

STEADILY.

SAMPLE POLICY

Dwelling Property 3 (DP-3) with Premises Liability

Legal Disclaimer

The following example policy is intended solely for your personal use (that's non-commercial for the lawyers who review this). This is an informational example of policy language and coverage forms. While we have taken every precaution to ensure the content of this document is both current and accurate, errors can occur. This sample includes standard forms and endorsements for this policy type. Coverage forms can vary by state and by the coverage you have selected.

The information in this document is intended to help you better understand general information about our insurance coverages. This is offered for general guidance and not intended to replace or serve as substitute for professional advice or consultations. You should consult with a licensed insurance professional familiar with your particular factual situation for advice concerning specific matters before making any decisions. Members of our team are standing by, happy to advise you if you click "Get Quote" here on our site.

Insurance Declarations Page

\$ [XXXX] [XX]

Annual premium, fees and/or taxes

Policy Information

Policy number [XXX-XX-XXXXXXXXXX]
Starts [Month XX, XXXX 12:01 AM]
Expires [Month XX, XXXX 12:01 AM]
Named Insured [Named Insured]
[Mailing Address]
[City, ST XXXXX]
Underwritten by [Insurer Name]
a [stock / mutual] company
Policy type [Form] Dwelling Policy

Premium & Fees

[Risk Address] [\$XXXX.XX]
[Risk Address] [\$XXXX.XX]
[Surplus Lines Tax] [\$XXXX.XX]
[Stamping Fee] [\$XX.XX]
[Other Tax] [\$XX.XX]
Total Amount Due: [\$XX.XX]

Payment must be made in full including all applicable taxes and fees noted above.

This is not a bill.
Your bill will be sent separately.

Program Administrator

Steadily Insurance Agency, Inc.
9450 SW Gemini Dr, PMB 18626
Beaverton, OR 97008

Customer Support +1 (888) 966-1611 support@steadily.com
Claims +1 (833) 929-1245 claims-ob@steadily.com

Producing Agent

[Agency Name]
[Agency Address]
[City, ST XXXXX]

Declarations Page for [Address, City ST]

[Address]	Occupancy	[Occupancy]
[City, ST XXXXX]	Residence type	[Residence Type]
[County]	Year built	[XXXX]
Additional Interests:	Construction	[Construction Type]
Type of interest: [Type]	Size	[XXXX square feet]
[Additional Interest Name]	Roof Age*	[XX]
[Address]	Inspection Fee	[\$XX.XX]
[City, ST XXXXX]		
Loan/Contract #: [XXXXXX]		

Coverages

Property Coverage

	Limits	Premium
[Coverage Description]	[\$X,XXX,XXX]	[\$XXX.XX]
Loss Valuation*	[Settlement Type]	
[Coverage Description]	[\$X,XXX,XXX]	[\$XXX.XX]
Loss Valuation	[Settlement Type]	
[Coverage Description]	[\$XXX,XXX]	[\$XXX.XX]
Loss Valuation	[Settlement Type]	[\$XXX.XX]
[Coverage Description]	[\$XXX,XXX]	[\$XXX.XX]
[Coverage Description]	[\$XXX,XXX]	[\$XXX.XX]
[Coverage Description]	[\$XXX,XXX]	[\$XXX.XX]

Liability Coverage

	Limits	Premium
[Coverage Description]	[\$XXX,XXX]	[\$XXX.XX]
[Coverage Description]	[\$XXX,XXX]	[\$XXX.XX]
[Coverage Description]	[\$XXX,XXX]	[\$XXX.XX]
[Coverage Description]	[\$XXX,XXX]	[\$XXX.XX]

Deductibles

	Deductible Amount
[Deductible Type]	[\$X,XXX]
[Deductible Type]	[\$X,XXX]
[Deductible Type]	[\$X,XXX]

*Roof Loss Settlement Terms may vary based on the age of the roof and the location of the risk. Please refer to your policy for the Roof Loss Settlement Type which is applicable to this dwelling.

Policy Discounts

[Discount, Discount, Discount]

Dwelling Discounts

[Discount, Discount, Discount]

SAMPLE

Policy Forms

Your policy consists of the Declaration Pages and the Policy Forms in the following list. Please keep these together.

Policy-Level Forms (apply to all dwellings)

[Form Code (Version Number)]	[Form Name & Description]
[Form Code (Version Number)]	[Form Name & Description]
[Form Code (Version Number)]	[Form Name & Description]

Dwelling-Specific Forms

[Address, City, ST XXXXX, County]

[Form Code (Version Number)]	[Form Name & Description]
[Form Code (Version Number)]	[Form Name & Description]
[Form Code (Version Number)]	[Form Name & Description]

Important Notice Regarding Losses From Certified Acts of Terrorism

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States.

No act shall be certified as an "certified act of terrorism" by the Secretary of the Treasury unless the act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, "we" shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Important Notice Regarding Flood Coverage

Flood damage is not covered under your policy. You may also need to consider the purchase of flood insurance. Without separate flood insurance coverage, you may have uncovered losses caused by a flood. Please discuss the need to purchase separate flood insurance coverage with your insurance agent, or visit www.floodsmart.gov.

SAMPLE

Your policy is managed by Steadily.
Your insurance company is Obsidian Insurance Company.

Important Notice Regarding Your Dwelling Coverage Limit

Steadily strives to adequately insure your property so that you are fully indemnified in the event of a loss. Steadily utilizes replacement cost valuation tools to estimate the value of your property. However, replacement cost valuation tools are tools only and should not be the sole consideration in determining your dwelling coverage limit. It is your responsibility to determine the adequate dwelling coverage limit for your property.

It is important to note that the market value of your property is different from the actual cash value or replacement cost. Replacement cost is calculated by estimating the cost to replace damaged property with materials of like kind and quality. Actual cash value is estimated by determining the replacement cost and subtracting depreciation for the damaged property at the time of loss. Replacement cost and actual cash value can vary significantly from market value.

You may need to consider an appraisal to determine the adequate dwelling coverage limit for your property.

Steadily automatically increases your dwelling coverage limit at each renewal to keep up with rising buildings costs and inflation. If you believe your dwelling coverage limit is too low or too high, please contact us.

Important Notice Regarding Earthquake Coverage

Earthquake damage is not covered under your policy. You may also need to consider the purchase of earthquake insurance. Without separate earthquake insurance coverage, you may have uncovered losses caused by an earthquake. Please discuss the need to purchase separate earthquake insurance coverage with your insurance agent.

SAMPLE

AUTOMATIC INCREASE IN INSURANCE

(Entries required to complete the Schedule will
be shown below or on the "declarations".)

Schedule

Annual increase	%
------------------------	----------

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

The "limit" that applies to Coverage A and, when a "limit" is shown on the "declarations" for Coverage B, the "limit" that applies to Coverage B will be increased annually by the percentage shown in the Schedule above. The increase will be applied on a pro rata basis during the policy period.

DP 3010 05 19

LIMIT ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BASIC FORM DP 0001

SPECIAL FORM DP 0003

COMMERCIAL LIABILITY COVERAGE (PREMISES ONLY -- LANDLORD)

A. Cap On Losses From Certified Acts of Terrorism

1. The following definition are added with respect to all coverage parts attached to this policy:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States:

- a. to be an act of terrorism;
- b. to be a violent act or an act that is dangerous to:
 - 1) human life;
 - 2) Property; or
 - 3) Infrastructure;
- c. to have resulted in damage within the United States, or outside of the United States in the case of:
 - 1) an air carrier or vessel as defined in section 40102 of title 49, United States Code;
 - 2) to a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or
 - 3) at the premises of any United States mission;
- d. to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

2. No act shall be certified as a "certified act of terrorism" by the Secretary of the Treasury unless the act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, "we" shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

1. The "terms" of this endorsement do not provide coverage for any loss that would otherwise be excluded by this policy under:
 - a. exclusions that address war, military action, or nuclear hazard; or
 - b. any other exclusion.
2. The absence of any other terrorism endorsement does not imply coverage for any loss that would otherwise be excluded under this policy under:
 - a. exclusions that address war, military action, or nuclear hazard; or
 - b. any other exclusion.

STD1414-CW 1121

VIRUS, BACTERIA, OR COMMUNICABLE DISEASE EXCLUSION

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

PROPERTY COVERAGES

1. Under General Exclusions, item a., Bacteria, Fungi, Wet Rot, Or Dry Rot, is deleted and replaced by the following:
 - a. **Fungi, Wet Rot, Or Dry Rot** – "We" do not pay for loss, cost, or expense:
 - 1) caused by;
 - 2) consisting of; or
 - 3) relating to the existence of or any activity of;"fungi", wet rot, or dry rot that is not the direct result of a peril insured against.
"We" do pay for direct loss to covered property caused by a peril insured against resulting from "fungi", wet rot, or dry rot.
"We" do pay for direct loss to covered property caused by a peril insured against resulting from bacteria, "fungi", wet rot, or dry rot.
When form DP 0003 applies, this exclusion a. does not apply to loss covered under the Incidental Coverage for Collapse.

The following provision is added under General Exclusions:

Virus, Bacteria, or Communicable Disease

- 1) "We" do not pay for loss, cost, or expense:
 - a) caused by;
 - b) consisting of; or
 - c) relating to the existence of or any activity of;any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.
- 2) This exclusion applies to, but is not limited to, any loss, cost, or expense due to:
 - a) any contamination by any virus, bacterium, or other microorganism; or
 - b) any denial of access to property because of any virus, bacterium, or other microorganism.

CYBER EXCLUSIONS

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

PROPERTY COVERAGES

The following provision is added under General Exclusions:

Cyber Loss - "We" do not pay for loss, cost, or expense caused by or consisting of:

- a. loss or alteration of;
- b. interference with; or
- c. damage to or diminished functionality, availability, or operation of:

any computers or computer networks, hardware, software, data, servers, laptops, smart phones, tablets, or other portable computer devices and accessories.

However, "we" do cover direct physical loss to property covered under Coverage C caused by any of the perils insured against described under the perils insured against that apply to Coverage C in this policy.

LIABILITY COVERAGES

1. If this policy includes Personal Liability Coverage, the following exclusion is added under Exclusions That Apply To Coverages L And M:

Personal Liability Coverage does not apply to "bodily injury" or "property damage" which results directly or indirectly from or arises out of:

- a. loss or alteration of;
- b. interference with; or
- c. damage to or diminished functionality, availability, or operation of:

any computers or computer networks, hardware, software, data, servers, laptops, smart phones, tablets, or other portable computer devices and accessories.

2. If this policy includes Personal Liability Coverage and endorsement GL-81 or GL 0081 also applies, the following is added under item 2. of that endorsement:

This insurance does not apply to "personal injury" which results from or arises out of:

- a. loss or alteration of;
- b. interference with; or
- c. damage to or diminished functionality, availability, or operation of:

any computers or computer networks, hardware, software, data, servers, laptops, smart phones, tablets, or other portable computer devices and accessories.

3. If this policy includes Commercial Liability Coverage (Premises Only – Landlords), the following exclusion is added under Exclusions That Apply To Bodily Injury, Property Damage, And/Or Personal Injury:

"We" do not pay for "bodily injury", "property damage", or "personal injury" arising out of:

- a. loss or alteration of;
- b. interference with; or
- c. damage to or diminished functionality, availability, or operation of:

any computers or computer networks, hardware, software, data, servers, laptops, smart phones, tablets, or other portable computer devices and accessories.

EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM

This endorsement modifies insurance provided under the following:

BASIC FORM DP 0001

SPECIAL FORM DP 0003

COMMERCIAL LIABILITY COVERAGE (PREMISES ONLY – LANDLORD)

- A. The word terrorism, when shown in this endorsement in quotation marks, has the following meaning:

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

- B. The following exclusion is added:

Exclusion Of Terrorism

"We" will not pay for injury or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such injury or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material; or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

When this Nuclear, Biological Or Chemical Terrorism exclusion applies to an incident of "terrorism", there is no coverage under the Coverage Part to which this endorsement applies.

- C. The following provision is added:

In the event of any incident of "terrorism" that is not subject to the Nuclear, Biological Or Chemical Terrorism exclusion as set forth by this endorsement, coverage does not apply to injury or damage that is otherwise excluded under the Coverage Part to which this endorsement applies.

Notice Regarding Third-Party Inspection

Please be advised that you may be contacted by an insurance inspector who will conduct an inspection of your home. Steadily works with third-party inspection companies to verify that your property meets our underwriting standards. Inspections are typically conducted on the exterior of your property only. Inspectors will introduce themselves when they arrive and will be wearing attire to identify themselves. Failure to allow the inspector access to all or a portion of your property may result in cancellation of your policy. If you have any questions about your inspection, please contact your insurance agent.

SAMPLE

SPECIAL FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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Additional policy conditions also apply. These are set forth in a separate endorsement.

Other endorsements and schedules may also be part of this policy. They are identified on the "declarations".

Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.

AGREEMENT

This policy, subject to all of its "terms", provides the described insurance coverages. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.

DEFINITIONS

1. The words "you" and "your" mean any "named insured". If a "named insured" is a person, "you" and "your" include the spouse of such "named insured" if such spouse is a resident of that "named insured's" household.
2. The words "we", "us", and "our" mean the company providing this insurance.
3. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.
4. "Described location" means the location shown on the "declarations" as the Described Location.
5. "Fungi" means:
 - a. any kind or form of fungus, including but not limited to mildew and mold; and
 - b. any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, scents, and metabolites.
6. "Hovercraft" means a self-propelled motorized ground effect vehicle or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.

However, "hovercraft" does not include a:

 - a. "motorized vehicle"; or
 - b. watercraft.
7. "Limit" means amount of insurance.
8. "Motorized vehicle" means a self-propelled land or amphibious vehicle, regardless of method of surface contact, other than a:
 - a. "hovercraft"; or
 - b. watercraft.
9. "Named insured" means any person or entity shown on the "declarations" as the Named Insured.

10. "Pollutant" means:

- a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and
- b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.

11. "Terms" means all:

- a. provisions, limitations, exclusions, conditions, and definitions set forth in this policy; and
- b. "declarations" that are a part of this policy.

PROPERTY COVERAGES

PRINCIPAL COVERAGES

1. Coverage A -- Dwelling

a. Covered Property

- 1) "We" cover the dwelling, used primarily for family residential purposes, on the "described location". This includes:
 - a) structures attached to such dwelling, other than structures that are connected by only a fence, utility line, or similar connection or any combination thereof;
 - b) built-in components and fixtures of such dwelling; and
 - c) building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of:

- (1) such dwelling or its attached structures, built-in components, or fixtures; or
- (2) private structures on the "described location" that are not attached to such dwelling.

2) If not otherwise covered by this policy, "we" also cover tools and equipment used to service the "described location" while such tools and equipment are on the "described location". This includes "motorized vehicles" used to service the "described location", but only if such "motorized vehicles":

- a) are on the "described location"; and
- b) are not required by law or governmental regulation to be registered for use on public roads or property.

b. **Property Not Covered** -- "We" do not cover:

- 1) land, including the land on which covered property is located;
- 2) underground water or surface water;
- 3) except as provided under the incidental coverages, trees, plants, shrubs, or lawns; or
- 4) grave markers or mausoleums.

c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.

2. Coverage B -- Private Structures

a. **Covered Property** -- "We" cover private structures on the "described location" that are not attached to a dwelling. This includes additions attached to such private structures and built-in components and fixtures of such private structures. Structures that are connected to a dwelling by only a fence, a utility line, or a similar connection are not considered attached.

"We" also cover:

- 1) fences;
- 2) driveways;
- 3) sidewalks; and
- 4) other permanently installed outdoor fixtures;

on the "described location".

b. **Property Not Covered** -- "We" do not cover:

- 1) land, including the land on which covered property is located;
- 2) underground water or surface water;
- 3) except as provided under the incidental coverages, trees, plants, shrubs, or lawns;
- 4) grave markers or mausoleums; or
- 5) any structure:

a) rented or held for rental to any person who is not a tenant of a dwelling that is on the "described location" and covered under Coverage A, other than a structure used solely for private garage purposes;

b) used, in whole or in part, for the direction or operation of a commercial, manufacturing, or farming endeavor; or

c) used, in whole or in part, for the storage of commercial, manufacturing, or farming property.

However, this item 2.b.5)c) does not apply to a structure used by "you", or a tenant of a dwelling that is on the "described location" and covered under Coverage A, to store commercial, manufacturing, or farming property owned solely by "you" or such tenant, but only if such property does not consist of or contain gaseous or liquid fuel, other than fuel contained in:

- (1) a permanently installed fuel tank of a vehicle or craft parked or stored in the structure; or
 - (2) a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.
- c. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.

3. Coverage C -- Personal Property

a. Covered Property

1) "We" cover personal property that is:

- a) usual to the occupancy of the dwelling on the "described location" as a place of residence; and
- b) owned or used by:
 - (1) "you"; or
 - (2) if "you" are a person, "your" family members who reside with "you";

while such property is on the "described location" and, as limited in 3.a.2) below, while such property is off the "described location"

At "your" request, "we" cover personal property that is owned by a guest or domestic employee while such property is in that part of the "described location" that "you" occupy.

2) **Limitation On Property Off The Described Location** -- Coverage for personal property that is off the "described location" is limited to 10% of the "limit" that applies to Coverage C.

However, this item 3.a.2) does not apply to:

- a) personal property that is temporarily removed from the "described location" because the "described location" is undergoing repair due to loss caused by a peril insured against and is unfit for use as a place of residence or a place in which to store property; or
- b) personal property at "your" newly acquired principal residence for 30 days from the date that "you" first move property there.

During this 30-day period, the "limit" that applies to Coverage C will be apportioned between "your" newly acquired principal residence and the "described location" based on the proportion of the value of personal property at each location.

After 30 days from the date on which "you" first moved property from the "described location" to the newly acquired principal residence, coverage for personal property at the newly acquired principal residence is limited to 10% of the "limit" that applies to Coverage C.

The exceptions stated in 3.a.2)a) and 3.a.2)b) above do not extend coverage past the date on which this policy terminates.

b. **Property Not Covered** -- "We" do not cover:

- 1) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.

However, this item 3.b.1) does not include aircraft:

- a) that are designed and used for hobby or model purposes; and
- b) that are not designed or used to carry one or more operators, any other person, or cargo;

- 2) animals, birds, fish, or insects;
- 3) data, regardless of the medium on which it exists.

However, "we" do cover the cost of:

- a) blank recording or storage media; and
 - b) prepackaged computer programs that can be obtained in the retail marketplace;
- 4) electronic equipment that reproduces, receives, or transmits audio, visual, or data signals, or antennas, wires, accessories, or media designed for use with such equipment, while the equipment, antennas, wires, accessories, or media are in or on a "motorized vehicle" or watercraft;
 - 5) grave markers or mausoleums;
 - 6) "hovercraft". This includes parts or equipment of "hovercraft", whether or not attached.

However, this item 3.b.6) does not include "hovercraft":

- a) that are designed and used for hobby or model purposes; and
 - b) that are not designed or used to carry one or more operators, any other person, or cargo;
- 7) land, including the land on which covered property is located, underground water, or surface water;
 - 8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds;
 - 9) "motorized vehicles" or, while in or on a "motorized vehicle", their parts, equipment, or accessories.

However, this item 3.b.9) does not apply to a "motorized vehicle" that is not required by law or governmental regulation to be registered for use on public roads or property and:

- a) that is designed to assist the handicapped; or
- b) that is:

- (1) owned by "you" or, if "you" are a person, a member of "your" family who resides with "you"; and
- (2) used only to service a residence;

- 10) property separately described and specifically insured by this policy or any other insurance, regardless of the "limit" that applies to such property under such insurance;
- 11) trees, plants, shrubs, or lawns, except as provided under the Incidental Coverage for Debris Removal or the Incidental Coverage for Trees, Plants, Shrubs, Or Lawns;
- 12) property designed or used for commercial, manufacturing, or farming purposes;
- 13) accounts, bank notes, bills, bullion, cards or other devices on which a cash value is stored electronically, coins, deeds, evidence of debt, gold other than goldware and gold-plated ware, letters of credit, manuscripts, medals, money, notes other than bank notes, numismatic property, passports, personal records, philatelic property, platinum other than platinumware and platinum-plated ware, scrip, securities, silver other than silverware and silver-plated ware, smart cards, stamps, or tickets;
- 14) trailers or semitrailers; or
- 15) watercraft of any type, including their furnishings, equipment, engines, and motors.

However, this item 3.b.15) does not apply to canoes and rowboats that are on the "described location".

- c. Subject to the limitation described in 3.a.2) above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.

4. Coverage D -- Additional Living Costs And Fair Rental Value

- a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for its normal use by an insured loss.

"We" pay:

- 1) only for the period of time reasonably required to repair or replace the damage to that part of the "described location" occupied by "your" household; or
- 2) if "your" household is permanently relocated, only for the period of time reasonably required for relocation.

This period of time is not limited by the policy period.

- b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for its normal use by an insured loss.

However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.

"We" pay only for the period of time reasonably required to repair or replace the damage to that part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.

- c. "We" pay for "your" additional living costs and fair rental value, as described in items 4.a. and 4.b. above, for up to two weeks if a premises neighboring the "described location" is directly damaged by a peril insured against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.

- d. "We" do not pay for loss, cost, or expense due to the termination of a lease or an agreement.
- e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in items 4.a., 4.b., and 4.c. above.

INCIDENTAL COVERAGES

This policy provides the following incidental coverages. Except as otherwise stated, they are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated.

1. Collapse

- a. "We" pay for direct physical loss to covered property involving the abrupt collapse of a building or a part of a building if such collapse is caused only by one or more of the following:

- 1) breakage of glass or safety glazing material that is part of such building;
- 2) insect, rodent, or vermin damage to such building, or to such part of a building, that is hidden from view, unless "you":

- a) knew of; or
- b) should reasonably have suspected;

the presence of such damage prior to the collapse;

- 3) decay of such building, or of such part of a building, that is hidden from view, unless "you":

- a) knew of; or
- b) should reasonably have suspected;

the presence of such decay prior to the collapse;

- 4) weight of animals, equipment, people, or personal property;

- 5) weight of rain that collects on a roof; or
- 6) the use of defective materials or methods in the construction, repair, or renovation of such building or such part of a building, but only if the collapse occurs during the course of construction, repair, or renovation.

However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 1.a.1) through 1.a.6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 1.a.1) through 1.a.6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.

- b. In this incidental coverage, abrupt collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way.
- c. This incidental coverage does not apply to:
 - 1) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage;

- 2) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or
- 3) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.

- d. This incidental coverage does not increase the "limits" that apply to the property covered.

2. Debris Removal

- a. "We" pay for the reasonable expense incurred by "you" to remove the debris of covered property after a loss. The loss must be:
 - 1) caused by a peril insured against that applies to the damaged property; or
 - 2) covered under the Incidental Coverage for Collapse.

"We" also pay for the reasonable expense incurred by "you" to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building.

"We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.

This incidental coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of any "pollutant".

- b. Subject to the limitations set forth in 2.c. below, "we" also pay for the reasonable expense incurred by "you" to remove from the "described location":

- 1) "your" fallen tree or trees, but only if the falling of the tree or trees is caused by:

- a) windstorm;
- b) hail; or
- c) the weight of ice, snow, or sleet; or

- 2) a neighbor's fallen tree or trees, but only if the falling of the tree or trees is caused by any of the perils insured against described under the perils insured against that apply to Coverage C in this policy.

Regardless of the number of fallen trees, the most "we" pay is \$500 per occurrence.

- c. The coverage described in 2.b. above applies only to a fallen tree that:

- 1) causes damage to a covered structure;
- 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or
- 3) obstructs a ramp or other fixture that is designed to make the dwelling on the "described location" accessible to a handicapped person.

3. Emergency Removal

- a. "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a peril insured against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy terminates.
- b. "We" pay for the reasonable towing cost incurred by "you" to move a covered mobile or manufactured home that is in danger from a peril insured against. The most "we" pay for the total cost to remove the mobile or manufactured home and to return it to the "described location" is \$500 per occurrence unless a higher "limit" for Emergency Removal Towing Cost is shown on the "declarations".

- c. This incidental coverage does not increase the "limit" that applies to the covered property.

- d. The exclusions set forth under:

- 1) Exclusions That Apply To Coverage A And Coverage B; and
- 2) General Exclusions, other than Illegal, Dishonest, Or Intentional Acts;

do not apply to covered property while removed as described in 3.a. and 3.b. above.

4. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a peril insured against.

However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response.

The most "we" pay under this incidental coverage is \$500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".

5. Glass Or Safety Glazing Material

- a. "We" pay for:

- 1) the breakage of glass or safety glazing material that is part of a covered building, storm door, or storm window; and
- 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building, storm door, or storm window.

- b. The Earth Movement exclusion under General Exclusions does not apply with respect to the coverage described in 5.a. above.

- c. Under this incidental coverage, "we" do not pay for loss:

- 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in item 5.a.2) of this Incidental Coverage for Glass Or Safety Glazing Material; or
- 2) on the "described location" if, immediately prior to the loss, the dwelling has been vacant for more than 60 consecutive days.

However, this item 5.c.2) does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement.

A dwelling being built is not vacant.

- d. This incidental coverage does not increase the "limits" that apply to the property covered.

6. Reasonable Emergency Measures

- a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property.

In this incidental coverage, a necessary measure may include a permanent repair, but only if such repair is performed solely to:

- 1) protect covered property from further damage by a peril insured against; or
 - 2) prevent unwanted entry into a building on the "described location".
- b. If the measures described in 6.a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a peril insured against.
 - c. To the extent reasonably possible, damaged property must be retained and preserved for "our" inspection, testing, and analysis.

- d. This incidental coverage does not:

- 1) increase the "limit" that applies to the property covered; or
- 2) relieve "you" of the duties described under What Must Be Done In Case Of Loss.

7. Tenant's Improvements

- a. If "you" are a tenant of, and do not own, the "described location", "we" pay for direct physical loss to permanent:

- 1) improvements;
- 2) fixtures;
- 3) alterations;
- 4) decorations; or
- 5) additions;

to the "described location", made or acquired at "your" expense, if such loss is caused by a peril insured against described under the perils insured against that apply to Coverage C.

- b. "We" do not cover:

- 1) land, including the land on which covered property is located;
- 2) underground water or surface water;
- 3) except as provided under the incidental coverages, trees, plants, shrubs, or lawns;
- 4) grave markers or mausoleums; or
- 5) any structure:

- a) rented or held for rental to others, but this does not include a structure used solely for private garage purposes;
- b) used, in whole or in part, for the direction or operation of a commercial, manufacturing, or farming endeavor; or
- c) used, in whole or in part, for the storage of commercial, manufacturing, or farming property.

However, this item 7.b.5)c) does not apply to a structure used by "you" to store commercial,

manufacturing, or farming property owned solely by "you", but only if such property does not consist of or contain gaseous or liquid fuel, other than fuel contained in:

- (1) a permanently installed fuel tank of a vehicle or craft parked or stored in the structure; or
- (2) a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.

- c. The most "we" pay per occurrence under this incidental coverage is 10% of the "limit" that applies to Coverage C unless a higher "limit" for Tenant's Improvements is shown on the "declarations".

8. Trees, Plants, Shrubs, Or Lawns

- a. "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by:

- 1) a vehicle that is not owned or operated by "you" or an occupant of the "described location"; or
- 2) any of the following perils that apply to property covered under Coverage C, each as described under Perils Insured Against:

- a) Aircraft;
- b) Damage By Burglars;
- c) Explosion;
- d) Fire Or Lightning;
- e) Riot Or Civil Commotion; or
- f) Vandalism Or Malicious Mischief.

However, "we" do not cover trees, plants, shrubs, or lawns grown for commercial, manufacturing, or farming purposes.

- b. If:

- 1) "you" are a tenant of, and do not own, the "described location", "you" may

apply up to 10% of the "limit" that applies to Coverage C; or

- 2) "you" own the "described location", "you" may apply up to 5% of the "limit" that applies to Coverage A;

to cover trees, plants, shrubs, or lawns.

"We" do not pay more than \$500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item.

PERILS INSURED AGAINST

1. **Coverage A -- Dwelling And Coverage B -- Private Structures** -- "We" insure property covered under Coverage A or Coverage B for direct physical loss, unless the loss is excluded under Exclusions That Apply To Coverage A And Coverage B.

a. Exclusions That Apply To Coverage A And Coverage B

- 1) "We" do not pay for loss excluded under General Exclusions.

- 2) **Freezing, Discharge, Leakage, Or Overflow** -- Except as provided in 1.a.2)a) and 1.a.2)b) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, any plumbing, heating, air-conditioning, or automatic fire protective sprinkler system, water heater, or domestic appliance.

- a) If the building is protected by an automatic fire protective sprinkler system, this item 1.a.2) does not apply if "you" have taken reasonable care to:

- (1) maintain heat in the building; and
- (2) continue the water supply.

- b) If the building is not protected by an automatic fire protective sprinkler system, this item 1.a.2) does not apply if "you" have taken reasonable care to:

- (1) maintain heat in the building;
or
- (2) shut off the water supply and completely empty water from all systems, heaters, and appliances.

With respect to this item 1.a.2), including items 1.a.2)a) and 1.a.2)b) above, plumbing systems and domestic appliances do not include any sump, sump pump, or related equipment, any other type of system designed to remove subsurface water that is drained from the foundation area, or any roof drain, gutter, downspout, or like equipment.

3) **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to any:

- a) fence, patio, paved area, or swimming pool;
- b) bulkhead, footing, foundation, wall, or any other structure or feature that supports all or part of a building or structure;
- c) bulkhead or retaining wall that does not support all or part of a building or structure; or
- d) dock, pier, or wharf.

4) **Theft**

- a) "We" do not pay for loss caused by theft:
 - (1) of any item that is not an integral part of a covered building or structure; or
 - (2) in or to a building or structure that is under construction.
- b) "We" do not pay for loss:

- (1) caused by theft or attempted theft; or
- (2) that ensues from a wrongful act committed intentionally in the course of theft or attempted theft;

if, immediately prior to the loss, the dwelling has been vacant for more than 60 consecutive days. A dwelling being built is not vacant.

5) **Vandalism Or Malicious Mischief** -- "We" do not pay for loss:

- a) caused by vandalism or malicious mischief; or
- b) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if, immediately prior to the loss, the dwelling has been vacant for more than 60 consecutive days. A dwelling being built is not vacant.

6) **Damage By Burglars** -- "We" do not pay for damage caused by any burglar if, immediately prior to the damage, the dwelling has been vacant for more than 60 consecutive days. A dwelling being built is not vacant.

7) **Water, Steam, Humidity, Moisture, Or Vapor**

- a) "We" do not pay for loss caused by:
 - (1) continuous or repeated discharge, seepage, or leakage of water or steam; or
 - (2) the presence or condensation of humidity, moisture, or vapor;

if such discharge, seepage, or leakage of water or steam or presence or condensation of humidity, moisture, or vapor

occurs over a period of 14 days or more.

In the event that this item 1.a.7)a) applies, it applies to all such loss, starting from the first day that the discharge, seepage, or leakage of water or steam or the presence or condensation of humidity, moisture, or vapor began.

b) However, item 1.a.7)a) above does not apply if:

- (1) "you" did not know of and should not reasonably have suspected such discharge, seepage, or leakage of water or steam or presence or condensation of humidity, moisture, or vapor; and
- (2) such loss is not otherwise excluded by this policy.

8) Collapse Or Impairment

a) "We" do not pay for loss involving collapse, including but not limited to any of the following conditions of property or any part of the property:

- (1) an abrupt caving in, falling in, falling down, or giving way;
- (2) impairment of structural integrity, including but not limited to:
 - (a) a danger of caving in, falling in, falling down, or giving way; or
 - (b) a separation of one or more parts of a building or structure from its other parts; or
- (3) any bending, bowing, bulging, cracking, expanding, inadequacy of load bearing capacity, leaning, sagging, settling, or shrinking associated with

1.a.8)a)(1) or 1.a.8)a)(2) above.

b) However, this item 1.a.8) does not apply:

- (1) to the extent that coverage is provided under the Incidental Coverage for Collapse; or
- (2) to loss caused by a peril insured against described under the perils insured against that apply to Coverage C.

9) **Hail, Ice, Sleet, Snow, Or Wind -- Outdoor Antennas** -- "We" do not pay for loss to any outdoor antenna, including any lead-in wiring, masts, and towers, caused by hail, ice, sleet, snow, or wind.

10) **Collision, Upset, Sinking, Or Stranding** -- "We" do not pay for loss to a mobile or manufactured home caused by:

- a) contact with a transporting vehicle, or parts or equipment attached to a transporting vehicle, during towing by, hitching to, or unhitching from such transporting vehicle;
- b) collision with another object while the mobile or manufactured home is in transit;
- c) the upset of the mobile or manufactured home while it is in transit; or
- d) the sinking or stranding of a watercraft on which the mobile or manufactured home is being transported.

11) **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of any:

- a) bulkhead;
- b) ceiling;
- c) floor;
- d) footing;

- e) foundation;
 - f) patio;
 - g) paved area;
 - h) roof; or
 - i) wall.
- 12) **Birds, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by any:
- a) bird;
 - b) rodent;
 - c) insect;
 - d) animal owned or kept by:
 - (1) "you";
 - (2) a member of "your" family who resides with "you", if "you" are a person; or
 - (3) an occupant of the "described location"; or
 - e) nesting or infestation, or discharge or release of waste products or secretions, by any animal;
- except as provided under the incidental coverages.
- 13) **Smoke** -- "We" do not pay for loss caused by smoke from:
- a) agricultural smudging; or
 - b) industrial operations.
- 14) **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of any "pollutant", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a peril insured against as described under the perils insured against that apply to Coverage C.
- 15) **Wear And Tear** -- "We" do not pay for loss caused by:
- a) wear and tear;
- b) marring, including but not limited to scratching; or
 - c) deterioration.
- 16) **Mechanical Breakdown, Latent Defect, Or Inherent Vice** -- "We" do not pay for loss caused by:
- a) mechanical breakdown;
 - b) latent defect;
 - c) inherent vice; or
 - d) any quality, fault, or weakness in property that causes it to damage or destroy itself.
- 17) **Rust Or Other Corrosion Or Smog** -- "We" do not pay for loss caused by rust or other corrosion or smog.
- 18) **Roots Of Trees, Plants, Shrubs, Or Other Vegetation** -- "We" do not pay for loss caused by pressure from or the presence of roots of any:
- a) tree;
 - b) plant;
 - c) shrub; or
 - d) other vegetation.
- b. **Exceptions To Exclusions That Apply To Coverage A And Coverage B**
- 1) "We" pay for an ensuing loss that results from 1.a.2) through 1.a.18) above, unless the ensuing loss itself is excluded.
 - 2) Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage A or Coverage B that results from water or steam that, due to a cause or event excluded under 1.a.11) through 1.a.18) above, accidentally discharges or overflows from:
 - a) a storm drain, or a water, steam, or sewer pipe, off the "described location"; or
 - b) any:

- (1) plumbing, heating, air-conditioning, or automatic fire protective sprinkler system;
- (2) water heater; or
- (3) domestic appliance;

on the "described location". This includes the reasonable cost of removing and replacing those parts of a building or structure on the "described location" needed to repair the system, heater, or appliance from which the water or steam accidentally discharged or overflowed.

However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building on the "described location".

"We" do not pay for loss to the system, heater, or appliance from which the water or steam discharged or overflowed.

In this item 1.b.2), plumbing systems and domestic appliances do not include any sump, sump pump, or related equipment, any other type of system designed to remove subsurface water that is drained from the foundation area, or any roof drain, gutter, downspout, or like equipment.

2. **Coverage C -- Personal Property** -- "We" insure against direct physical loss to property covered under Coverage C caused by the following perils, unless the loss is excluded under General Exclusions:

- a. **Fire Or Lightning**
- b. **Explosion**
- c. **Windstorm Or Hail**

However, "we" do not pay for loss:

- 1) to the interior of a building, or to property inside a building, caused by:

- a) dust;
- b) rain;
- c) sand;
- d) sleet; or
- e) snow;

all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail;

- 2) to any canoe or rowboat unless inside a fully enclosed building; or
- 3) to any outdoor antenna, including any lead-in wiring, masts, and towers.

d. **Riot Or Civil Commotion**

- e. **Aircraft** -- This includes self-propelled missiles and spacecraft.

f. **Vehicles**

However, "we" do not pay for loss to any:

- 1) fence;
- 2) driveway; or
- 3) walk;

caused by a vehicle owned or operated by "you" or an occupant of the "described location".

- g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment.

However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

h. **Vandalism Or Malicious Mischief**

However, "we" do not pay for loss:

- 1) by burglary, larceny, pilferage, or theft; or

2) to property on the "described location":

- a) caused by vandalism or malicious mischief; or
- b) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if, immediately prior to the loss, the dwelling has been vacant for more than 60 consecutive days. A dwelling being built is not vacant.

- i. **Damage By Burglars** -- This means damage to covered property caused by a burglar.

However, "we" do not pay for:

- 1) theft of property; or
- 2) loss to property on the "described location" if, immediately prior to the loss, the dwelling has been vacant for more than 60 consecutive days. A dwelling being built is not vacant.

- j. **Falling Objects**

However, "we" do not pay for loss:

- 1) to the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact;
- 2) to any outdoor antenna, including any lead-in wiring, masts, and towers;
- 3) to any outdoor awning or canopy, including any supports;
- 4) to any fence or outdoor equipment; or
- 5) to the object that falls.

- k. **Weight Of Ice, Snow, Or Sleet**

However, "we" do not pay for loss to property that is not inside a building.

- l. **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 a water heater.

However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing as described under the perils insured against that apply to Coverage C.

- m. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkler system, water heater, or domestic appliance.

However, "we" do not pay for loss:

- 1) to the system, heater, or appliance from which the water or steam discharged or overflowed;
- 2) caused by or resulting from freezing, except as provided under the peril of Freezing as described under the perils insured against that apply to Coverage C;
- 3) on the "described location" caused by accidental discharge or overflow that comes from off the "described location";
- 4) on the "described location" if, immediately prior to the loss, the dwelling has been vacant for more than 60 consecutive days. A dwelling being built is not vacant; or
- 5) caused by:
 - a) continuous or repeated discharge, seepage, or leakage of water or steam; or
 - b) the presence or condensation of humidity, moisture, or vapor;

if such discharge, seepage, or leakage of water or steam or presence or condensation of humidity, moisture, or vapor occurs over a period of 14 days or more. In the event that this item 2.m.5) applies, it applies to all such loss, starting from the first day that the discharge, seepage, or leakage of water or steam or the presence or

condensation of humidity, moisture, or vapor began.

However, this item 2.m.5) does not apply if "you" did not know of and should not reasonably have suspected such discharge, seepage, or leakage of water or steam or presence or condensation of humidity, moisture, or vapor and such loss is otherwise covered by this policy.

In this item 2.m., plumbing systems and domestic appliances do not include any sump, sump pump, or related equipment, any other type of system designed to remove subsurface water that is drained from the foundation area, or any roof drain, gutter, downspout, or like equipment.

- n. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkler system, water heater, or domestic appliance, subject to the requirements set forth in 2.n.1) and 2.n.2) below. In the peril of Freezing, plumbing systems and domestic appliances do not include any sump, sump pump, or related equipment, any other type of system designed to remove subsurface water that is drained from the foundation area, or any roof drain, gutter, downspout, or like equipment.

- 1) If the building is protected by an automatic fire protective sprinkler system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

- a) maintain heat in the building; and
- b) continue the water supply.

- 2) If the building is not protected by an automatic fire protective sprinkler system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

- a) maintain heat in the building; or

- b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

o. **Sudden And Accidental Damage From Artificially Generated Electrical Currents**

However, "we" do not pay for loss to any tube, transistor, electronic component, or circuitry that is a part of any appliance, fixture, computer, home entertainment unit, or other type of electronic apparatus.

p. **Volcanic Eruption**

However, this does not include loss caused by earthquake, land shock waves, or tremors.

GENERAL EXCLUSIONS

1. "We" do not pay for loss caused directly or indirectly by, or consisting of, one or more of the following excluded causes, events, or conditions. Such loss is excluded regardless of other causes, events, or conditions that contribute in any sequence to or aggravate the loss, whether such causes, events, or conditions act to produce the loss before, at the same time as, or after the excluded causes, events, or conditions.

These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause, event, or condition.

- a. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense:

- 1) caused by;
- 2) consisting of; or
- 3) relating to the existence of or any activity of;

bacteria, "fungi", wet rot, or dry rot that is not the direct result of a peril insured against, except as provided under the Incidental Coverage for Collapse.

"We" do pay for direct loss to covered property caused by a peril insured against resulting from bacteria, "fungi", wet rot, or dry rot.

- b. **Business Interruption** -- "We" do not pay for loss caused by interruption of business, except as provided under Coverage D.

c. **By-Products Of A Growing, Processing, Or Production Operation Involving A Controlled Substance**

- 1) "We" do not pay for loss to property caused by or resulting from:

- a) smoke, vapor, gas, or any other substance discharged, dispersed, disposed of, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled during; or
- b) the presence or condensation of humidity, moisture, or vapor related to;

any growing, processing, or production operation involving a controlled substance, as defined under federal law, conducted on the "described location". Controlled substances include, but are not limited to, cocaine, LSD, marijuana, methamphetamines, and all narcotic or hallucinogenic drugs.

This applies whether or not such operation is permitted by any law.

- 2) Loss caused by or resulting from:

- a) smoke, vapor, gas, or any other substance discharged, dispersed, disposed of, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled during; or
- b) the presence or condensation of humidity, moisture, or vapor related to;

any operation described in 1.c.1) above is not considered loss caused

by smoke or vandalism or malicious mischief, even if this policy provides coverage for loss caused by either such peril.

- 3) This item 1.c. does not apply to direct loss to covered property caused by fire or explosion resulting from:

- a) smoke, vapor, gas, or any other substance discharged, dispersed, disposed of, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled during; or
- b) the presence or condensation of humidity, moisture, or vapor related to;

any operation described in 1.c.1) above.

- d. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority.

"We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.

e. **Illegal, Dishonest, Or Intentional Acts**

- 1) "We" do not pay for loss that results from any illegal or dishonest act committed by or directed by:

- a) "you";
- b) another with an interest in the property;
- c) any partner, member, officer, manager, director, trustee, joint venturer, or authorized representative of "yours"; or
- d) any partner, member, officer, manager, director, trustee, joint venturer, or authorized representative of another with an interest in the property;

whether alone or in collusion with each other or with any other party.

- 2) "We" do not pay for loss that results from any act committed by or directed by:

- a) "you";
- b) another with an interest in the property;
- c) any partner, member, officer, manager, director, trustee, joint venturer, or authorized representative of "yours"; or
- d) any partner, member, officer, manager, director, trustee, joint venturer, or authorized representative of another with an interest in the property;

with the intent to cause a loss, whether alone or in collusion with each other or with any other party.

- 3) In the event of loss described in 1.e.1) or 1.e.2) above, "we" will not pay "you" or any other with an interest in the property, even those who were not involved in the commission or direction of the act that caused the loss.

f. Earth Movement

- 1) "We" do not pay for loss caused by earth movement whether the earth movement results from a natural cause, a man-made cause, or a combination of natural and man-made causes.

Man-made causes include, but are not limited to:

- a) construction or excavation activities;
- b) blasting;
- c) extracting gas, heat, minerals, oil, steam, water, or any other natural resource, substance, or material from below the earth's surface by any process, including but not limited to:

- (1) hydraulic fracturing;
- (2) mining;
- (3) drilling; or
- (4) geothermal energy extraction;

- d) injecting any natural resource, substance, or material, including but not limited to water and wastewater, below the earth's surface for any purpose;
- e) storing any natural resource, substance, or material, including but not limited to carbon dioxide, below the earth's surface; or
- f) any combination of 1.f.1)a) through 1.f.1)e) above.

- 2) In this item 1.f., earth movement means any movement of earth, including:

- a) earthquake, earth tremor, or earth temblor, including any aftershocks, whether manifested in shaking, ground displacement, or otherwise;
- b) soil liquefaction, whether or not caused by:

- (1) earthquake;
- (2) earth tremor; or
- (3) earth temblor;

- c) land shock waves or tremors before, during, or after a volcanic eruption, explosion, or effusion;
- d) landslide, mudflow, or mudslide, including the movement of matter present in or carried or otherwise moved by:

- (1) landslide;
- (2) mudflow; or
- (3) mudslide;

- e) weakening, subsidence, settlement, or collapse of earth due to any cause, including but not limited to the presence or formation of a sinkhole; or
- f) any other earth movement, including but not limited to:

- (1) earth sinking, rising, or shifting;

- (2) movement caused by the:

- (a) expansion;
- (b) contraction;
- (c) compaction, whether improper or otherwise;
- (d) freezing;
- (e) thawing; or
- (f) shrinking;

of earth; or

- (3) movement caused by:

- (a) erosion; or
- (b) water below the earth's surface.

Earth includes, but is not limited to, ground, soil, sediments, substrates, and strata.

- 3) With respect to earth movement that results from a man-made cause or a combination of natural and man-made causes, this item 1.f. applies:

- a) whether or not the earth movement results from an error or omission of any person, group, organization, or governmental body or authority;
- b) whether or not the cause of the earth movement originates on or under covered property; and
- c) whether or not the earth movement results from activities being performed at "your" request or for "your" benefit.

- 4) This item 1.f. does not apply to direct loss to covered property caused by fire or explosion resulting from earth movement.

- g. **Neglect** -- "We" do not pay for loss caused by "your" neglect to use all reasonable means to save and preserve covered property at and after the time of a loss.

h. **Nuclear Hazard**

- 1) "We" do not pay for loss caused by nuclear reaction or radiation, or radioactive contamination, all:

- a) whether controlled or uncontrolled; and
- b) however caused;

or any consequence of such reaction, radiation, or contamination.

- 2) Loss caused by nuclear reaction or radiation, or radioactive contamination, is not considered loss caused by:

- a) fire;
- b) explosion; or
- c) smoke;

even if this policy provides coverage for loss caused by one or more of these perils.

- 3) Direct loss by fire resulting from nuclear reaction or radiation, or radioactive contamination, is covered.

- i. **Ordinance Or Law** -- "We" do not pay for:

- 1) any loss or increased cost that results from the enforcement of a code, an ordinance, or a law that regulates or requires the construction, demolition, remodeling, renovation, or repair of property or the removal of its debris;
- 2) any loss in value of property that results from the enforcement of a code, an ordinance, or a law; or
- 3) any loss, cost, or expense that results from the enforcement of a code, an ordinance, or a law requiring that "you" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of any "pollutant".

This item 1.i. applies whether or not there has been physical damage to covered property.

- j. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a peril insured against, if the cause of the failure is not on the "described location".

"We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.

- k. **War And Military Action** -- "We" do not pay for loss caused by:

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

With respect to any action that comes within the "terms" of this item 1.k. and involves nuclear reaction or radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

l. Water

- 1) "We" do not pay for loss caused by:

- a) flood;
- b) surface water;
- c) waves, including but not limited to tidal wave and tsunami;
- d) tides;
- e) tidal water;

- f) overflow of any body of water; or
- g) spray from 1.l.1)a) through 1.l.1)f) above;

whether driven by wind or not.

This includes, but is not limited to, tidal surge, storm surge, and storm tide.

- 2) "We" do not pay for loss caused by water that:

- a) backs up through sewers or drains; or
- b) overflows or otherwise discharges from:

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

(2) any other type of system designed to remove subsurface water that is drained from the foundation area.

- 3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.

- 4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1.l.1) through 1.l.3) above.

- 5) The exclusions set forth in 1.l.1) through 1.l.4) above:

- a) apply regardless of the cause of the excluded event, whether such cause is a natural cause, a man-made cause, or a combination of natural and man-made causes; and
- b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

- (1) overtops;
- (2) escapes from;
- (3) is released from; or
- (4) is otherwise discharged from;

a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

- 6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1.1.1) through 1.1.4) above.
- 7) In this item 1.1., items 1.1.1)b) and 1.1.3) that apply to surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from:
 - a) a storm drain, or a water, steam, or sewer pipe, off the "described location"; or
 - b) a plumbing, heating, air-conditioning, or automatic fire protective sprinkler system, water heater, or domestic appliance on the "described location";

when loss caused by such water is otherwise covered by this policy. Plumbing systems and domestic appliances do not include any sump, sump pump, or related equipment, any other type of system designed to remove subsurface water that is drained from the foundation area, or any roof drain, gutter, downspout, or like equipment.

2. "We" do not pay for loss or damage to property covered under Coverage A or Coverage B that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss to property covered under Coverage A or Coverage B that is otherwise covered by this policy.

- a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the preceding General Exclusions. (Numbers 1.a. through 1.l.)

- b. **Errors, Omissions, And Defects** -- "We" do not pay for loss caused by one or more of the following:

- 1) an act or a decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or
- 2) a defect, a weakness, the inadequacy, a fault, or unsoundness in the:
 - a) development, planning, siting, surveying, zoning;
 - b) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship;
 - c) materials used in construction, remodeling, renovation, or repair; or
 - d) maintenance;

of any property, whether in whole or in part, and whether on or off the "described location", except as provided under the Incidental Coverage for Collapse.

WHAT MUST BE DONE IN CASE OF LOSS

The following duties apply when there is loss to covered property. These duties must be performed by "you" or "your" representative.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed and such failure to perform is prejudicial to "us".

1. **Notice** -- Prompt notice must be given to "us" or "our" agent.

Notice must be given to the police when the loss involves a crime.

2. **Protect Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss.

If the property must be repaired, "you" must:

- a. make reasonable and necessary repairs to protect the property; and
- b. keep an accurate record of the costs of such repairs.

3. **Cooperation** -- "You" and any person representing "you" must cooperate with "us" in investigating and settling the claim.

4. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of damaged or stolen personal property involved in a loss that shows, in detail, the:

- a. quantity;
- b. description;
- c. actual cash value; and
- d. amount of loss.

All bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.

5. **Preserve And Show Damaged Property** -- To the degree reasonably possible, damaged property must be preserved and retained on the "described location" for "our" inspection, testing, and analysis.

As often as "we" reasonably request, "we" must be:

- a. shown the damaged property; and
- b. allowed to take samples of damaged property for inspection, testing, and analysis.

6. **Records And Documents** -- As often as "we" reasonably request, "we" must be:

- a. given requested records and documents, including but not limited to tax returns

and bank records of all canceled checks that relate to the value, loss, and costs; and

- b. permitted to make copies of such records and documents.

7. **Examination Under Oath**

- a. As often as "we" reasonably request, "you" and all other insureds must:

- 1) submit to examination under oath in matters that relate to the loss or claim and allow such examination to be recorded; and
- 2) sign the statement made under oath.

If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of any other insured.

- b. As often as "we" reasonably request, all:

- 1) representatives of "yours"; and
- 2) representatives of any other insured;

must submit to examination under oath in matters that relate to the loss or claim, allow such examination to be recorded, and sign the statement made under oath.

If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of "you", any other insured, or any other person to be examined.

All examinations under oath described in 7.a and 7.b above must take place in the county in which the "described location" is located unless "we" agree otherwise.

8. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that, to the best of "your" knowledge and belief:

- a. states:

- 1) the date, time, place, cause, and details of the loss; and

- 2) "your" interest and the interests of all others, including all mortgages and liens, in the property involved in the loss;
- b. identifies:
 - 1) other insurance, or any service agreement, that may cover the loss. For the purpose of this item 8.b.1), a service agreement means a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property; and
 - 2) any changes in title or use of the property since the policy was first issued; and
- c. provides:
 - 1) available plans and specifications of damaged buildings;
 - 2) detailed estimates for repair;
 - 3) the inventory of damaged personal property described in 4. above; and
 - 4) receipts for additional living costs incurred and records supporting the fair rental value loss.

HOW MUCH WE PAY FOR LOSS

1. Our Limit -- "We" pay no more than:

- a. the "limit" that applies; or
- b. the amount determined under Loss Settlement Terms;

whichever is less, regardless of the number of persons or organizations with an interest in the property.

However, no person or organization will be paid an amount that exceeds that person's or organization's interest in the property at the time of loss.

2. Deductible

- a. A deductible applies to all principal coverages and all incidental coverages other than:
 - 1) Fire Department Service Charge; and
 - 2) the coverage for towing cost provided under the Incidental Coverage for Emergency Removal.

The deductible applies to all perils insured against unless otherwise stated.

The deductible that applies is shown on the "declarations".

- b. Subject to the "limits" that apply, "we" pay that part of the total of all loss payable that is greater than the deductible. If more than one deductible applies to a loss, only the highest deductible amount will apply.

The deductible applies:

- 1) per occurrence; and
- 2) separately at each covered location.

3. Loss To A Pair Or Set

- a. If there is a loss to a pair or set, "we" may:
 - 1) replace or repair any part of the pair or set to restore the pair or set to its value just before the loss; or
 - 2) pay the difference in the actual cash value of the pair or set just before the loss and the actual cash value just after the loss.
- b. However, with respect to loss to a mobile or manufactured home, if there is a loss to part of a pair, set, or series of pieces or panels, "we" pay only for the reasonable cost to:
 - 1) repair or replace the damaged part to match the remaining pieces or panels as nearly as possible; or
 - 2) provide a suitable cosmetic effect or function, as warranted.

These "terms" do not serve as a guarantee that replacement pieces or panels will be available.

"We" do not pay for the value, repair, or replacement of undamaged pieces or panels.

4. Loss To Parts

- a. If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.
- b. However, with respect to loss to a mobile or manufactured home, if there is a loss to part of a pair, set, or series of pieces or panels, "we" pay only for the reasonable cost to:

- 1) repair or replace the damaged part to match the remaining pieces or panels as nearly as possible; or
- 2) provide a suitable cosmetic effect or function, as warranted.

These "terms" do not serve as a guarantee that replacement pieces or panels will be available.

"We" do not pay for the value, repair, or replacement of undamaged pieces or panels.

5. Loss Settlement Terms

- a. "We" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms.
- b. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, an ordinance, or a law.

However, if there is a covered loss to glass that is part of a building, storm door, or storm window, "we" will pay to replace the damaged glass with safety

glazing material when required by a code, an ordinance, or a law.

c. Replacement Cost Terms

- 1) The Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof.

However, Replacement Cost Terms do not apply to mobile or manufactured homes, whether or not on a permanent foundation, or to:

- a) outdoor antennas;
- b) appliances;
- c) awnings and canopies;
- d) carpets;
- e) tenant's improvements; and
- f) window air-conditioners;

whether or not attached to a building.

- 2) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit:

- a) the actual cash value of the damaged part of the building just before the loss; or
- b) that part of the cost to repair or replace the damaged part, without a deduction for depreciation, that the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.

- 3) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit:

- a) the amount actually and necessarily spent to repair or replace the damaged building,

without a deduction for depreciation; or

- b) the cost to repair or replace the damage:

- (1) using materials of like kind and quality; and
- (2) for like use;

without a deduction for depreciation.

However, if a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.

- 4) When determining whether or not the "limit" that applies to the damaged building at the time of loss is at least 80% of the building's full replacement cost just before the loss, do not include the cost of:

- a) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are:

- (1) below the undersurface of the lowest basement floor; or
- (2) below the surface of the ground inside the foundation walls, if there is no basement; and

- b) underground flues, pipes, wiring, and drains.

- 5) If the cost to repair or replace the damaged building exceeds the lesser of \$2,500 or 5% of the "limit" that applies to it, "we" will pay no more than the actual cash value of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in 5.c.2) and 5.c.3) above.

- 6) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to repair or replace the damaged building.

d. Actual Cash Value Terms

- 1) The Actual Cash Value Terms apply to all property to which the Replacement Cost Terms do not apply.

- 2) The smallest of the following amounts is used in applying the "terms" under Our Limit:

- a) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical;
- b) the actual cash value of the lost or damaged part of the property just before the loss; or
- c) (applies only to mobile and manufactured homes) the difference in the actual cash value just before the loss and the actual cash value just after the loss.

6. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.

7. Insurance Under More Than One Policy And Service Agreement

- a. If there is other insurance that applies to a loss, cost, or expense covered by this policy, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total

amount of insurance that applies to the loss, cost, or expense.

- b. If a loss, cost, or expense covered by this policy is also covered by insurance in the name of an association or a corporation of property owners, this insurance is:

- 1) excess over the amount due under such other insurance, whether or not the association or corporation of property owners has collected under the other insurance; and
- 2) primary with respect to any amount not due under such other insurance because of the application of a deductible.

- c. If loss, cost, or expense covered by this policy is also covered by a service agreement, this insurance is excess over any amount recoverable under such agreement.

For the purpose of this item 7.c., a service agreement means a home warranty, a service or maintenance plan or agreement, or any other warranty plan, or agreement that provides for the repair or replacement of property, even if it has the characteristics or qualities of insurance or is described as insurance.

PAYMENT OF LOSS

1. **Your Property** -- "We" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:
 - a. "we" reach an agreement with "you";
 - b. there is an entry of a final judgment; or
 - c. there is a filing of an appraisal award with "us".

Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

2. **Additional Living Costs And Fair Rental Value** -- If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.

3. **Property Of Others** -- At "our" option, a covered loss to personal property of another may be adjusted with and paid:

- a. to "you" on behalf of the owner; or
- b. to the owner. If "we" pay the owner, "we" do not have to pay "you".

4. **Our Options** -- "We" may:

- a. pay the loss in money; or
- b. rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

CONDITIONS

1. **Abandonment Of Property** -- "You" may not abandon property to "us" unless "we" agree.
2. **Appraisal** -- If "you" and "we" do not agree on the value of the property or the amount of the loss, either party may make a written demand for an appraisal of the loss.

If either party makes a written demand for an appraisal, each party will select a competent, impartial appraiser within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask that the umpire be selected by a judge of a court of competent jurisdiction in the state in which the "described location" is located.

The appraisers then determine and state separately the value of the property and amount of the loss. If the appraisers fail to agree, they will submit only their differences to the umpire. An itemized, written agreement signed by any two of these three will determine the amount of the loss.

"You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal.

Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.

3. **Conformity With Law** -- If the "terms" of this policy conflict with an applicable law, the "terms" are amended to conform to that law.

4. **Death** -- The "terms" of this condition apply only when a "named insured" is a person.

If "you" die, "we" provide the property coverages described herein for:

- a. "your" legal representative, but only:
 - 1) with respect to the deceased person's property covered by this policy at the time of death; and
 - 2) to the extent that coverage is provided by this policy; and
- b. persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.

5. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", that loss payee is considered to be an insured, but only with respect to those items of personal property.

If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".

6. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage to "you" or any other insured if, before or after a loss, "you" have, or any other insured has:

- a. willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or
- b. committed fraud or sworn falsely with regard to a matter that relates to this insurance or the subject thereof.

This item 6. applies even with respect to an insured who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.

7. Mortgage Clause

- a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage 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. The word mortgagee includes trustee and secured party.
- b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has:
 - 1) notified "us" of any change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware;
 - 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and
 - 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so.

All "terms" of this policy apply to the mortgagee unless changed by this clause.

- c. A secured party's interest is not covered for "your" conversion, embezzlement, or secretion of encumbered property in "your" possession, unless specifically insured against and a premium is paid for such coverage.

- d. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.
- e. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the 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.

- 8. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.
- 9. **Policy Period** -- The property coverages described herein apply only to losses that occur during the policy period.
- 10. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss.

"You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.

At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us".

If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.

- 11. **Subrogation** -- If "we" pay for a loss, "we" may require an assignment of the right of recovery up to the amount "we" pay.

In the event that "we" require such an assignment, the person or organization to whom payment was made must:

- a. sign and give to "us" all related documents; and
- b. cooperate with "us".

"You" may waive "your" right to recover, in writing and before a loss occurs, without affecting coverage.

- 12. **Suit Against Us** -- No suit may be brought against "us" unless:

- a. all of the "terms" of the property coverages provided by this policy have been fully complied with; and
- b. the suit is brought within two years after the date on which direct physical loss or damage occurred.

- 13. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.

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WATER BACK UP AND SUMP OVERFLOW OR DISCHARGE

(Entries required to complete the Schedule will
be shown below or on the "declarations".)

Schedule

**Water Back Up And Sump Overflow Or
Discharge Limit**

\$ _____

**Water Back Up And Sump Overflow Or
Discharge Deductible**

\$ _____

This policy is amended to include the following
"terms". All other "terms" of the policy apply,
except as amended by this endorsement.

The most "we" pay per occurrence for
such direct physical loss is the "limit"
shown in the Schedule above. This does
not increase the "limits" that apply to the
property covered, nor does it increase
the "limit" that applies to Coverage D, if
provided by this policy.

PROPERTY COVERAGES

1. The following is added under Incidental
Coverages:

**Water Back Up And Sump Overflow Or
Discharge**

- a. "We" pay for direct physical loss to
covered property caused by water or
matter present in or carried or otherwise
moved by water that:

- 1) originates from within a building on
the "described location" and backs
up through such building's sewers or
drains; or
- 2) overflows or otherwise discharges
from:

- a) a sump, sump pump, or related
equipment; or
- b) any other type of system
designed to remove subsurface
water that is drained from the
foundation area;

even if such overflow or discharge
results from mechanical breakdown
or power failure.

- b. However, this coverage does not apply
to:

- 1) loss caused by "your" negligence or
the negligence of any other insured;
or
- 2) loss to:
 - a) a sump, sump pump, or related
equipment; or
 - b) any other type of system
designed to remove subsurface
water that is drained from the
foundation area;

that is caused by mechanical
breakdown or power failure.

2. Any policy exclusion for loss caused by
mechanical breakdown is deleted, but only to
the extent that coverage for loss caused by
mechanical breakdown is provided under the
Incidental Coverage for Water Back Up And
Sump Overflow Or Discharge added by this
endorsement.
3. With respect to the coverage provided by this
endorsement, under General Exclusions,
Power Failure does not apply.

4. With respect to the coverage provided by this endorsement, under General Exclusions, Water is deleted and replaced by the following:

I. Water

- 1) "We" do not pay for loss caused by water that backs up through sewers or drains, or water that overflows otherwise discharges from a sump, sump pump, or related equipment or any other type of system designed to remove subsurface water that is drained from the foundation area, as a direct or indirect result of:

- a) flood;
- b) surface water;
- c) waves, including but not limited to tidal wave and tsunami;
- d) tides;
- e) tidal water;
- f) overflow of any body of water; or
- g) spray from I.1)a) through I.1)f) above;

whether driven by wind or not.

This includes, but is not limited to, tidal surge, storm surge, and storm tide.

- 2) "We" do not pay for loss caused by water that:

- a) backs up through sewers or drains; or
- b) overflows or otherwise discharges from:

- (1) a sump, sump pump, or related equipment; or
- (2) any other type of system designed to remove subsurface water that is drained from the foundation area;

as a direct or indirect result of water below the surface of the ground. This includes but is not limited to

water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.

- 3) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in I.1) and I.2) above.

- 4) The exclusions set forth in I.1) through I.3) above:

- a) apply regardless of the cause of the excluded event, whether such cause is a natural cause, a man made cause, or a combination of natural and man-made causes; and
- b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

- (1) overtops;
- (2) escapes from;
- (3) is released from; or
- (4) is otherwise discharged from;

a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

- 5) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in I.1) through I.3) above.

HOW MUCH WE PAY FOR LOSS

With respect to the coverage provided by this endorsement, item 2., Deductible, is deleted and replaced by the following:

Deductible -- "We" pay only that part of the total of all loss payable that is greater than the deductible shown in the Schedule above.

The deductible applies:

- a. per occurrence; and
- b. separately at each covered location.

No other deductible applies to this coverage.

DP 3508 05 19

SAMPLE

LIMITED THEFT COVERAGE

(Entries required to complete the Schedule will be shown below or on the "declarations".)

Schedule

Limited Theft Coverage Limit	\$	Deductible	\$
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This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

DEFINITIONS

With respect to the coverage provided by this endorsement, the following definitions are added:

1. "Business" means:

- a. farming, whether full-time, part-time, or occasional;
- b. a trade, a profession, or an occupation, all whether full-time, part-time, or occasional. This includes:
 - 1) "home-sharing host activities"; and
 - 2) any rental of property to others other than "home-sharing host activities"; or
- c. any other activity undertaken for money or other compensation, but this does not include:
 - 1) providing care services to "your" relative;
 - 2) providing services for the care of a person who is not "your" relative and for which the only compensation is the mutual exchange of like services;
 - 3) a volunteer activity for which "your" only compensation is the reimbursement of expenses incurred to carry out the activity; or
 - 4) an activity not described in 1.c.1) through 1.c.3) above for which "your" total compensation for the 12-month period immediately prior to the first day of this policy period was not more than \$2,500.

2. "Domestic employee" means a person employed by "you", or a person leased to "you" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for "you" but only if such duties are not in connection with "your" "business".

However, "domestic employee" does not include a person who is furnished to "you":

- a. as a temporary substitute for a permanent "domestic employee" who is on leave; or
- b. to meet seasonal or short-term workloads.

3. "Home-sharing guest" means a person who:

- a. has entered into an agreement with, or arranged compensation with, "you" for "home-sharing host activities" by means of a "home-sharing platform"; or
- b. accompanies or lodges with a person described in 3.a. above in connection with such "home-sharing host activities".

4. "Home-sharing host activities" means:

- a. the rental or holding for rental, or the mutual exchange of services, of all or a portion of the "described location" by "you" to a "home-sharing guest" by means of a "home-sharing platform"; and
- b. any other property or service:
 - 1) related to; and
 - 2) made available by "you" for use during;

a rental or mutual exchange of services described in 4.a. above.

However, this item 4.b. does not include any property or service provided by a party other than "you".

5. "Home-sharing platform" means any digital network, online-enabled application, or web site:

- a. that is used to bring about the rental of all or a part of a dwelling or other structure for compensation of any kind, including money or the mutual exchange of services; and
- b. through which the agreement and compensation with respect to such rental can be transacted.

6. For purposes of the coverage provided by this endorsement, the words:

- a. boarder;
- b. guest;
- c. roomer; and
- d. tenant;

do not include a "home-sharing guest".

- d) an occupied dwelling that is not:

- (1) owned by "you";
- (2) rented to "you"; or
- (3) occupied by "you";

is considered on the "described location".

- 2) **Limitations On Certain Property** -- The special "limits" shown in 3.a.2)a) and 3.a.2)b) below do not increase the "limit" that applies to Limited Theft Coverage.

The "limit" that applies to each class is the total "limit" per occurrence for all items in that class.

- a) \$1,500 on watercraft of all types, including their furnishings, equipment, engines, motors, trailers, and semitrailers.
- b) \$1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.

PROPERTY COVERAGES

1. With respect to the coverage provided by this endorsement, under Principal Coverages, item 3., Coverage C -- Personal Property, is deleted and replaced by the following:

3. **Coverage C -- Personal Property**

a. **Covered Property**

- 1) "We" cover personal property that is owned or used by "you" or a "domestic employee" while such property is on the "described location". Property placed for safekeeping in:

- a) a bank;
- b) a trust or safe deposit company;
- c) a public warehouse; or

- b. **Property Not Covered** -- "We" do not cover:

- 1) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.

However, this item 3.b.1) does not include aircraft:

- a) that are designed and used for hobby or model purposes; and
 - b) that are not designed or used to carry one or more operators, any other person, or cargo;
- 2) animals, birds, fish, or insects;
 - 3) data, regardless of the medium on which it exists.

However, "we" do cover the cost of:

- a) blank recording or storage media; and
 - b) prepackaged computer programs that can be obtained in the retail marketplace;
- 4) electronic equipment that reproduces, receives, or transmits audio, visual, or data signals, or antennas, wires, accessories, or media designed for use with such equipment, while the equipment, antennas, wires, accessories, or media are in or on a "motorized vehicle" or watercraft;
- 5) grave markers or mausoleums;
- 6) "hovercraft". This includes parts or equipment of "hovercraft", whether or not attached.

However, this item 3.b.6) does not include "hovercraft":

- a) that are designed and used for hobby or model purposes; and
 - b) that are not designed or used to carry one or more operators, any other person, or cargo;
- 7) land, including the land on which covered property is located, underground water, or surface water;
- 8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds;
- 9) "motorized vehicles" or, while in or on a "motorized vehicle", their parts, equipment, or accessories.

However, this item 3.b.9) does not apply to a "motorized vehicle" that is not required by law or governmental regulation to be registered for use on public roads or property and that is:

- a) designed to assist the handicapped; or
- b) owned by "you" and used only to service the "described location";

- 10) property separately described and specifically insured by this policy or any other insurance, regardless of the "limit" that applies to such property under such insurance;
- 11) trees, plants, shrubs, or lawns, except as provided under the Incidental Coverage for Trees, Plants, Shrubs, Or Lawns;
- 12) property used at any time or in any manner for "business" purposes.

However, this item 3.b.12) does not apply to property that is:

- a) usual to the occupancy of the "described location" as a place of residence;
 - b) rented or held for rental to others; and
 - c) used primarily for other than "home-sharing host activities";
- 13) accounts, bank notes, bills, bullion, cards or other devices on which a cash value is stored electronically, coins, deeds, evidence of debt, gold, goldware, gold-plated ware, letters of credit, manuscripts, medals, money, notes other than bank notes, numismatic property, passports, personal records, pewterware, philatelic property, platinum, platinumware, platinum-plated ware, scrip, securities, silver, silverware, silver-plated ware, smart cards, stamps, or tickets;
- 14) jewelry, watches, precious or semiprecious stones, gems, or furs; or
- 15) guns or items related to guns.

- c. Subject to the limitations set forth in 3.a.2) above, the Limited Theft Coverage Limit shown in the Schedule above is the most "we" pay per occurrence for all property covered under Coverage C.

2. With respect to the coverage provided by this endorsement, under Property Coverages, Incidental Coverages, Trees, Plants, Shrubs, Or Lawns, item a. is deleted and replaced by the following:

- a. "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by:

- 1) a vehicle that is not owned or operated by "you" or an occupant of the "described location"; or
- 2) any of the following perils that apply to property covered under Coverage C:
 - a) Aircraft;
 - b) Damage By Burglars;
 - c) Explosion;
 - d) Fire Or Lightning;
 - e) Riot Or Civil Commotion;
 - f) Theft; or
 - g) Vandalism Or Malicious Mischief.

However, "we" do not cover trees, plants, shrubs, or lawns grown for "business".

3. The following is added under Perils Insured Against:

Theft

- a. Subject to item b. below, "we" insure against direct physical loss to property covered under Coverage C caused by:

- 1) theft or attempted theft; or
- 2) vandalism or malicious mischief as a result of theft or attempted theft, but this does not include loss:
 - a) to property on the "described location"; or
 - b) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if, immediately prior to the loss, the dwelling has been vacant for more than 60 consecutive days. A dwelling being built is not vacant.

- b. However, "we" do not pay for loss:

- 1) caused by "you";
- 2) caused by theft in or to a structure being built, or theft of materials or

supplies for use in construction of the structure, until the structure is finished and occupied;

- 3) of a precious or semiprecious stone from its setting;
- 4) that results from the theft of:

- a) a credit card;
- b) an electronic fund transfer card; or
- c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

- 5) caused by:

- a) a tenant, roomer; or boarder;
- b) a member of a tenant's household; or
- c) an employee of:

- (1) a tenant, roomer; or boarder; or

- (2) a member of a tenant's household;

- 6) that arises out of or results from "home-sharing host activities"; or
- 7) that is excluded under General Exclusions.

4. With respect to the coverage provided by this endorsement, under Property Coverages, General Exclusions, the following is added to Earth Movement:

This item f. does not apply to loss caused by theft that is otherwise covered by this policy.

5. With respect to the coverage provided by this endorsement, under Property Coverages, General Exclusions, the following is added to Water:

This item l. does not apply to loss caused by theft that is otherwise covered by this policy.

HOW MUCH WE PAY FOR LOSS

With respect to the coverage provided by this endorsement, item 2., Deductible, is deleted and replaced by the following:

2. A deductible applies to Limited Theft Coverage. The deductible that applies is \$500 unless a higher deductible is shown in the Schedule above.

Subject to the "limits" that apply, "we" pay that part of the total of all loss payable that is greater than the deductible. If more than one deductible applies to a loss, only the highest deductible amount will apply.

The deductible applies:

- a. per occurrence; and
- b. separately at each covered location.

DP 3535 05 19

LOSS ASSESSMENT COVERAGE

(Entries required to complete the Schedule will be shown below or on the "declarations".)

Schedule

Location of Premises	Limit
1.	\$
2.	\$
3.	\$

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

- (1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption;

even if this policy provides coverage for such perils.

PROPERTY COVERAGES

The following is added under Incidental Coverages:

Loss Assessment

- a. "We" pay for "your" share of an assessment levied against "you" as owner or tenant of a premises shown in the Schedule above by a homeowners, condominium, or similar residential association. Coverage applies only if the assessment:

- 1) is levied during the policy period; and
- 2) results from direct loss to property that is:

- a) owned collectively by all association members;
- b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and
- c) caused by a peril insured against that applies to this policy, but this does not include:

- b. However, "we" do not pay for an assessment that:

- 1) results from a deductible in the insurance held by the association; or
- 2) is levied against "you" or the association by any governmental body or authority.

- c. The most "we" pay per occurrence at a premises shown in the Schedule is the "limit" shown for that premises. The "limit" that applies to a premises is the most "we" pay for any one loss at that premises, regardless of the number of assessments.

- d. The Policy Period condition under Conditions does not apply to this incidental coverage.

HOW MUCH WE PAY FOR LOSS

With respect to the coverage provided by this endorsement, item 2., Deductible, is deleted and replaced by the following:

Deductible -- Subject to the "limit" that applies, "we" pay that part of the total of all assessments payable that is greater than \$500. The deductible applies:

- a. per occurrence; and
- b. separately at each premises shown in the Schedule above.

No other deductible applies to this coverage.

DP 3550 05 19

SAMPLE

INCREASED COST -- ORDINANCE OR LAW

(Entries required to complete the Schedule will
be shown below or on the "declarations".)

Schedule

The Increased Cost -- Ordinance Or Law percentage is ____%

This policy is amended to include the following
"terms". All other "terms" of the policy apply,
except as amended by this endorsement.

remodeling, renovation, repair, or
replacement of property as set forth in a.
above.

This does not increase the "limit" that
applies to this incidental coverage.

PROPERTY COVERAGES

1. The following is added under Incidental
Coverages:

Increased Cost -- Ordinance Or Law

- a. If loss to a covered building or structure
is caused by a peril insured against and
"you" elect to repair or replace the
damage, "we" pay for the increased cost
that "you" incur due to the enforcement of
a code, an ordinance, or a law that
regulates or requires:

- 1) the construction, demolition,
remodeling, renovation, or repair of
the damaged part of such building or
structure;
- 2) the demolition and reconstruction of
the undamaged part of such building
or structure if the building or structure
must be totally demolished because
of such loss; or
- 3) the remodeling, removal, or
replacement of that portion of the
undamaged part of such building or
structure necessary to complete the
remodeling, repair, or replacement of
the damaged part of the building or
structure.

- b. "You" may use all or part of this
Increased Cost -- Ordinance Or Law
coverage to cover the increased cost
"you" incur to remove debris resulting
from the construction, demolition,

- c. However, "we" do not pay for:

- 1) any loss in value of property that
results from the enforcement of a
code, an ordinance, or a law; or
- 2) any loss, cost, or expense that
results from the enforcement of a
code, an ordinance, or a law
requiring that "you" or others test for,
monitor, clean up, remove, contain,
treat, detoxify, neutralize, or in any
way respond to or assess the effects
of any "pollutant".

- d. The most "we" pay for the total of all cost
described in a. and b. above at a
"described location" to which this
Incidental Coverage for Increased Cost -
- Ordinance Or Law applies is the "limit"
that applies at such "described location",
as determined in d.1), d.2), or d.3) below.

- 1) If a "described location" is:

- a) owned by "you"; and
- b) insured for Coverage A;

the "limit" that applies to this
Incidental Coverage for Increased
Cost -- Ordinance Or Law at such
"described location" is determined by
multiplying the "limit" that applies to
Coverage A by the Increased Cost --
Ordinance Or Law percentage
shown in the Schedule above.

- 2) If a "described location" is:
- a) owned by "you"; and
 - b) not insured for Coverage A;

the "limit" that applies to this Incidental Coverage for Increased Cost -- Ordinance Or Law at such "described location" is determined by multiplying the "limit" that applies to Coverage B by the Increased Cost -- Ordinance Or Law percentage shown in the Schedule.

- 3) If "you" are a tenant of, and do not own, a "described location":

- a) the "limit" that applies to this Incidental Coverage for Increased Cost -- Ordinance Or Law at such "described location" is determined by multiplying the "limit" that applies to the Incidental Coverage for Tenant's Improvements by the Increased Cost -- Ordinance Or Law percentage shown in the Schedule; and
- b) for purposes of this Incidental Coverage for Increased Cost -- Ordinance Or Law, the words:

- (1) building; and
- (2) structure;

mean property at such "described location" that is covered under the Incidental Coverage for Tenant's Improvements.

2. If this policy includes form DP 0001 or DP 0002, with respect to the coverage provided by this endorsement, under General Exclusions, item i., Ordinance Or Law, item 1) is deleted.
3. If this policy includes form DP 0003, with respect to the coverage provided by this endorsement, under General Exclusions, item 1.i., Ordinance Or Law, item 1) is deleted.

HOW MUCH WE PAY FOR LOSS

The following amendments apply with respect to the coverage provided by this endorsement:

- 1. Under item 3., Loss To A Pair Or Set, the last paragraph in item b. is deleted.
- 2. Under item 4., Loss To Parts, the last paragraph in item b. is deleted.
- 3. If this policy includes form DP 0001, under item 5., Loss Settlement Terms, item b. is deleted and replaced by the following:
 - b. In the Actual Cash Value Terms, cost to repair or replace does not include any increased cost that results from the enforcement of a code, an ordinance, or a law, except to the extent that coverage for such increased cost is provided under the Incidental Coverage for Increased Cost -- Ordinance Or Law.
- 4. If this policy includes form DP 0002 or DP 0003, under item 5., Loss Settlement Terms, item b. is deleted and replaced by the following:
 - b. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, an ordinance, or a law, except to the extent that coverage for such increased cost is provided under the Incidental Coverage for Increased Cost -- Ordinance Or Law.

DP 3557 05 19

COMMERCIAL LIABILITY COVERAGE (PREMISES ONLY -- LANDLORDS)

The following Table of Contents shows how this Commercial Liability Coverage is organized. It will help "you" locate particular sections of this form.

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Additional conditions that relate to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records also apply. These are shown separately.

Endorsements and schedules may also apply. They are identified on the "declarations".

Refer to the Definitions for words that have special meanings. These words are shown in quotation marks or bold type.

AGREEMENT

In return for "your" payment of the required premium, "we" provide the Commercial Liability Coverage described herein, subject to all the "terms".

DEFINITIONS

1. The words "you" and "your" mean the person, persons, or organization named as the insured on the "declarations".
2. The words "we", "us", and "our" mean the company providing this Commercial Liability Coverage.
3. "Bodily injury" means bodily harm, sickness, or disease sustained by a person and includes required care and loss of services. "Bodily injury" includes death that results from bodily harm, sickness, or disease. "Bodily injury" does not include mental or emotional injury, suffering, or distress that does not result from a physical injury.
4. "Damages" means compensation in the form of money for a person who claims to have suffered an injury.
5. "Declarations" means all pages labeled "Declarations", "Supplemental Declarations", or "Schedules" which pertain to this Commercial Liability Coverage.
6. "Insured" -- If shown on the "declarations" as an Individual, "insured" means "you" and "your" spouse, but only with respect to the ownership, maintenance, or use of an "insured premises" and operations that are necessary or incidental to it.

If shown on the "declarations" as a Partnership or a Joint Venture, "insured" means "you" and all "your" partners or members and their spouses, but only with respect to the ownership, maintenance, or use of an "insured premises" and operations that are necessary or incidental to it.

If shown on the "declarations" as a Limited Liability Company, "insured" means "you" and all "your" members and managers, but

only while acting within the scope of their duties, with respect to the ownership, maintenance, or use of an "insured premises" and operations that are necessary or incidental to it.

If shown on the "declarations" as an Organization (other than a Partnership, Joint Venture, or Limited Liability Company), "insured" means "you" and all of "your" executive officers and directors, but only while acting within the scope of their duties, with respect to the ownership, maintenance, or use of an "insured premises" and operations that are necessary or incidental to it. This also includes "your" stockholders, but only for their liability as such.

"Insured" also includes the following, but only with respect to the ownership, maintenance, or use of an "insured premises" and operations that are necessary or incidental to it:

- a. any person or organization, except "your" employees, while acting as "your" real estate manager;
- b. if "you" die during the policy period, "your" legal representative while acting within the scope of those duties as such with respect to an "insured premises", or a person who has custody of an "insured premises" with respect to liability arising out of the maintenance or use of that property until "your" legal representative is appointed. "Your" legal representative has all "your" rights and duties under this coverage;
- c. "your" employees, for acts within the scope of their employment by "you" (this does not include "your" managers if "you" are a limited liability company or "your" executive officers if "you" are an organization other than a limited liability company). None of these employees are "insureds" for:

- 1) "bodily injury" or "personal injury" to "you" or to a fellow employee; or
 - 2) "property damage" to property owned by, rented to, or loaned to "your" employees, any of "your" partners or members or their spouses (if "you" are a partnership or joint venture), or any of "your" members (if "you" are a limited liability company).
- d. any organization (other than a joint venture, partnership, or limited liability company) newly acquired or formed by "you", and in which "you" have a majority interest.
- Such an organization is not an "insured":
- 1) if there is other similar insurance available to it;
 - 2) after 90 days immediately following the acquisition or formation or the end of the policy period, whichever is earlier;
 - 3) for "bodily injury" or "property damage" that occurred prior to the acquisition or formation; or
 - 4) for "personal injury" arising out of an offense committed prior to the acquisition or formation.
- No person or organization is an "insured" with respect to the conduct of a current or past partnership, joint venture, or limited liability company that is not named on the "declarations" as an "insured".
7. "Insured premises" means a one- to four-family dwelling, including related private structures and grounds, that is shown on the "declarations" as a described location.
 8. "Limit" means the amount of coverage that applies.
 9. "Motorized vehicle" means a self-propelled land or amphibious vehicle regardless of method of surface contact.

This does not include vehicles that are designed and used to assist the handicapped and not required to be licensed for road use.
 10. "Occurrence" means an accident and includes repeated exposure to similar conditions.
 11. "Personal injury" means injury (other than "bodily injury" or "property damage") arising out of one or more of the following offenses:
 - a. oral or written publication of material:
 - 1) that slanders or libels a person or organization;
 - 2) that disparages a person's or an organization's goods, products, or services; or
 - 3) that violates a person's right of privacy;
 - b. false arrest, detention, or imprisonment;
 - c. malicious prosecution; or
 - d. wrongful entry into, wrongful eviction from, or invasion of the right of private occupancy of a room, dwelling, or premises that a person occupies. This offense must be committed by or on behalf of the owner, landlord, or lessor of the room, dwelling, or premises.
 12. "Pollutant" means:
 - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and

- b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.

13. "Property damage" means:

- a. physical injury or destruction of tangible property; or
- b. the loss of use of tangible property whether or not it is physically damaged. Loss of use is deemed to occur at the time of the "occurrence" that caused it.

14. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions that apply to this Commercial Liability Coverage.

PRINCIPAL COVERAGES

"We" provide insurance for the following coverages indicated by a specific "limit" or premium charge on the "declarations".

COVERAGE L -- BODILY INJURY LIABILITY PROPERTY DAMAGE LIABILITY

"We" pay all sums which an "insured" becomes legally obligated to pay as "damages" due to "bodily injury" or "property damage" to which this insurance applies. The "bodily injury" or "property damage" must be caused by an "occurrence" and arise out of the ownership, maintenance, or use of an "insured premises" or operations that are necessary or incidental to an "insured premises".

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

COVERAGE M -- MEDICAL PAYMENTS

1. "We" pay the medical expenses defined below for "bodily injury" caused by an accident on an "insured premises".
2. "We" pay such expenses regardless of fault, but only if:
 - a. they arise out of an accident that occurred during the policy period; and
 - b. they are incurred and reported within one year of the accident.
3. Medical expenses means the reasonable and necessary expenses for:
 - a. medical, surgical, x-ray, and dental services, including prosthetic devices, hearing aids, prescription drugs, eye glasses, and contact lenses;
 - b. ambulance, hospital, professional nursing, and funeral services; and
 - c. first aid at the time of an accident.

COVERAGE P -- PERSONAL INJURY LIABILITY

"We" pay all sums which an "insured" becomes legally obligated to pay as "damages" due to "personal injury" to which this insurance applies. The "personal injury" must arise out of an offense related to the ownership, maintenance, or use of an "insured premises" or operations that are necessary or incidental to an "insured premises". This does not include advertising, publishing, broadcasting, or telecasting done by "you" or on "your" behalf.

This coverage applies only to an offense of "personal injury" that is committed during the policy period.

SUPPLEMENTAL COVERAGES

Subject to all the "terms" of the Principal Coverages, "we" provide the following supplemental coverages. They do not increase the "limits" stated for the Principal Coverages.

INCIDENTAL CONTRACTUAL LIABILITY

1. "We" pay for "bodily injury" or "property damage" which is assumed by an "insured" under the following contracts or agreements, but only with respect to the ownership, maintenance, or use of an "insured premises" and operations that are necessary or incidental to it:
 - a. lease of premises;
 - b. easement or license agreement (this does not include an agreement in connection with any construction or demolition operation within 50 feet of a railroad);
 - c. promise to indemnify a municipality if required by an ordinance (this does not apply in connection with work done for the municipality); or
 - d. elevator maintenance agreement.
2. This coverage does not apply to that part of any contract or agreement that indemnifies any person or organization for damage by fire to premises rented or loaned to "you".

INCIDENTAL VEHICLE COVERAGE

"We" pay for "bodily injury" or "property damage" arising out of:

1. the parking of a "motorized vehicle" on an "insured premises", if the "motorized vehicle" is not owned by or rented to or loaned to an "insured"; or
2. a "motorized vehicle" while it is used to service an "insured premises" and not subject to motor vehicle registration.

DAMAGE TO PROPERTY OF OTHERS

1. Regardless of an "insured's" legal liability, "we" pay for "property damage" to personal property of others caused by an "insured" and arising out of the ownership, maintenance, or use of an "insured premises".
2. All of the exclusions otherwise applicable to "property damage" do not apply to this coverage. However, "we" do not pay for "property damage" to property:
 - a. owned by an "insured";
 - b. which is caused intentionally by an "insured";
 - c. resulting in whole or in part from the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading, or unloading of "motorized vehicles", aircraft, or watercraft. However, "we" do pay for "property damage" which results from the use of a "motorized vehicle" not subject to motor vehicle registration and not owned by an "insured", if the "motorized vehicle" is used only to service the premises.
3. Subject to the Each Occurrence Limit and the General Aggregate Limit, "our" "limit" for "property damage" under this Supplemental Coverage is \$500 for each "occurrence" unless a higher "limit" is shown on the "declarations".

DEFENSE COVERAGE

Payments under this coverage are in addition to the "limits" for this Commercial Liability Coverage.

1. "We" have the right and duty to defend a suit seeking "damages" which may be covered under this Commercial Liability Coverage. "We" may make investigations and settle claims or suits "we" decide are appropriate.

Suit includes any alternative dispute resolution proceeding involving "bodily injury", "property damage", or "personal injury" to which:

- a. "you" must submit; or
 - b. "you" submit with "our" consent.
2. "We" do not have to provide defense after "we" have paid an amount equal to the "limit" as the result of:
 - a. a judgment; or
 - b. a written settlement agreed to by "us".
 3. If "we" defend a suit, "we" will pay:
 - a. the costs taxed to the "insured";
 - b. the expenses incurred by "us";
 - c. the actual loss of earnings by an "insured" for the time spent away from work at "our" request. "We" pay up to \$100 per day;
 - d. the necessary expenses incurred by an "insured" at "our" request;

- e. pre-judgment interest awarded against any "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit", "we" will not pay any pre-judgment interest based on that period of time after the offer;
- f. the interest which accrues beginning with entry of a judgment and ending when "we" tender, deposit in court, or pay up to "our" "limit"; and
- g. the cost of appeal bonds or bonds for the release of attachments up to "our" "limit". We are not required to apply for or furnish such bonds.

EXCLUSIONS

"We" do not pay for "bodily injury", "property damage", or "personal injury" resulting from one or more of the following excluded "occurrences" or offenses. This applies regardless of other causes, "occurrences", or offenses that contribute to or aggravate the "bodily injury", "property damage", or "personal injury" whether such causes, "occurrences", or offenses act to produce the "bodily injury", "property damage", or "personal injury" before, at the same time as, or after the excluded "occurrence" or offense.

EXCLUSIONS THAT APPLY TO BODILY INJURY, PROPERTY DAMAGE, AND/OR PERSONAL INJURY

1. "We" do not pay for "bodily injury" or "property damage":
 - a. which is expected by, directed by, or intended by the "insured"; or

- b. that is the result of intentional and malicious acts of the "insured".

This exclusion does not apply to "bodily injury" that arises out of the use of reasonable force to protect people or property.

- 2. "We" do not pay for "bodily injury", "property damage", or "personal injury" which is assumed by the "insured" under a contract or an agreement.

This exclusion does not apply to:

- a. liability that an "insured" would have had in the absence of the contract or agreement; or
- b. "bodily injury" or "property damage" covered under Incidental Contractual Liability Coverage, provided that the "bodily injury" or "property damage" occurs after the effective date of the contract or agreement.

- 3. "We" do not pay for "bodily injury", "property damage", or "personal injury" that arises out of the rendering or the failure to render a professional service.
- 4. "We" do not pay for "bodily injury", "property damage", or "personal injury" that arises out of the use of "motorized vehicles" in, or in the practice or preparation for racing, speed, pulling or pushing, demolition, or stunt activities or contests.
- 5. "We" do not pay for "bodily injury", "property damage", or "personal injury" arising out of any premises other than an "insured premises".
- 6. "We" do not pay for "bodily injury", "property damage", or "personal injury" that arises out of the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading, or unloading of:

- a. an aircraft;
- b. a "motorized vehicle"; or
- c. a watercraft,

except as covered under Incidental Vehicle Coverage.

- 7. "We" do not pay for:

- a. "bodily injury" or "personal injury" to an employee of the "insured" if it occurs in the course of employment by the "insured"; or
- b. consequential injury to a spouse, child, parent, brother, or sister of such injured employee.

This exclusion applies where the "insured" is liable either as an employer or in any other capacity, or there is an obligation to fully or partially reimburse a third person for "damages" arising out of paragraph 7.a. or 7.b. above.

This exclusion does not apply to liability assumed by the "insured" under a contract covered under Incidental Contractual Liability Coverage.

- 8. "We" do not pay for "bodily injury", "personal injury", or "property damage" that results from the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of "pollutants" at any time.

However, this exclusion does not apply to "bodily injury" or "property damage" that results from the heat, smoke, or fumes of a fire on an "insured premises" that becomes uncontrollable or breaks out from where it was intended to be.

9. "We" do not pay for any loss, cost, or expense arising out of any:
 - a. request, demand, or order that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants"; or
 - b. claim or suit by or on behalf of any governmental authority relating to testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of "pollutants".
10. "We" do not pay for "bodily injury" or "personal injury" if benefits are provided or are required to be provided by the "insured" under a workers' compensation, disability benefits, occupational disease, unemployment compensation, or like law.
11. "We" do not pay for "bodily injury", "property damage", or "personal injury" that arises out of war. War includes undeclared war, civil war, insurrection, rebellion or revolution, or an act or a condition of war.
12. "We" do not pay for "bodily injury" or "personal injury" that arises out of any:
 - a. refusal to employ;
 - b. termination of employment;
 - c. coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, sexual misconduct, or other employment-related practices, acts, or omissions; or
 - d. consequential "bodily injury" or "personal injury" as a result of paragraph 12.a., 12.b., or 12.c. above.

This exclusion applies where an "insured" is liable either as an employer or in any other capacity; or there is an obligation to fully or partially reimburse a third person for "damages" arising out of paragraph 12.a., 12.b., 12.c., or 12.d. above.

13. "We" do not pay for "bodily injury", "property damage", or "personal injury" that arises out of the ownership, use, maintenance, rental, or holding for rental of any part of an "insured premises" for purposes other than those related or incidental to residential use.
14. "We" do not pay for "bodily injury", "property damage", or "personal injury" that arises out of lead in any form.
15. "We" do not pay for any loss, cost, or expense arising out of any:
 - a. request, demand, or order that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of lead; or
 - b. claim or suit by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of lead.

ADDITIONAL EXCLUSIONS THAT APPLY ONLY TO PERSONAL INJURY

1. "We" do not pay for "personal injury" arising out of willful violation of an ordinance, statute, or regulation by an "insured" or with the "insured's" consent.
2. "We" do not pay for "personal injury" arising out of:
 - a. oral or written publication of material done by or at the direction of an "insured" who knew it was false; or
 - b. oral or written publication of the same or similar material by or on behalf of an "insured" that took place prior to the effective date of this insurance.

ADDITIONAL EXCLUSIONS THAT APPLY ONLY TO PROPERTY DAMAGE

1. "We" do not pay for "property damage" to property owned by, occupied by, or rented to "you".
2. "We" do not pay for "property damage" to premises "you" sell, give away, or abandon, if the "property damage" arises out of any part of those premises.
3. "We" do not pay for "property damage" to property used by or loaned to "you".
4. "We" do not pay for "property damage" to either business or non-business personal property in the care, custody, or control of the "insured".

ADDITIONAL EXCLUSIONS THAT APPLY ONLY TO MEDICAL PAYMENTS

These exclusions apply in addition to the other exclusions that apply to "bodily injury".

1. "We" do not pay for medical expenses for "bodily injury" to an "insured".
2. "We" do not pay for medical expenses for "bodily injury" to a person hired by or on behalf of any "insured" to do work for:
 - a. an "insured"; or
 - b. a tenant of an "insured".
3. "We" do not pay for medical expenses for "bodily injury" to a person injured on that part of an "insured premises" that the person normally occupies.
4. "We" do not pay for medical expenses for "bodily injury" to a person if benefits are provided or required to be provided under any workers' compensation, nonoccupational disability, occupational disease, or like law.

WHAT MUST BE DONE IN CASE OF LOSS

1. Notice --

- a. In the case of an "occurrence", or if an "insured" becomes aware of anything that indicates that there might be a claim under this Commercial Liability Coverage, "you" must arrange for prompt notice to be given to "us" or "our" agent. Notice to "our" agent is notice to "us".
- b. The notice to "us" must state:
 - 1) the "insured's" name;
 - 2) the policy number;
 - 3) the time, the place, and the circumstances of the "occurrence", or the situation that indicates that there might be a claim; and
 - 4) the names and addresses of all known and potential claimants and witnesses.

2. Cooperation -- All "insured's" involved with an "occurrence" or an offense must cooperate with "us" in performing all acts required by this Commercial Liability Coverage.

3. Volunteer Payments -- An "insured" must not make payments or assume obligations or other costs except at the "insured's" own cost. This does not apply to first aid to others at the time of "bodily injury".

4. Other Duties --

- a. If a claim is made or suit is brought, the "insured" must:
 - 1) promptly send to "us" copies of all legal papers, demands, and notices; and

- 2) at "our" request assist in:
 - a) a settlement;
 - b) the conduct of suits. This includes the attendance at trials or hearings;
 - c) the enforcing of rights against all parties who may be liable to an "insured" for the injury or damage;
 - d) the securing of and giving of evidence; and
 - e) obtaining the attendance of all witnesses.
 - b. In the case of a medical payments loss:
 - 1) the injured person (or one acting on such person's behalf) must:
 - a) give "us" written proof of claim (under oath if requested) as soon as practicable; and
 - b) give "us" permission to get copies of the medical records; and
 - 2) the injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.
 - c. In the case of a loss covered under Damage to Property of Others, "you" must give "us" a signed, sworn statement of loss within 60 days after the loss and "you" must exhibit the damaged property if it is within "your" control.
 - b. persons or organizations who sustain injury or damage; or
 - c. claims made or suits brought.
- The payment of a claim under Coverage M does not mean that "we" admit "we" are liable under other coverages.
- 2. The General Aggregate Limit is the most "we" will pay during a policy period for the sum of:
 - a. all "damages" under Coverages L and P; and
 - b. all medical expenses under Coverage M.
 - 3. The Each Occurrence Limit, subject to the General Aggregate Limit, is the most "we" will pay for the total of:
 - a. "damages" under Coverages L and P; and
 - b. medical expenses under Coverage M, due to all "bodily injury" and "property damage" arising out of a single "occurrence" or due to all "personal injury" sustained by one person or organization.
 - 4. Subject to the Each Occurrence Limit and the General Aggregate Limit, the Coverage M Limit is the most that "we" will pay under Coverage M for all medical expenses because of "bodily injury" sustained by any one person.
 - 5. The General Aggregate Limit applies separately to each consecutive 12-month period beginning with the inception date of this Commercial Liability Coverage shown on the "declarations". It also applies separately to any remaining policy period of less than 12 months, unless this Commercial Liability Coverage has been extended after it was written. In that case, the additional period will be considered part of the last preceding period for the purpose of determining "limits".

HOW MUCH WE PAY

- 1. The "limits", shown on the "declarations" and subject to the following conditions, are the most "we" pay regardless of the number of:
 - a. "insured's" under this Commercial Liability Coverage;

CONDITIONS

1. **Bankruptcy** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this Commercial Liability Coverage.
2. **Insurance Under More Than One Policy** -- (This does not apply to Coverage M -- Medical Payments.)
 - a. Insurance under this Commercial Liability Coverage is primary except as provided under paragraph 2.c. below, or unless otherwise stated. The amount of "our" liability is not reduced because of other insurance which applies to the loss on other than a primary basis.
 - b. If the other insurance is also primary, "we" will share in the loss as follows:
 - 1) If the other insurance provides for contribution by equal shares, "we" will pay equal amounts with other insurers until:
 - a) the lowest applicable "limit" under any one policy is reached; or
 - b) the full amount of the loss is paid.

If part of the loss remains unpaid, "we" will pay an equal share with the other insurers until the full amount of the loss is paid, or until "we" have paid "our" "limit" in full.
 - 2) If the other insurance does not provide for contribution by equal shares, "we" will pay, up to "our" "limit", no more than that proportion of the loss to which the applicable "limit" under this policy for such loss bears to the total applicable "limit" for all insurance against the loss.

- c. Insurance under this Commercial Liability Coverage is excess over any other insurance if the other insurance applies to any loss arising out of the maintenance or use of aircraft, "motorized vehicles", or watercraft which may be covered by this Commercial Liability Coverage.
 - d. When this insurance is excess over any other insurance:
 - 1) "we" will have no duty to defend any claim or suit that any other insurer has a duty to defend. If no other insurer defends, "we" will do so. However, "we" will be entitled to the "insured's" rights against all those other insurers.
 - 2) "we" will pay "our" share of the amount of loss, if any, that exceeds the sum of:
 - a) the total amount that all such insurance would pay for the loss in the absence of this insurance; and
 - b) the total of all deductibles and self-insured amounts required by such other insurance.

"We" will share the remaining loss with any other insurance that is not described in this excess insurance provision and was not bought specifically to apply in excess of the "limits" shown on the "declarations" of this Commercial Liability Coverage.
3. **Misrepresentation, Concealment, or Fraud** -- This coverage is void as to "you" and any other "insured" if before or after a loss:
 - a. "you" have or any "insured" has willfully concealed or misrepresented:
 - 1) a material fact or circumstance that relates to this insurance or the subject thereof; or

- 2) the "insured's" interest herein; or
 - b. there has been fraud or false swearing by "you" or any other "insured" with regard to a matter that relates to this insurance or the subject thereof.
4. **Separate Insureds** -- Coverage provided under this Commercial Liability Coverage applies separately to each "insured" against whom claim is made or suit is brought. This does not affect the "limits" stated under How Much We Pay.
5. **Subrogation** -- If "we" pay under this Commercial Liability Coverage, "we" may require from an "insured" an assignment of any right of recovery. "We" are not liable under this Commercial Liability Coverage if any "insured" has impaired "our" right to recover. An "insured" may waive the right to recover, in writing, before an "occurrence" takes place.
6. **Suit Against Us** -- No suit may be brought against "us" unless:
- a. all the "terms" of this Commercial Liability Coverage have been complied with; and
 - b. the amount of the "insured's" liability has been determined by:
 - 1) a final judgment against an "insured" as a result of a trial; or
 - 2) a written agreement by the "insured", the claimant, and "us"

No person has a right under this Commercial Liability Coverage to join "us" or implead "us" in actions that are brought to determine an "insured's" liability.

NUCLEAR ENERGY LIABILITY EXCLUSION

This insurance does not apply:

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

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

NUCLEAR ENERGY LIABILITY EXCLUSION DEFINITIONS

The following definitions apply to the Nuclear Energy Liability Exclusion:

1. "Hazardous properties" include radioactive, toxic, or explosive properties.
2. "Nuclear material" means "source material", "special nuclear material", or "by-product material".
3. "Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954, or in any law amendatory thereof.
4. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".
5. "Waste" means any "waste" material:
 - a. containing "by-product material" other than the tailings or "wastes" produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content; and
 - b. resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

6. "Nuclear facility" means:
- a. any "nuclear reactor";
 - b. any equipment or device designed or used for:
 - 1) separating the isotopes of uranium or plutonium;
 - 2) processing or utilizing "spent fuel"; or
 - 3) handling, processing, or packaging "waste";
 - c. any equipment or device used for the processing, fabricating, or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium-223 or any combination thereof, or more than 250 grams of uranium-235; or
 - d. any structure, basin, excavation, premises, or place prepared or used for the storage or disposal of "waste";
- and includes the site on which any of the foregoing is located, all operations conducted on such sites, and all premises used for such operations.
7. "Nuclear reactor" means any apparatus designed or used:
- a. to sustain nuclear fission in a self-supporting chain reaction; or
 - b. to contain a critical mass of fissionable material.
8. "Property damage" includes all forms of radioactive contamination of property.

LIMITED COVERAGE P – PERSONAL INJURY LIABILITY

Personal Injury Liability Limit \$

Under the Principal Coverages, Coverage P – Personal Injury Liability is deleted and replaced by the following:

COVERAGE P – PERSONAL INJURY LIABILITY

"We" pay all sums which an "insured" becomes legally obligated to pay as "damages" due to "personal injury" to which this insurance applies subject to the Personal Injury Liability Limit. The "personal injury" must arise out of an offense related to the ownership, maintenance, or use of an "insured premises" or operations that are necessary or incidental to an "insured premises". This does not include advertising, publishing, broadcasting, or telecasting done by "you" or on "your" behalf.

This coverage applies only to an offense of "personal injury" that is committed during the policy period.

COVERAGE P – PERSONAL INJURY LIMITATION

Regardless of cause, the most "we" pay for loss caused by "personal injury" covered by this policy is the Personal Injury Liability Limit shown in the Schedule above.

The Personal Injury Liability Limit does not increase the "limit" of the applicable Coverage L or Coverage M.

REPLACEMENT COST LOSS SETTLEMENT TERMS PERSONAL PROPERTY

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

HOW MUCH WE PAY FOR LOSS

1. The loss settlement "terms" stated in item 3. below apply to covered loss to property covered under Coverage C and, if covered by this policy:
 - a. window air-conditioners;
 - b. awnings and canopies;
 - c. appliances;
 - d. carpets; and
 - e. outdoor antennas;whether or not attached to a building.
2. However, the loss settlement "terms" stated in item 3. below do not apply to loss to:
 - a. items of antiquity, art, or rarity that cannot be duplicated;
 - b. memorabilia, souvenirs, collector's items, and similar items whose age or history contribute to their value;
 - c. items not maintained in good or workable condition; or
 - d. items that are outdated or obsolete and that are stored or not being used.

Property described in items 2.a through 2.d. above is subject to Actual Cash Value Terms as set forth in the policy to which this endorsement is attached.

3. With respect to property described in item 1. above and not excluded in item 2. above, the following loss settlement "terms" replace the loss settlement "terms" that would have applied had this endorsement not been attached to the policy:

Loss Settlement Terms – Subject to the other "terms" set forth under How Much We Pay For Loss and the "terms" of this endorsement, "we" settle losses according to Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms.

- 1) **Replacement Cost Terms** -- The smaller of the following amounts is used in applying the "terms" under Our Limit:

- a) the cost, at the time of loss, to replace the lost or damaged property, without deduction for depreciation; or
- b) the full cost, at the time of loss, to repair the damaged property.

When the total cost to repair or replace all property involved in any one occurrence is more than \$500, "we" do not pay for more than the actual cash value of the loss until actual repair or replacement is completed.

At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to repair or replace the lost or damaged property.

- 2) **Actual Cash Value Terms**

- a) The Actual Cash Value Terms apply to all property to which the Replacement Cost Terms do not apply.
- b) The smaller of the following amounts is used in applying the "terms" under Our Limit:
 - (1) the cost, at the time of loss, to repair or replace the lost or damaged property; or
 - (2) the actual cash value of the lost or damaged property just before the loss.

4. The "terms" of this endorsement do not increase the "limits" that apply to covered property.

REAL ESTATE MANAGER AMENDMENT PREMISES-ONLY LANDLORDS

(Entries required to complete the Schedule will
be shown below or on the "declarations".)

Schedule

**Name and Address of
Real Estate Manager:**

Described Location:

**Name and Address of
Real Estate Manager:**

Described Location:

**Name and Address of
Real Estate Manager:**

Described Location:

This policy is amended to include the following
"terms". All other "terms" of the policy apply,
except as amended by this endorsement.

DEFINITIONS

Under the definition of "insured", item 6.a. is
deleted and replaced by the following:

- a. any person or organization, except "your"
employees, while acting as "your" real
estate manager.

However, a person or organization acting
as "your" real estate manager:

- 1) is an "insured" only to the extent that
such person or organization is held
liable for an act or failure to act by
"you"; and
- 2) is not an "insured" with respect to
"bodily injury" or "personal injury" to
"you".

POLICY CONDITIONS

The Cancellation condition is amended to
include the following:

If "your" real estate manager is named in the
Schedule above, "we" will give that person or
organization written notice if "we" cancel this
policy.

WATER DAMAGE LIMITATION

(Entries required to complete the Schedule will be shown below or on the "declarations".)

Schedule

The Water Damage Limit is \$

The Fungi, Wet Rot or Dry Rot Water Damage Sublimit is \$

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

PROPERTY COVERAGES

1. The Water Damage Limitation is added under Perils Insured Against. This limitation applies to property covered under Coverage A – Dwelling, Coverage B – Private Structures, Coverage C – Personal Property, or Coverage D – Additional Living Costs And Fair Rental Value.

WATER DAMAGE LIMITATION

Regardless of cause, the most "we" pay for loss caused by water damage covered by this policy is the Water Damage Limit shown in the Schedule above.

The Water Damage Limit does not increase the "limit" of the applicable Coverage A, Coverage B, Coverage C, or Coverage D.

2. Under General Exclusions, item 1.a., Bacteria, Fungi, Wet Rot, Or Dry Rot, is deleted and replaced by the following which supersedes any other exclusion in this policy pertaining to "fungi", wet rot, or dry rot:

a. Fungi, Wet Rot, Or Dry Rot

"We" do not pay for loss, cost, or expense:

- 1) caused by;
- 2) consisting of; or
- 3) relating to the existence of or any activity of;

"fungi", wet rot, or dry rot that is not the direct result of a peril insured against, except as provided under the Incidental Coverage for Collapse.

"We" do pay for direct loss to covered property caused by a peril insured against resulting from "fungi", wet rot, or dry rot.

However, the most "we" pay for "fungi", wet rot, or dry rot loss that is the result of water damage is subject to the Fungi, Wet Rot, Or Dry Rot Water Damage Sublimit set forth under item 3. of this endorsement.

3. Fungi, Wet Rot, Or Dry Rot Water Damage Sublimit

The most "we" pay for loss, cost, or expense:

- a. caused by;
- b. consisting of; or
- c. relating to the existence of or any activity of;

"fungi", wet rot, or dry rot that is the result of water damage is the Fungi, Wet Rot, Or Dry Rot Water Damage Sublimit shown in the Schedule above. The Fungi, Wet Rot, Or Dry Rot Water Damage Sublimit includes any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "fungi", wet rot, or dry rot.

The Fungi, Wet Rot, Or Dry Rot Water Damage Sublimit is part of and does not increase the amount "we" pay under the Water Damage Limit set forth under item 1. of this endorsement.

This endorsement changes the Commercial Liability
Coverage (Premises Only -- Landlords)
provided by this policy
-- PLEASE READ THIS CAREFULLY --

LIABILITY EXCLUSION -- ANIMAL

The Commercial Liability Coverage (Premises Only -- Landlords) provided by this policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

EXCLUSIONS

EXCLUSIONS THAT APPLY TO BODILY INJURY, PROPERTY DAMAGE, AND/OR PERSONAL INJURY

The following exclusion is added:

"We" do not pay for "bodily injury", "property damage", or "personal injury" arising out of direct physical contact with any animal owned by or in the custody, control or care of an "insured" or a tenant of an "insured".

LIMITED ANIMAL LIABILITY COVERAGE

The Commercial Liability Coverage (Premises Only – Landlords) provided by this policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

1. The following exclusion is added under Additional Exclusions That Apply Only To Personal Injury:

"We" do not pay for "personal injury" arising out of direct physical contact with any animal owned by or in the custody, control or care of an "insured" or a tenant of an "insured".

2. The following provisions are added only with respect to liability for "bodily injury" or "property damage" arising out of direct physical contact with any animal owned by or in the custody, control or care of an "insured" or a tenant of an "insured".

- a. The "limit" shown on the "declarations" as the Animal Liability Occurrence Sub-Limit is the most "we" will pay for the sum of all "damages" under Coverage L and all medical expenses under Coverage M that arise out of direct physical contact with any animal owned by or in the custody, control or care of an "insured" or a tenant of an "insured".

The Animal Liability Occurrence Sub-Limit does not increase the Each Occurrence Limit or the Coverage M "limit".

- b. Item 3. under How Much We Pay is deleted and replaced by the following:

3. The Animal Liability Occurrence Sub-Limit, subject to the General Aggregate Limit, is the most "we" pay for the total of

- a. "damages" under Coverages L; and

- b. medical expenses under Coverage M,

due to all "bodily injury" and "property damage" arising out of a single "occurrence".

- c. Item 4. under How Much We Pay is deleted and replaced by the following:

4. Subject to the Animal Liability Occurrence Sub-Limit and the General Aggregate Limit, the Coverage M Limit is the most that "we" will pay under Coverage M for all medical expenses because of "bodily injury" sustained by any one person.

I hereby acknowledge and understand this endorsement after reading it in its entirety, and agree to its terms.

Insured Signature

Date

VIRUS, BACTERIA, FUNGI, WET ROT, DRY ROT OR COMMUNICABLE DISEASE EXCLUSION

The Commercial Liability Coverage (Premises Only – Landlords) provided by this policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

1. The following definition is added:

"Fungi" means:

- a. any kind or form of fungus, including but not limited to mildew and mold; and
- b. any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, scents, and metabolites.

2. The following additional provisions are added under Exclusions That Apply To Bodily Injury, Property Damage, And/Or Personal Injury.

- a. "We" do not pay for:

- 1) actual or alleged "bodily injury", "property damage", or "personal injury" that results directly or indirectly from ingestion of, inhalation of, physical contact with, or exposure to bacteria, "fungi", wet rot or dry rot;
- 2) any loss, cost, or expense arising out of any request, demand, or order that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of bacteria, "fungi", wet rot, or dry rot; or
- 3) any loss, cost, or expense arising out of any claim or suit by or on behalf of any governmental authority relating to testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of bacteria, "fungi", wet rot, or dry rot.

- b. However, exclusion 2.a.1) above does not apply to:

- 1) "bodily injury" that results from a fungus cultivated or harvested for human consumption or a food-borne or beverage-borne bacterium that causes illness commonly known as food poisoning (Food-borne or beverage-borne bacteria that cause

illness commonly known as food poisoning include but are not limited to Staphylococcus aureus, Salmonella, Clostridium perfringens, Campylobacter, Listeria monocytogenes, Vibrio parahaemolyticus, Bacillus cereus, and Escherichia coli; or

- 2) "bodily injury" or "property damage" that results from a slip, fall, or loss of footing attributable to a surface made slippery by the presence of or existence of bacteria, "fungi", wet rot, or dry rot.

- c. "We" do not pay for "bodily injury", "property damage", or "personal injury" that arises out of the actual or alleged transmission of a communicable disease, virus, or bacteria by:

- 1) a person;
- 2) an "insured's" property, or
- 3) the property of others in the care, custody, or control of an "insured".

- d. Exclusion 2.c. above applies even if the claim or suit against any "insured" alleges negligence or other improper action in the:

- 1) failure to report the communicable disease, virus, or bacteria to proper authorities;
- 2) failure to prevent the spread of the communicable disease, virus, or bacteria;
- 3) hiring, supervising, training, employing, or monitoring of others who may be infected with and spread a communicable disease, virus, or bacteria; or
- 4) testing or failure to test for a communicable disease, virus, or bacteria.

- e. "We" do not pay for any loss, cost, or expense arising out of any:

- 1) request, demand, or order that any "insured" or others test for, monitor, report, clean up, remove, contain, treat, detoxify, disinfect, sterilize, neutralize, or in any way respond to, assess the effects of, or eliminate a

communicable disease, virus, or bacteria or the conditions to which a communicable disease, virus, or bacteria is attributed; or

- 2) claim or suit by or on behalf of any governmental body or authority relating to testing for, monitoring, reporting, cleaning up, removing, containing, treating, detoxifying,

disinfecting, sterilizing, neutralizing, or in any way responding to, assessing the effects of, or eliminating a communicable disease, virus, or bacteria or the conditions to which a communicable disease, virus, or bacteria is attributed.

STD1416-CW 0721

SAMPLE

LIABILITY EXCLUSION – SWIMMING POOL SLIDES AND DIVING BOARDS

The Commercial Liability Coverage (Premises Only -- Landlords) provided by this policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

EXCLUSIONS

EXCLUSIONS THAT APPLY TO BODILY INJURY, PROPERTY DAMAGE, AND/OR PERSONAL INJURY

The following exclusion is added:

"We" do not pay for "bodily injury" or "property damage" arising out of the ownership, maintenance, supervision, or use of any swimming pool when such "bodily injury" or "property damage" results from the use of one or more swimming pool slides or one or more diving boards.
