only if you have used reasonable care to:

- (1) Maintain heat in the entire “building”; or
- (2) Shut off the water supply and drain all systems and appliances of water.

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

b. In this peril, a plumbing system or household appliance does not include:

- (1) A sump, sump pump or related equipment;
- (2) A roof drain, gutter, downspout or similar fixtures or equipment; or
- (3) A water cistern or catchment system.

**15. Sudden And Accidental Damage From Artificially Generated Electrical Current**

This peril means sudden and accidental damage to electrical appliances, devices, fixtures and wiring from an increase or decrease of artificially generated electrical current. We will only pay up to \$1,000 for all items damaged by this peril.

**16. Volcanic Eruption**

This peril does not include loss caused by “earthquake”, land shock waves or tremors before, during, or after a volcanic eruption.

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**SECTION I – EXCLUSIONS**

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**A.** We do not insure for any loss caused directly or indirectly by one or more of the excluded events set forth below in Exclusions **A.1.** through **A.11.**, regardless of: (1) the cause of the excluded event; (2) other causes of the loss; (3) whether or not the other causes of the loss acted concurrently or in any sequence with the excluded event to produce the loss; (4) whether the loss occurs suddenly or gradually or involves isolated or widespread damage; (5) whether the loss arises from natural or external forces; or (6) whether the loss occurs as a result of any combination of (1) through (5).

**1. Ordinance Or Law**

Ordinance Or Law means any ordinance or law:

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

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

## **2. Earth Movement**

Earth movement, meaning loss of any kind due in whole or in part to any movement or expansion of the earth, soil, sand, gravel, rock (including falling rock), fill material, or earthen debris, or of any particulate matter used in the construction of a "building", whether on or off the "residential premises" and whether combined with water or not, including but not limited to:

- a. “Earthquake”, including land shock waves before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Subsidence, sinkhole, excavation or erosion;
- d. Compaction, expansion or failure of support of soil on the “residence premises”; or
- e. Any other earth movement including earth sinking, rising or shifting.

This Exclusion **A.2.** applies regardless of whether any of the above is caused by an act of nature or by human or animal forces.

However, direct loss by fire, explosion or theft resulting from any of the above is covered.

### 3. Water

This means:

- a. Flood, surface water, waves, including tidal waves and tsunami tides, tidal water, overflow release or escape of any body of water or from a water or flood control device, or spray from any of these, whether or not driven by wind, including storm surge;
- b. Water or water-borne material, liquid or semi liquid, which backs up through sewers or drains, or which overflows, or is discharged from a sump, sump pump or related equipment;
- c. Water or water-borne material, liquid or semi liquid below the surface of the ground, whether occurring naturally or artificially, including water which exerts pressure on or seeps, leaks or flows through a “building”, sidewalk, driveway, patio, foundation, swimming pool, spa, hot tub or other structure; or
- d. Water-borne material carried or otherwise moved by any of the water referred to in **A.3.a.** through **A.3.c.** of this exclusion.

This Exclusion **A.3.** applies regardless of whether any of the above is caused by an act of nature or by human or animal forces.

This Exclusion **A.3.** applies to, but is not limited to, escape overflow or discharge for any reason of water or water borne material from a dam, levee, seawall or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above in **A.3.a.** through **A.3.d.** is covered.

#### **4. Power Interruption**

Power Interruption means the interruption of power or other utility service if it takes place off the “residence premises” except to the extent that freezer food coverage is provided under Additional Coverages. However, if the interruption results in a loss, from a Peril Insured Against on the “residence premises”, we will pay for the loss caused by that peril.

#### **5. Neglect**

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

#### **6. War**

War, including the following and any consequence of any of the following:

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

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

#### **7. Nuclear Hazard**

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

#### **8. Intentional Loss**

Intentional Loss means any loss arising out of any act any “insured” commits or conspires to commit with the intent to cause a loss, even if the loss:

- a.** Is of a different kind, quality or degree than initially expected or intended; or
- b.** Is sustained to different property than initially expected or intended.

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

## **9. Governmental Action**

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

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

## **10. “Fungi”, Wet Or Dry Rot, Or Bacteria**

“Fungi”, wet or dry rot, or bacteria meaning the presence, growth proliferation, spread or any activity of “fungi”, wet or dry rot, or bacteria.

This exclusion does not apply:

- a. When “fungi”, wet or dry rot, or bacteria results from fire or lightning; or
- b. To the extent coverage is provided for in the Limited “Fungi”, Wet Or Dry Rot, Or Bacteria Additional Coverage under Section I.

## **11. Cosmetic Damage to Metal Roof Covering Caused by Hail**

Cosmetic loss or damage means damage that only alters the physical appearance of the metal roof covering but does not result in damage that allows the penetration of water through the roof covering or does not result in the failure of the roof covering to perform its intended function, to keep out elements over an extended period of time.

Metal roof covering means the metal roofing material exposed to the weather, the underlayments applied for moisture protection, and all flashings required in the replacement of a metal roof covering.

We do not cover cosmetic loss or damage to metal roof coverings caused by the peril of hail.

This exclusion does not apply to hail damage to metal roof coverings that results in damage that will allow the penetration of water through the roof covering or that results in the failure of the roof covering to perform its intended function, to keep out elements over an extended period of time.

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

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

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## **SECTION I – CONDITIONS**

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### **A. Insurable Interest And Limit Of Liability**

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

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



## **B. Deductible**

Unless otherwise noted in this policy and subject to the policy limit that applies, with respect to any one loss:

1. We will pay only that part of the total of all loss payable under Section I that exceeds the deductible shown in the Declarations;
2. The deductible applies separately to each loss;
3. If two or more deductibles under this policy apply to the loss only the highest deductible amount will apply; and
4. If an insured has an Automobile Policy issued by us and a covered loss occurs under both policies from the same "occurrence":
  - a. Only the highest deductible shown in the Declarations of this policy or the Automobile Policy issued by us will apply; or
  - b. If more than one Automobile Policy or Home Policy issued by us applies, only the highest deductible under any one policy will apply.

Except as stated above, all other terms and conditions of any policy issued by us apply. The deductible of this policy applies separately to each "occurrence".

## **C. Duties After "Occurrence"**

In case of a loss to covered property, we have no duty to provide coverage under this policy if you fail to comply with the following duties:

1. Give prompt notice to us or our agent;
2. Notify the police as soon as possible in case of loss by theft, attempted theft, vandalism, or criminal acts leading to an "occurrence";
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I – Property Coverages**;

- 4.** Protect the property from further damage. In the event of a water loss, you or your representative must immediately take all reasonable and necessary steps to dry the property and protect the property from “contamination” and “fungi”. If repairs to the property are required you must:
  - a.** Make reasonable and necessary repairs to protect the property; and
  - b.** Keep an accurate record of repair expenses;Coverage for reasonable and necessary repairs to protect the property may be provided as specified in Section I, Additional Coverages, Reasonable Repairs;
- 5.** Cooperate with us in the investigation of a claim;
- 6.** Prepare an inventory of damaged personal property showing, in detail, the quantity, description, place of purchase/acquisition, date of purchase/acquisition, “actual cash value” and amount of loss. Attach to the inventory all bills, receipts and related documents that justify the figures in the inventory;
- 7.** As often as we reasonably require:
  - a.** Show us the damaged property;
  - b.** Provide us with records and documents we request, and permit us to make copies, including receipts for additional living expenses incurred and records that support the fair rental value loss; and
  - c.** Submit to examination under oath, while not in the presence of another “insured”, and sign the same; and
- 8.** Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
  - a.** The time and cause of loss;
  - b.** The interests of all “insureds” and all others in the property involved and all liens on the property;

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

#### **D. Loss Settlement**

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

1. Property of the following types:
  - a. Personal property;
  - b. Awnings, household appliances, outdoor antennas, satellite dishes and outdoor equipment, whether or not attached to “buildings”;
  - c. Structures that are not “buildings”; and
  - d. Grave markers, including mausoleums, up to the applicable limit of liability;
 at “actual cash value” at the time of loss but not more than the amount required to repair or replace.
2. “Buildings” covered under Coverage **A** or **B** at “replacement cost” without deduction for depreciation, subject to the following:

- a.** If, at the time of loss, the amount of insurance in this policy on the damaged “building” is 80% or more of the full “replacement cost” of the “building” immediately before the loss, we will pay the cost to repair or replace without deduction for depreciation, but not more than the least of the following amounts:
- (1)** The limit of liability under this policy that applies to the “building”;
  - (2)** The “replacement cost” of that part of the “building” damaged with material of like kind and quality and for like use; or
  - (3)** The necessary amount actually spent to repair or replace the damaged “building”.

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

- b.** If, at the time of loss, the amount of insurance in this policy on the damaged “building” is less than 80% of the full “replacement cost” of the “building” immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the “building”:
- (1)** The “actual cash value” of that part of the “building” damaged; or
  - (2)** That proportion of the cost to repair or replace without deduction for depreciation, that part of the “building” damaged, which the total amount of insurance in this policy on the damaged “building” bears to 80% of the “replacement cost” of the “building”;

- c. To determine the amount of insurance required to equal 80% of the full “replacement cost” of the “building” immediately before the loss, do not include the value of:
- (1) Excavations, footings, foundations, piers, or any other structures or devices that support all or part of the “building”, which are below the undersurface of the lowest basement floor;
  - (2) Those supports described in (1) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
  - (3) Underground flues, pipes, wiring and drains;
- d. We will pay no more than the “actual cash value” of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in **2.a.** and **2.b.** above.
- However, if the cost to repair or replace the entire damage is both:
- (1) Less than 5% of the amount of insurance in this policy on the entire “building”; and
  - (2) Less than \$2,500 for the entire loss;
- we will settle the entire loss as noted in **2.a.** and **2.b.** above whether or not actual repair or replacement is complete; and
- e. You may disregard the “replacement cost” loss settlement provisions and make claim under this policy for the “actual cash value” for loss to “buildings”. You may then make claim for “replacement cost” value according to the provisions of this Condition **D.** Loss Settlement, provided that you:

- (1) Complete the actual repair or replacement of the damaged part of the “building” within 12 months from the date that we make our first payment to you towards the “actual cash value”; and
- (2) Notify us of your claim within 30 days after the work has been completed.

Prior to the deadline, we may grant you extensions for up to six months to complete the work on a showing of good cause.

#### **E. Loss To A Pair Or Set**

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

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

#### **F. Appraisal**

If you and we fail to agree on the amount of loss, either party may make written demand for an appraisal of the loss. In this event, only the party which demanded the appraisal will be bound by the results of that appraisal. Each party will choose a competent and impartial appraiser within 20 days after the written demand has been made. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, then, at the request of either you or us, after notice of hearing to the nonrequesting party by certified mail, the umpire shall be selected by a judge of a district court in the county where the loss occurred. The appraisers will separately set the amount of loss. If the appraisers submit a written report of agreement to us, the amount agreed upon will be the amount of loss and will be binding on that party which demanded the appraisal. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss and will be binding on that party which demanded the appraisal. Each party will:

1. Pay its own appraiser; and

2. Bear the expenses of the appraisal and umpire equally.

## **G. Other Insurance And Service Agreement**

1. If a loss covered by this policy is also covered by:
  - a. Other insurance, except insurance in the name of a corporation or association of property owners, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss; or
  - b. A service agreement, except a service agreement in the name of a corporation or association of property owners, this insurance is excess over any amounts payable under any such agreement.
2. Subject to Paragraph **G.1.**, if at the time of loss, there is other insurance or a service agreement in the name of a corporation or association of property owners covering the same property covered by this policy, this insurance is:
  - a. Excess over the amount due under such other insurance or service agreement, whether the corporation or association of property owners has collected that amount or not; and
  - b. Primary with respect to any amount of the loss covered by this policy and not due under such other insurance or service agreement because of the application of a deductible.

As used in this Paragraph **G.**, a service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

## **H. Suit Against Us**

No action can be brought against us unless there has been full compliance with all of the terms under Section **I** of this policy and the action is started within 2 years after the date of loss.

## **I. Our Option**

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

## **J. Loss Payment**

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

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

## **K. Abandonment Of Property**

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

## **L. Mortgage Clause**

1. If a mortgagee is named in this policy, any loss payable under Coverage **A** or **B** will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
  - a. Gives us at least 30 days notice of filing of a Notice of Default with respect to the "residence premises";
  - b. Gives us at least 30 days prior notice of the date scheduled for any lien sale of the "residence premises";
  - c. Notifies us within 15 days of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;



- d. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
  - e. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs **F. Appraisal**, **H. Suit Against Us** and **J. Loss Payment** under **Section I – Conditions** also apply to the mortgagee.
- 3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
  - 4. If we pay the mortgagee for any loss and deny payment to you:
    - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
    - b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.
  - 5. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

#### **M. No Benefit To Bailee**

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

#### **N. Nuclear Hazard Clause**

- 1. Nuclear hazard means any nuclear reaction, radiation, or radioactive "contamination", all whether controlled or uncontrolled or however caused, or any consequence of any of these.

2. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
3. This policy does not apply under Section I to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

#### **O. 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.

#### **P. Volcanic Eruption Period**

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

#### **Q. Loss Payable Clause**

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

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

#### **R. Adjustments To Coverage Limits**

The maximum limit for Coverage **A** as stated in the Declarations may be adjusted upon renewal of this policy based on indices that measure construction costs or inflation generally. We will not lower the Coverage **A** limit without your consent. You are responsible to advise us if the limits are insufficient to replace your property. At your request, we will assist you in estimating the "replacement cost" of your dwelling. The maximum limits for Coverages **B**, **C** and **D** will be adjusted upon each renewal date in the same proportion as the adjustment to Coverage **A**. The adjusted

limits for Coverages **A**, **B**, **C** and **D** will be rounded to the nearest dollar as shown in the Declarations.

We have the right, with advance notice to you, to inspect your property as often as we deem necessary to confirm structural “replacement cost” and/or condition.

## **S. Policy Period**

1. This policy applies only to covered property loss under Section **I** which occurs during the policy period.
2. The policy period:
  - a. Commences on the date and time shown in your Application for insurance with us, or the date and time shown in the Declarations, whichever is later; and
  - b. Ends on the effective date and time this policy is cancelled by you or us, or the expiration date of the policy, whichever is earliest.

## **T. Our Duties After Loss**

It shall be our duty, after receiving a proof of loss, to submit a written offer of settlement or rejection of the claim, or notice of the need for more time to investigate the claim, to you within 45 days of receipt of the proof of loss.

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## **SECTION II – LIABILITY COVERAGES**

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### **A. Coverage E – Personal Liability**

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

1. Pay up to our limit of liability for the “damages” for which any “insured” is legally liable. “Damages” include prejudgment interest awarded against an “insured” on that part of any damages we owe; and

2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when:
  - a. We have paid our limit of liability for the “occurrence”; or
  - b. We have paid the full amount of “damages” that we owe for the “occurrence”.

## **B. Coverage F – Medical Payments To Others**

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

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

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## **SECTION II – EXCLUSIONS**

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### **A. “Motor Vehicle Liability”**

1. Coverages **E** and **F** do not apply to any “motor vehicle liability” if, at the time and place of an “occurrence”, the involved “motor vehicle”:

- a. Is registered for use on public roads or property;
  - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the “occurrence”; or
  - c. Is being:
    - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
    - (2) Rented to others;
    - (3) Used to carry persons or cargo for a charge; or
    - (4) Used for any “business” purpose except for a motorized golf cart while on a golfing facility.
2. If Exclusion **A.1.** does not apply, there is still no coverage for “motor vehicle liability”, unless the “motor vehicle” is:
- a. In dead storage on an “insured location”;
  - b. Used solely to service a residence;
  - c. Designed to assist the handicapped and, at the time of an “occurrence”, it is:
    - (1) Being used to assist a handicapped person; or
    - (2) Parked on an “insured location”;
  - d. Designed for recreational use off public roads and:
    - (1) Not owned by any “insured”; or
    - (2) Owned by any “insured” provided the “occurrence” takes place:
      - (a) On an “insured location” as defined in Definition **C.17.a., b., d., e. or h.**; or
      - (b) Off an “insured location” and the “motor vehicle” is all of the following:

- (i) Designed as a toy vehicle for use by children under seven years of age;
  - (ii) Powered by batteries only; and
  - (iii) Not built or modified after manufacture to exceed a speed of five miles per hour on level ground; or
- e. A motorized golf cart that is owned by any “insured”, designed to carry up to 4 persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an “occurrence”, is within the legal boundaries of:
  - (1) A golfing facility and is parked or stored there, or being used by any “insured” to:
    - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
    - (b) Travel to or from an area where “motor vehicles” or golf carts are parked or stored; or
    - (c) Cross public roads at designated points to access other parts of the golfing facility; or
  - (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains any “insured's” residence.

## **B. “Watercraft Liability”**

1. Coverages **E** and **F** do not apply to any “watercraft liability” if, at the time of an “occurrence”, the involved watercraft is being:

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

**(d)** More than 25 horsepower if the outboard engine or motor is owned by any “insured” who acquired it before the policy period, but only if:

**(i)** You declare them at policy inception; or

**(ii)** Your intent to insure them is reported to us in writing within 45 days after you acquire them.

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

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

**C. “Aircraft Liability”**

This policy does not cover “aircraft liability”.

**D. “Hovercraft Liability”**

This policy does not cover “hovercraft liability”.

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

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

**1. Expected Or Intended Injury**

“Bodily injury”, “personal injury” or “property damage” which is expected or intended by, or expected to result from the intentional acts or omissions of any “insured”, even if the resulting “bodily injury”, “personal injury” or “property damage”:

**a.** Is of a different kind, quality or degree than initially expected or intended; or

**b.** Is sustained by a different person or, entity, or to different property,—than initially expected or intended;

**2. “Business”**

**a.** “Bodily injury”, “personal injury” or “property damage” arising out of or in connection with a past or present “business”:

**(1)** Conducted from an “insured location”; or



**(2)** Engaged in by any “insured”; whether or not the “business” is owned or operated by any “insured” or employs any “insured”.

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

**c.** This Exclusion **E.2.** does not apply to:

**(1)** The rental or holding for rental of an “insured location”:

**(a)** On an occasional basis if used only as a residence;

**(b)** In part, unless intended for use as a residence by more than two roomers or boarders; or

**(c)** In part, as an office, school, studio or private garage;

**(2)** Any “insured” minor involved in self-employed “business” pursuits which are occasional or part-time and customarily undertaken on that basis by minors. A minor means a person who has not attained his or her:

**(a)** 18<sup>th</sup> birthday; or

**(b)** 21<sup>st</sup> birthday if a full time student; or

**(3)** Civic or public activities performed by any “insured” without compensation other than reimbursement of expenses;

### **3. Professional Services**

“Bodily injury”, “personal injury” or “property damage” arising out of:

**a.** Rendering or failure to render professional services; or

**b.** Civic or public activities performed for pay by any “insured”;

**4. “Insured's” Premises Not An “Insured Location”**

“Bodily injury”, “personal injury” or “property damage” arising out of or in connection with a premises:

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

**5. War**

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

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

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

**6. Communicable Or Hereditary Disease**

“Bodily injury”, “personal injury” or “property damage” which arises out of the transmission of a communicable or hereditary disease or physical condition by any “insured”;

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

“Bodily injury”, “personal injury” or “property damage” arising out of any:

- a. Physical, mental or sexual abuse, licentious, immoral or sexual behavior;
- b. Corporal punishment; or
- c. Embarrassment, harassment or humiliation;

by any “insured” whether actual or threatened, or allegations of any of these acts;

## **8. Controlled Substance**

“Bodily injury” or “property damage” arising out of the:

- a. Use;
- b. Sale;
- c. Manufacture;
- d. Delivery, transfer; or
- e. Possession;

by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812.

Controlled Substances include but are not limited to cocaine, LSD, marijuana, methamphetamines and all narcotic drugs.

This exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional;

## **9. Alcohol**

“Bodily injury” or “property damage” for which any “insured” maybe held liable by reason of:

- a. Causing or contributing to the intoxication of any person;
- b. Furnishing alcohol to a person under the legal drinking age or under the influence of alcohol; or
- c. Any law or regulation relating to the sale, gift distribution, or use of alcohol;

## **10. “Fungi”, Wet Or Dry Rot, Or Bacteria**

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

## **11. “Vicious Dogs” And “Dogs With Prior Bite History”**

“Bodily injury” or “property damage” caused by a “vicious dog” or “dog with prior bite history”. This exclusion applies regardless of the cause of the loss, whether other causes of the loss acted concurrently or in any sequence with the excluded event to produce the loss, and regardless whether the claim against any “insured” arises out of:

- a. The ownership, custody or care of the dog by any “insured”, or by any other person;
- b. Negligent supervision by any “insured” of any person or animal;
- c. Premises liability for allowing a dog on any premises; or
- d. Any liability statutorily imposed on any “insured”;

## **12. Criminal Acts**

“Bodily Injury”, “personal injury” or “property damage” arising out of a criminal act committed by or at the direction of any “insured”;

## **13. “Punitive Damages”**

We do not insure anyone for “punitive damages”, or any fine or penalty;

## **14. Pollution**

- a. “Bodily injury”, “personal injury” or “property damage” due to the actual, alleged or threatened release of “contaminants” or “pollutants”. Release includes any dispersal, discharge or escape. This Exclusion **14.a.** does not apply if such release is sudden and accidental.
- b. Statutory liability of any “insured” in any matter due to “contaminants” or “pollutants”;

## **15. Lead**

“Bodily injury”, “personal injury” or “property damage” arising out of:

- a. The absorption, ingestion, inhalation or exposure to lead or lead particles;
- b. Lead “contamination” or exposure to lead;
- c. The failure to supervise, instruct, warn or advise any person with regard to lead; or
- d. Any obligation to share damages with or repay any person with respect to liability for any of the above; or

**16. Written Or Oral Statements Or Omissions Material To The Sale Of Any Property**

“Bodily injury”, “personal injury”, or “property damage” arising out of any written or oral statement, omission or concealment made by you or others acting on your behalf which is material to the sale of any property.

The following exclusions do not apply to “bodily injury” to a “residence employee” arising out of and in the course of the “residence employee’s” employment by any “insured”:

- a. Exclusion A. “Motor Vehicle Liability”
- b. Exclusion B. “Watercraft Liability”
- c. Exclusion C. “Aircraft Liability”
- d. Exclusion D. “Hovercraft Liability”
- e. Exclusion E.4. “Insured’s” Premises Not An “Insured Location”.

However, if any valid and collectible insurance is available to the “insured”, other than insurance specifically written to apply in excess of the limit of liability of this policy, we will not provide coverage except:

- a. To the extent the limit of liability of this policy exceeds the limit of liability of such other insurance. In that event, we will provide excess insurance over such other insurance sufficient to afford the “insured” combined limits equal to the limit of liability of this policy.
- b. Any insurance we provide under this policy shall not apply as pro rata or contributing with any other insurance.

## **F. Coverage E – Personal Liability**

Coverage **E** does not apply to:

**1. Liability:**

- a.** For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided in **D. Loss Assessment under Section II – Additional Coverages;**
- b.** Under any contract or agreement entered into by any “insured”. However, this exclusion does not apply to written contracts:
  - (1)** That directly relate to the ownership, maintenance or use of an “insured location”; or
  - (2)** Where the liability of others is assumed by you prior to an “occurrence”;  
unless excluded in **1.a.** above or elsewhere in this policy;
- 2.** “Property damage” to property owned by any “insured” or any other “resident” of the “insured’s” household. This includes costs or expenses incurred by an “insured” or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an “insured location”;
- 3.** “Property damage” to property rented to, occupied or used by or in the care of any “insured”. This exclusion does not apply to “property damage” caused by fire, smoke, or explosion;
- 4.** “Bodily injury” or “personal injury” to any person eligible to receive any benefits voluntarily provided or required to be provided by any “insured” under any:
  - a.** Workers' compensation law;
  - b.** Non-occupational disability law; or
  - c.** Occupational disease law;
- 5.** “Bodily injury” or “property damage” for which any “insured” under this policy:

- a. Is also an “insured” under a nuclear energy liability policy issued by the:
    - (1) Nuclear Energy Liability Insurance Association;
    - (2) Mutual Atomic Energy Liability Underwriters;
    - (3) Nuclear Insurance Association of Canada;or any of their successors; or
  - b. Would be an “insured” under such a policy but for the exhaustion of its limit of liability;
6. “Bodily injury” or “personal injury” to you or any “insured” as defined under Definition **C.16**.

This exclusion also applies to any claim made or suit brought against you or any “insured” to:

- a. Repay; or
  - b. Share “damages” with;  
another person who may be obligated to pay “damages” because of “bodily injury” or “personal injury” to any “insured”;
7. “Personal injury”:
- a. Caused by or at the direction of any “insured” with the knowledge that the act would violate the rights of another and would inflict “personal injury”;
  - b. Arising out of oral or written publication of material, in any manner, if done by or at the direction of any “insured” with knowledge of its falsity;
  - c. Arising out of oral or written publication of material, in any manner, whose first publication took place before the beginning of the policy period;
  - d. Sustained by any person as a result of any offense directly or indirectly related to the employment of this person by any “insured”; or

- e. Arising out of liability assumed by any “insured” under any contract or agreement except as indemnity obligation assumed by any “insured” under a written contract directly relating to the ownership, maintenance or use of the premises;
- 8. “Bodily injury”, “personal injury” or “property damage” arising out of an act or omission of any “insured” as an officer or member of a board of directors of a corporation or organization. This exclusion does not apply if the corporation or organization is not for profit and the “insured” receives no compensation other than reimbursement of expenses;
  - 9. “Bodily injury”, “personal injury” or “property damage” with respect to claims, suits or losses arising out of activities of any “insured” as:
    - a. An employee, officer, director , trustee or agent of the United States Government or any state, county, or school district or any other political subdivision; or
    - b. A candidate for public office or arising out of any activities on behalf of a candidate for public office;
  - 10. “Bodily injury” or “property damage” arising out of the sale or transfer of real property, including but not limited to:
    - a. Known or unknown structural defects;
    - b. Known or hidden defects in the plumbing, heating or electrical systems;
    - c. Known or unknown soil conditions or drainage problems; or
    - d. Alleged concealment or misrepresentation of any known or unknown conditions in the real property; or
  - 11. “Bodily injury”, “personal injury,” or “property damage” caused by or involving the escape of fuel from a “fuel system”.

#### **G. Coverage F – Medical Payments To Others**

Coverage F does not apply to “bodily injury”:



1. To a “residence employee” if the “bodily injury”:
  - a. Occurs off the “insured location”; and
  - b. Does not arise out of or in the course of the “residence employee's” employment by any “insured”;
2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:
  - a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;
3. From any:
  - a. Nuclear reaction;
  - b. Nuclear radiation; or
  - c. Radioactive “contamination”;  
all whether controlled or uncontrolled or however caused; or
  - d. Any consequence of any of these; or
4. To any person, other than a “residence employee” of any “insured”, regularly residing on any part of the “insured location”.

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## **SECTION II – ADDITIONAL COVERAGES**

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

### **A. Claim Expenses**

We pay:

1. Expenses we incur;
2. Costs taxed against any “insured” in any suit we defend, on that part of any judgment we owe;
3. Premiums on bonds for covered losses required in a suit we defend, but not for bond amounts more than the Coverage **E** limit of liability. We need not apply for or furnish any bond;

4. Reasonable expenses incurred by any “insured” at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
5. 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 that does not exceed the limit of liability that applies.

## **B. First Aid Expenses**

We will pay up to \$1,000 per person and up to \$5,000 per “occurrence” for reasonable first aid expenses incurred by any “insured” because of “bodily injury” covered under this policy. We will not pay for first aid to you or any other “insured”.

## **C. Damage To Property Of Others**

We will pay on a “replacement cost” basis up to \$1,000 per “occurrence” for “property damage” to property of others caused by any “insured”.

We will not pay for “property damage”:

1. To property covered under Section I of this policy;
2. Caused intentionally by any “insured” who is 13 years of age or older;
3. To property owned or rented to any “insured”, a tenant of any “insured” or a “resident” in your household; or
4. Arising out of:
  - a. “Business” pursuits of any “insured”;
  - b. Any act or omission in connection with a premises owned, rented or controlled by any “insured”, other than the “insured location”;
  - c. The ownership, maintenance or use of aircraft, watercraft of any type or “motor vehicles” or all other motorized land conveyances; or
  - d. “Fungi”, wet or dry rot, or bacteria.

## **D. Loss Assessment**

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

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## **SECTION II – CONDITIONS**

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### **A. Limit Of Liability**

Our total liability under Coverage E for all “damages” resulting from any one “occurrence” will not be more than the Coverage E limit of liability shown in the Declarations.

1. This limit is the same regardless of the number of “insureds”, claims made, or persons injured.
2. All “bodily injury”, “personal injury” and “property damage” of the same or similar nature, including continuous or repeated exposure to substantially the same general harmful act or condition, shall be deemed to be a single “occurrence”.

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

## **B. Duties After “Occurrence”**

In case of an “occurrence”, you or another “insured” will perform the following duties that apply. We have no duty to provide coverage under this policy if you fail to comply with the following duties:

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

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

In addition we will not pay for attorney fees or other litigation costs incurred before the “insured” has provided notice of a claim to us.

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

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

**D. Payment Of Claim – Coverage F – Medical Payments To Others**

Payment under this coverage is not an admission of liability by any “insured” or us.

**E. Suit Against Us**

1. No action can be brought against us unless there has been full compliance with all of the terms under this Section II.
2. No one will have the right to join us as a party to any action against an “insured”.

3. Also, no action with respect to Coverage E can be brought against us until the obligation of such “insured” has been determined by final judgment or agreement signed by us.

#### **F. Bankruptcy Of Any “Insured”**

Bankruptcy or insolvency of any “insured” will not relieve us of our obligations under this policy.

#### **G. Other Insurance**

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

#### **H. Non-Cumulation Of Policy Limits**

1. If covered “bodily injury”, “personal injury” or “property damage” results from continuous, repeated or similar exposure to substantially the same acts, events, or conditions during more than one premium period or policy period, whether the policy is issued by us or another company, the most we will pay is our share of the each “occurrence” limit in effect in the first policy period, regardless of the number of:
  - a. “Insureds”;
  - b. Injured persons or entities;
  - c. Properties damaged;
  - d. Claims, suits, or theories of recovery;
  - e. Insurers;
  - f. Premium periods; or
  - g. Policies.
2. You may not increase the amount we owe by stacking, combining, or adding together:
  - a. The each “occurrence” limits of this policy and any other policy; or
  - b. The each “occurrence” limits of more than one annual premium period of any policy.
3. For the purposes of this provision, first policy period means the annual premium period in which:

- a. The “bodily injury” or “property damage” first began to occur, whether or not known to any person at that time; or
- b. The “personal injury” offense was first committed.

## **I. Policy Period**

1. This policy applies only to covered “bodily injury”, “personal injury” or “property damage” under Section II which occurs during the policy period.
2. The policy period:
  - a. Commences on the date and time shown in your Application for insurance with us, or the date and time shown in the Declarations, whichever is later; and
  - b. Ends on the effective date and time this policy is cancelled by you or us, or the expiration date of the policy, whichever is earliest.

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## **SECTIONS I AND II – CONDITIONS**

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### **A. Death**

In the event of the death of the named insured shown in the Declarations the following apply:

1. “Insured” includes:
  - a. The legal representative of the decedent, but only with respect to the premises and property of the decedent covered under the policy at the time of death; and
  - b. An “insured” who is a member of decedent’s household at the time of death, but only while a “resident” of the “residence premises”.
2. Any person seeking benefits as an “insured” under **A.1.** shall notify us of the decedent’s death within 90 days of that death. Any renewal of the policy after the death may make the policy voidable consistent with Sections I and II – Conditions, paragraph **E.** below.

## **B. Concealment Or Fraud**

This entire policy is voidable if it was obtained by fraud or concealment of any material facts or circumstances.

We do not provide coverage to any “insured” who, whether before or after a loss, has:

1. Knowingly and willfully concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements;

relating to this insurance.

## **C. Liberalization Clause**

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

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

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

## **D. Waiver Or Change Of Policy Provisions**

A waiver or change of a provision of this policy must be in writing by us to be valid.

## **E. Cancellation**

1. The named insured shown in the Declarations, or his or her legal representative, may cancel this policy at any time by letting us know in writing of the date cancellation is to take effect. Writing includes a signed request by:
  - a. Email or facsimile; or
  - b. A telephonic voice signature.



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

  - a.** When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
  - b.** When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
  - c.** When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:

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

This can be done by letting you know at least 30 days before the date cancellation takes effect.
  - d.** When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
- 3.** When this policy is cancelled, you may be entitled to a premium refund or owe the company for unpaid earned premium and/or fees. The premium refund or balance due, if any, will be calculated as follows:

  - a.** If a cancellation is initiated by the company for underwriting reasons or by you due to company or agent error, earned premium shall be computed pro rata; or

- b. If a cancellation is for any other reasons, including cancellation for non-payment of premium, the earned premium shall be computed pro rata and the company shall retain a cancellation fee.
- 4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

## **F. Nonrenewal**

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

## **G. Assignment**

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

## **H. 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, the "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage **F** – Medical Payments.

## **I. Discount Removal**

Discounts applied to your account may be removed if you become ineligible for the discount. Removal of the discount may occur at renewal or during the policy term.

## J. Small Premium Adjustment

When a change results in an additional or return premium of \$5 or less, no charge or return will be made when the policy is cancelled or nonrenewed by us or by you. If your policy is in force, however, any future bill that is sent to you will reflect within the balance due a charge or credit for any small premium adjustments of \$5 or less. You have the right to all return premiums. Refunds of \$5 or less on canceled or nonrenewed policies will be made if specifically requested by the named insured.

In Witness Whereof, the Company as duly authorized representatives has caused this policy to be signed by its President and Secretary.



President



Secretary

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