# Homeowners Policy Declarations



underwritten by CSAA Insurance Exchange PO Box 22221 Oakland, CA 94623-2221 800.922.8228

## Renewal

For questions or changes call: 800.922.8228

Named Insured and Mailing Address

Policy Number: CAH3224919855 Membership Number: 4290050212046029

PRISCILLA CHAVEZ MIGUEL MONTANO 6611 COBBLE DR WINTON, CA 95388-9244

Your Policy Period	From: 03/10/2024	12:01 A.M. Standard Time, but not prior to the time applied for or, if this is a replacement Declarations, not prior to the time coverage change was requested.
	To: 03/10/2025	12:01 A.M. Standard Time.

Agency Information TERRI ROVELLA 351 TRES PINOS RD HOLLISTER, CA 95023 (831) 635-3923

Notice Date: 01/11/2024 Home Phone #:

Business Phone #:

**Insured Location** 6611 COBBLE DR WINTON, CA 95388 Named Insured(s) PRISCILLA CHAVEZ MIGUEL MONTANO

Description of Property			Premium to be paid by:	CROSSCOUNTRY MORTGAGE	E, LLC
	YR Built	Construction Type	Occupancy	# of Family Units	
	2005	Frame	Owner Occupied	1-Single Family	

Coverages and Limits of Insurance: Insurance is provided for the following coverages only when a limit is shown. The limit of liability for this structure (Coverage A - Dwelling) is based on an estimate of the cost to rebuild your home, including an approximate cost for labor and materials in your area, and specific Information that you have provided about your home.

Section I			Section II			
Α	В	С	D	E		=
Dwelling	Other	Personal	Loss of Use	Personal Liability	Medical Payments to Others	
	Structures	Property		Each Occurrence	Each Person	Each Accident
\$197,200	\$19,720	\$49,300	\$39,500	\$1,000,000	\$1,000	\$25,000

Building Code Upgrade Coverage - 10% of the Coverage A Limit shown above may be used for increased costs due to enforcement of ordinance or law. Terms, conditions, and restrictions are outlined in the California Building **Code Upgrade Coverage Disclosure.** 

Section I Only: Your Section I Coverage Limits have been changed to reflect changes in Construction costs and other matters affecting replacement costs

Deductible-Section I \$1,000 (In case of loss under Section I, we cover only that part of the loss over the deductible)

> This policy does not provide Earthquake Insurance. This policy does not provide Flood Insurance.

## Forms and Endorsements

Form Number	Forms and Endorsements Made Part of this Policy	Premium
61 2000 CA 100120	10 (CA 7/2015) Homeowners Policy Special Form	Included
HS AE3 CA 10 21	Amendatory Endorsement - California	Included
HS WRS CA 11 21	Wildfire Response Services	Included
438BFUNS CA	Lenders Loss Payable	Included
HO-150 01 21	150% Extended Replacement Cost Coverage	\$26.00
HO-10 01 21	10% Building Code Upgrade Coverage	-\$25.00

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HO-90 10 86 Workers' Compensation and Em	oloyers' Liability Insurance	\$4.00
	Basic Policy Premium:	\$762.00
	Endorsements Premium:	-\$139.00
	Seismic Safety Fee:	\$0.15
	Total Policy Premium:	\$623.15

Form Number	Forms and Endorsements Made Part of this Policy	Premium
HO-29 08 05	Replacement Value - Personal Property	\$71.00
HO-60 10 86	\$1,000 Deductible	-\$215.00

# **Discounts Information**

Discount Applied	Saving
AAA Membership Discount	\$39.00
Multi-policy Discount	\$95.00
Please contact Customer Service to learn about discounts you may be eligible for.	Total Discount Savings \$134.00

## **Other Interests**

Name and Address	Loan Number
1. Mortgagee/Lender	
CROSSCOUNTRY MORTGAGE, LLC ISAOA	1506392008
PO BOX 961292, FORT WORTH, TX 76161	

For your protection, California law requires that you be made aware of the following: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

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# California Homeowners Policy Special Form HO-3

Designed Exclusively For Members

CSAA Insurance Exchange PO Box 22221, Oakland, CA 94623-2221

To report a claim: (800) 922-8228 Claims fax: (877) 548-1610

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# **Consumer Complaint Information**

Should you have a problem with your policy, please call your local AAA office or our Contact Center for assistance. The toll-free number for the Contact Center is (800) 922-8228. You may also contact us in writing at the following address:

CSAA Insurance Exchange Attn: Insurance Services, P.O. Box 22221, Oakland, CA 94623-2221

If we have been unable to assist you in resolving your problems, you may contact the following state agency:

California Department of Insurance,
Consumer Services Division
300 South Spring St., Los Angeles, CA 90013
Toll free telephone (800) 927-4357 website:
www.insurance.ca.gov

You should contact the Department of Insurance only after you have first attempted to resolve your problem through us.

# **HOMEOWNERS POLICY SPECIAL FORM- HO-3**

#### **AGREEMENT**

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

#### **DEFINITIONS**

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

- "Actual cash value" means fair market value or what a willing buyer would pay a willing seller immediately before the loss where neither party has an urgent need to engage in the transaction.
- 2. "Building structure" means a structure with walls and a roof.
- "Business" includes trade, profession or occupation; or the rental or holding for rental of any part of any premises by any "insured", whether or not engaged in for profit, full or part time.
- "Business property" means property pertaining to or intended for use in "business".

- "Contamination" means impairment or impurity due to either an accidental or intentional mixture or contact with a foreign substance, including, but not limited to, biological, chemical, or toxic agents.
- 6. "Damages" under Section II means monetary compensation recoverable for "personal injury" or "property damage" caused by an "occurrence" to which this insurance applies. It does not include injunctive or equitable relief, statutory costs, or other fees, penalties or fines incurred in responding to actions for, or complying with any such injunctive or equitable relief.
- "Earthquake" means shaking or trembling of the earth whether caused by volcanic activity, tectonic processes or any other natural cause.
- 8. "Fungi" means:
  - Any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi;
  - b. Under Section II, this does not include any "fungi" that are, or are contained in, a good or product intended for consumption.
- "Insured" means you and the following residents of your household:
  - a. Your relatives:
  - b. A "Domestic Partner" of the named "insured". "Domestic Partner" means a person with whom a committed relationship of mutual caring has been established that meets all of the requirements of Division 2.5 of the California Family Code, commencing with Section 297 as amended from time to time. One of the requirements of the California Family Code is that both Domestic Partners file a Declaration of Domestic Partnership in accordance with Sections 298 and 298.5 of the California Family Code, but there are additional requirements as well. A "Domestic Partner" also includes comparable legal unions from jurisdictions other than California recognized as such under Section 299.2 of the California Family Code.
  - c. Any other person up to the age of 25 who is in the care of any person named above.

Under Section II, "insured" also means:

d. With respect to animals or watercraft of all types to which this policy applies, any person or organization legally responsible for these animals or watercraft of all types which are owned by you or any person included in 9.a., 9.b. or 9.c.

A person or organization using or having custody of these animals or watercraft of all types in the course of any "business" or without permission of the owner is not an "insured":

e. With respect to any vehicle to which this policy applies:

- (1) Any person while engaged in your employment or the employment of any person included in 9.a., 9.b. or 9.c.; or
- (2) Any other person using the vehicle on an "insured location" with your permission.

#### 10. "Insured location" means:

- a. The "residence premises"; and
- b. Under Section II only:
  - (1) The part of any other premises, other structures and land used by you as a residence and:
    - (a) Which is shown in the Declarations; or
    - (b) Which is acquired by you during the policy period for your use as a residence;
  - (2) Any premises used by you in connection with the premises included in 10.a. or 10.b.(1) above;
  - (3) Any part of a premises not owned by any "insured" where any "insured" is temporarily residing;
  - (4) Vacant land, other than farm land, owned by or rented to any "insured";
  - (5) Land owned by or rented to any "insured" on which a one- or two-family dwelling is being constructed as a residence for any "insured";
  - (6) Individual or family cemetery plots or burial vaults of any "insured";
  - (7) Any part of a premises occasionally rented to any "insured" for other than "business" purposes.
- 11. "Occurrence" means an accident, including exposure to conditions which results during the policy period in:
  - a. "Personal injury"; or
  - b. "Property damage".

#### 12. "Personal injury" means:

- Bodily injury, sickness or disease, including care, loss of services and death resulting therefrom;
- False arrest, detention or imprisonment or malicious prosecution;
- c. The publication or utterance of a libel or slander or of other defamatory or disparaging material, or a publication or utterance in violation of an individual's right of privacy; except publications or utterances in the course of or related to advertising, broadcasting or telecasting activities conducted by or on behalf of the named "insured";
- Wrongful entry or eviction or other invasion of the right of private occupancy.
- 13. "Property damage" means physical injury to or destruction of tangible property, including loss of use of this property.
- 14. "Replacement cost" means equivalent construction without

deduction for depreciation, but does not include the cost of complying with updated building codes, ordinances or laws regulating the construction, repair or demolition of a "building structure" or other structure.

15. "Residence employee" means an employee of any "insured" who performs duties in connection with the maintenance or use of the "residence premises", including household or domestic services, or who performs duties elsewhere of a similar nature not in connection with the "business" of any "insured".

#### 16. "Residence premises" means:

- The one- or two-family dwelling, other structures, and land located at the address stated in the Declarations; or
- b. That part of any other "building structure" where you reside and which is shown as the "residence premises" in the Declarations.
- 17. "Water" means water (H<sub>2</sub>O) alone, including moisture, steam or humidity, whether frozen or not or natural or artificial including any liquid or sludge which contains water, whether or not combined with any other chemicals or impurities.

#### SECTION I - COVERAGES

## COVERAGE A - Dwelling

#### We Cover Under Coverage A – Dwelling:

- The dwelling on the "residence premises" shown in the Declarations used principally as a private residence, including structures and carpeting permanently affixed to the dwelling; and
- Materials and supplies located on or adjacent to the "residence premises" for use in the construction, alteration or repair of the dwelling or other structures on the "residence premises".

## We Do Not Cover Under Coverage A – Dwelling:

- Any structure including fences or other property covered under Coverage B – Other Structures;
- Land, including the cost to replace, rebuild, stabilize or otherwise restore or protect the land.

#### **COVERAGE B - Other Structures**

We cover other structures on the "residence premises", separated from the dwelling by clear space which includes driveways, walkways, exterior patios and swimming pools. Structures connected to or abutting the dwelling such as a fence, utility line or cement, asphalt or brick patio, walkway, driveway, retaining wall or similar connection are considered to be other structures.

We do not cover other structures:

- 1. Being used in whole or in part for "business" purposes; or
- Rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

If you do not have other structures except fences on the "residence premises" described in the Declarations of this policy, or if Section I coverage is excluded on all other structures except fences on the "residence premises" described in the Declarations of this policy, the amount of insurance designated for Coverage  $\bf B$  – Other Structures can be applied to the amount of insurance available for Coverage  $\bf A$  – Dwelling.

## COVERAGE C - Personal Property

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

## Special Limits of Liability

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

- \$500 on money, banknotes, bullion, gold other than goldware, silver other than silverware, platinum, negotiable and nonnegotiable coins and medals and collections of all such properties.
- \$2,500 on securities evidences of debt, letters of credit, manuscripts, and stamps. This limit applies to these categories regardless of the medium (such as paper or computer software) on which the materials exist. This limit includes the cost to research, replace or restore the information from the lost or damaged material.
- **3.** \$2,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard motors.
- \$2,500 on trailers not used with watercraft.
- \$2,500 for loss by theft of jewelry, watches, precious and semi-precious stones.
- \$2,500 for "business property".
- \$10,000 for loss by theft of rugs or carpets, including but not limited to, hand-woven silk or wool rugs, carpets, tapestry, wall hangings or other similar articles whose principal value is derived from its color, design, quality of wool or silk, quality of weaving, condition or age.
- \$10,000 for motorized equipment not licensed for road use being driven or used by an "insured" and which is used exclusively for servicing an "insured location".
- \$10,000 for motor or engine propelled land conveyances designed for and solely used by the handicapped, including those licensed or subject to license for road use.

## Property Not Covered. We do not cover:

- Articles separately described and specifically insured in this
  or any other insurance;
- 2. Animals, birds or fish;

- Motor vehicles or all other motorized land conveyances. This includes:
  - a. Their accessories, equipment and parts; or
  - b. Electronic apparatus and accessories designed to be operated solely by power from the electrical system of such vehicles or conveyances.

The exclusion of property described in **a.** and **b.** above applies only while such property is in or upon the motor vehicle or motorized land conveyance.

#### We do cover:

- Motorized equipment not licensed for road use being driven or used by an "insured" and which is used exclusively to service an "insured location";
- b. Motor or engine propelled land conveyances designed for and solely used by the handicapped, including those licensed or subject to license for road use.
- 4. Any sound, video, mapping, tracking or communications equipment or device or system designed for reproducing, detecting, receiving, transmitting, recording or playing data, maps, locations, sound, videos or pictures which may be powered by electricity from a motor vehicle, motorized land conveyance, watercraft, or a camp or home trailer while such equipment, device or system is in, upon or installed in a motor vehicle, motorized land conveyance, watercraft, or a camp or home trailer. This includes any accessories, antennas, speakers, tapes, reels, cassettes, discs, cartridges, carrying cases or other devices or components used with or as a part of such equipment, device or system.
- Aircraft and aircraft parts. This does not include model or hobby craft not designed to carry people or cargo;
- Property of roomers, boarders and other tenants, except property of roomers and boarders related to any "insured";
- Property contained in a living unit being rented or regularly held for rental to others by any "insured";
- 8. Property rented or held for rental to others away from the "residence premises";
- 9. Credit cards except as provided in Additional Coverages 6.

#### **COVERAGE D - Loss Of Use**

The limit of liability for Coverage  ${\bf D}$  is the total limit for all the following coverages.

- If a loss covered under this section makes that part of the "residence premises" where you reside uninhabitable, we cover, at your option, either:
  - Additional Living Expense, meaning any necessary and reasonable increase in living expenses incurred by you so that your household can maintain its normal standard of living; or
  - b. Fair Rental Value, meaning the fair rental value of that part of the "residence premises" where you primarily reside less any expenses that do not continue while the

premises is uninhabitable. Secondary residences are covered for Additional Living Expenses only.

Payment under **a.** or **b.** shall be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. If a loss covered under this Section makes that part of the "residence premises" rented to others or held for rental by you uninhabitable, we cover:

Fair Rental Value, meaning the fair rental value of that part of the "residence premises" rented to others or held for rental by you less any expenses that do not continue while the premises is uninhabitable.

Payment will be for the shortest time required to repair or replace that part of the premises rented or held for rental.

3. If a civil authority prohibits you from occupying the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover the Additional Living Expense or Fair Rental Value loss as provided under 1. and 2. above for a period not exceeding two weeks during which use is prohibited.

The periods of time under 1., 2. and 3. above are not limited by expiration of this policy.

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

## **SECTION I - ADDITIONAL COVERAGES**

#### 1. Debris Removal

We will pay the reasonable expense incurred by you in the removal of debris of covered property provided coverage is afforded for the peril causing the loss. Debris removal expense is included in the limit of liability applying to the damaged property. When the amount payable for the actual damage to the property plus the expense for debris removal exceeds the limit of liability for the damaged property, an additional 5% of that limit of liability will be available to cover debris removal expense.

Under the above we will also pay the reasonable expenses you incur removing fallen trees from the "residence premises" when:

- a. Coverage is not afforded under Additional Coverage 3., Trees, Shrubs and Other Plants for the peril causing the loss; or
- b. The tree is not covered by this policy: provided the tree damages covered property and a Peril Insured Against under Coverage C is the cause of the tree falling.

# 2. Reasonable Repairs

We will pay the reasonable cost incurred by you for necessary repairs made solely to protect covered property from further damage provided coverage is afforded for the peril causing the loss. This coverage does not increase the limit of liability applying to the property being repaired.

#### 3. Trees, Shrubs and Other Plants

We cover trees, shrubs, plants or lawns, on the "residence premises", for loss caused by the following Perils Insured Against: Fire or Lightning, Explosion, Riot or Civil Commotion, Aircraft, Vehicles not owned or operated by a resident of the "residence premises", Vandalism or Malicious Mischief or Theft. The limit of liability for this coverage shall not exceed 5% of the limit of liability that applies to the dwelling as shown in the Declarations for Coverage A for all trees, shrubs, plants and lawns nor more than \$500 for any one tree, shrub or plant, including expense incurred for removal. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

## 4. Fire Department Service Charge

We will pay up to \$250 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

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

# 5. Property Removed

Covered property while being removed from a premises endangered by a Peril Insured Against and for not more than 30 days while removed is covered for direct loss from any cause.

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

## 6. Credit Card, Forgery and Counterfeit Money

We will pay up to \$1,000 for:

a. The legal obligation of any "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in any "insured's" name.

We do not cover use by a resident of your household, a person who has been entrusted with the credit card or any person if any "insured" has not complied with all terms and conditions under which the credit card is issued:

- Loss to any "insured" caused by forgery or alteration of any check or negotiable instrument; and
- c. Loss to any "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

We do not cover loss arising out of "business" pursuits or dishonesty of any "insured".

No deductible applies to this coverage.

#### Defense:

- a. We may make any investigation and settle any claim or suit that we decide is appropriate. Our obligation to defend any claim or suit ends when the amount we pay for the loss equals our limit of liability.
- b. If a suit is brought against any "insured" for liability under the Credit Card coverage, we will provide a defense at our expense by counsel of our choice.
- c. We have the option to defend at our expense any "insured" or any "insured's" bank against any suit for the enforcement of payment under the Forgery coverage.

#### 7. Collapse

We insure for direct physical loss to covered property involving actual or imminent collapse of a "building structure" or any part of a "building structure" caused only by one or more of the following:

- a. Perils Insured Against in Coverage C Personal Property. These perils apply to covered building and personal property for loss insured by this additional coverage;
- Decay that was hidden from view before any actual or imminent collapse;
- Insect or vermin damage that was hidden from view before any actual or imminent collapse;
- d. Weight of contents, equipment, animals or people;
- e. Weight of rain or snow which collects on the roof of a "building structure";
- f. Use of defective material or methods in construction, remodeling or renovation if the actual or imminent collapse occurs during the course of the construction, remodeling or renovation.

Loss to an awning, fence, patio, wood deck, pavement, swimming pool, spa, hot tub, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items **b., c., d., e.** and **f.** unless the loss is a direct result of the collapse of a "building structure".

Actual or imminent collapse does not include settling, cracking, shrinking, bulging or expansion. "Imminent collapse" means likely to happen without delay, impending, threatening or likely to occur at any moment.

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

#### 8. Freezer Food

We cover under Coverage **C**, for an amount not to exceed \$500, loss or damage to the contents of freezer or refrigerated units on the "residence premises" caused by change of temperature resulting from:

 Interruption of electrical service to refrigeration equipment caused by breakdown of generating or transmission system;  Mechanical or electrical breakdown of refrigeration system.

It is a condition of this coverage that the "insured" shall at all times exercise due diligence in inspecting and maintaining refrigeration equipment in proper working condition. If interruption of electrical service or mechanical or electrical breakdown is known to the "insured", all reasonable means must be used to protect the property insured from further damage or this coverage is void.

## 9. Flood Emergency Assistance

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

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

OTHER THAN AS EXPRESSED WITHIN THIS "9. FLOOD EMERGENCY ASSISTANCE," THIS POLICY DOES NOT PROVIDE FLOOD INSURANCE.

#### 10. Arson Reward

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

# 11. Building Code Upgrade Coverage

- a. You may use up to 25% of the limit of liability that applies to Coverage A, excluding any increase in the Coverage A limit of liability contained in the HO-28 Limited Home Replacement Cost Endorsement, for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
  - (1) The construction, demolition, remodeling, renovation or repair of that part of a covered "building structure" damaged by a Peril Insured Against;
  - (2) The demolition and reconstruction of the undamaged part of a covered "building structure", when that "building structure" must be totally demolished because of damage by a Peril Insured Against to another part of that covered "building structure"; or
  - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered "building structure" necessary to complete the remodeling, repair or replacement of that part of the covered "building structure" damaged by a Peril Insured Against.
- b. You may use all or part of this Building Code Upgrade coverage to pay for the increased costs you incur to remove debris resulting from the construction,

demolition, remodeling, renovation, repair or replacement of the covered building structure as stated in **a**. above.

#### c. We do not cover:

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

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Any reimbursement we make under this additional coverage is subject to and included in the limit of liability stated in the Declarations and does not increase that limit.

## 12. "Fungi", Wet or Dry Rot or Bacteria

We will reimburse up to \$10,000 of the costs covered under Section I you reasonably and necessarily incur because of the need to repair, replace, remove or restore any part of the dwelling, other "building structures" or personal property due to the unsafe levels of "fungi", wet or dry rot, or bacteria that occurs during the policy period from an accidental discharge or overflow of "water" from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance. This coverage includes any reasonable and necessary increase in living expenses actually incurred by you under the same terms and conditions in subsection 1.a. in Coverage D - Loss of Use, but does not increase the overall \$10,000 limit of liability. This coverage does not include damage caused by constant or repeated seepage or leakage of "water" or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years, unless such seepage or leakage of "water" or the presence or condensation of humidity, moisture, or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a "building structure". This coverage does not apply to:

- The appliance from which the "water" or steam escaped:
- b. Unsafe levels of "fungi", wet or dry rot or bacteria damage on the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises";
- c. Damage that results from the failure of an "insured" to use all reasonable means to save and preserve the property from further damage at and after the time the accidental discharge or overflow occurred.

Reimbursement of \$10,000 is the most we will pay for all of the following:

- The total of all loss payable under SECTION I COVERAGES caused by unsafe levels of "fungi", wet or dry rot or bacteria;
- b. The cost to investigate, tear out and/or replace any part of a "building structure" or other covered property as needed to gain access to unsafe levels of "fungi", wet or dry rot or bacteria;
- c. The cost of testing of air, surfaces or property to confirm the absence, presence or levels of "fungi", wet or dry rot or bacteria whether performed prior to, during, or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of unsafe levels of "fungi", wet or dry rot or bacteria.

#### 13. Loss Assessment

- a. We will pay up to \$10,000 for your share of loss assessment charged during the policy period against all members of a corporation or association of property owners. This applies only when the assessment is made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage A, other than:
  - (1) "Earthquake"; or
  - (2) Land shock waves or tremors before, during or after a volcanic eruption.

The limit of \$10,000 is the most we will pay with respect to any one loss, regardless of the number of assessments. We will only apply one deductible, per unit, to the total amount of any one loss to the property described above, regardless of the number of assessments. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

 Paragraph 1. Policy Period under Sections I and II – Conditions does not apply to this coverage.

This coverage is additional insurance.

## 14. Identity Fraud Expense

#### DEFINITIONS

With respect to the provisions of this coverage only, the following definitions are added:

- a. "Identity fraud" means the act of knowingly transferring or using, without lawful authority, a means of identification of any "insured" with the intent:
  - (1) To commit; or
  - (2) To aid or abet another to commit:

Any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

b. "Expenses" means:

- (1) Costs for notarizing affidavits or similar documents which attest to fraud required by financial institutions or similar credit grantors or credit agencies.
- (2) Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.
- (3) Lost income resulting from time taken off work to:
  - (a) Complete fraud affidavits; or
  - (b) Meet with or talk to law enforcement agencies, credit agencies and/or legal counsel;

Up to a maximum payment of \$200 per day. Total payment for lost income is not to exceed \$5,000.

- (4) Loan application fees for reapplying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.
- (5) Reasonable attorney fees incurred as a result of "identity fraud" to:
  - (a) Defend lawsuits brought against any "insured" by merchants, financial institutions or their collection agencies;
  - (b) Remove any criminal or civil judgments wrongly entered against any "insured"; and
  - (c) Challenge the accuracy or completeness of any information in a consumer credit report.
- (6) Charges incurred for long distance telephone calls to:
  - (a) Merchants;
  - (b) Law enforcement agencies;
  - (c) Financial institutions; or
  - (d) Similar credit grantors or credit agencies:

to report or discuss an actual "identity fraud".

## **Identity Fraud Expense**

We will pay up to \$15,000 for "expenses" incurred by any "insured" as the direct result of any one "identity fraud" first discovered or learned of during the policy period.

Any act or series of acts committed by one or more persons, or in which such person or persons are aiding or abetting others against any "insured", is considered to be one "identity fraud", even if a series of acts continues into a subsequent policy period.

#### **EXCLUSIONS**

The following exclusions apply to this coverage:

We do not cover:

- a. Loss arising out of or in connection with a "business" of any "insured".
- Expenses" incurred due to any fraudulent, dishonest or criminal act by any "insured" or any person aiding or

abetting any "insured", or by any authorized representative of any "insured", whether acting alone or in collusion with others.

c. Loss other than "expenses".

## 15. Auto Lock Coverage

If your car keys are stolen we will pay reasonable and necessary expenses, up to \$250, to replace or reprogram the auto keys or auto locks. This is the most we will pay for one theft, regardless of the number of keys or the number of cars.

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

No deductible applies to this coverage.

#### 16. Lost Luggage

We will pay up to \$500 in any one incident, for loss of your luggage and personal property while in the care, custody, or control of a commercial passenger carrier.

You must submit a claim to the commercial passenger carrier within 30 days of loss. The coverage provided:

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

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

## COVERAGE A - Dwelling

#### COVERAGE B – Other Structures

We insure against risk of direct physical loss to the property described in Coverages  ${\bf A}$  and  ${\bf B}$ . We do not insure, however, for loss caused by:

- 1. Collapse, other than as provided in Additional Coverage 7.
- 2. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This exclusion applies only while the dwelling is vacant of contents or furnishings, unoccupied or being constructed unless you have used reasonable care to:
  - a. Maintain heat in the building; or
  - b. Shut off the "water" supply and drain the system and appliances of "water":
- Freezing, thawing, pressure or weight of "water", snow or ice, whether driven by wind or not, to a:
  - Fence, pavement, patio, wood deck, swimming pool, spa or hot tub;
  - Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building or other structure;
  - Retaining wall or bulkhead that does not support all or part of a building or other structure; or

- d. Pier, wharf or dock;
- Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is completed and occupied;
- 5. Vandalism or malicious mischief or breakage of glass and safety glazing materials if the dwelling has been vacant of contents or furnishings for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- **6 a**. Wear and tear, marring, deterioration;
  - **b.** Inherent vice, latent defect, mechanical breakdown;
  - c. Corrosion, electrolysis, or rust;
  - d. Mold, mildew, "fungi", wet or dry rot, other than as provided in Additional Coverage 12.
  - "Contamination", smog, smoke from agricultural smudging or industrial operations;
  - Settling, cracking, shrinking, bulging or expansion of pavements, patios, foundations, walls, floors, roofs or ceilings;
  - g. Birds, vermin, rodents, insects or domestic animals;
  - Release, discharge or dispersal of insecticides, contaminants or pollutants;
  - Growth of trees, shrubs, plants or lawns, including their roots, whether or not such growth is above or below the surface of the ground.

If any of these cause "water" damage not excepted above or otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we cover loss caused by the "water" including the cost of tearing out and replacing any part of a "residence premises" necessary to repair the system or appliance. We do not cover loss to the system or appliance from which this "water" escaped.

## Section I – Exclusions:

Under items 1. through 6. above, any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.

#### **COVERAGE C - Personal Property**

We insure for direct physical loss to property described in Coverage **C** caused by a peril listed below unless the loss is excluded in Section I – Exclusions.

## 1. Fire or lightning

#### 2. Windstorm or hail

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

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

- Explosion, including its shock waves.
- 4. Riot or civil commotion
- Aircraft and their sonic booms including self-propelled missiles and spacecraft.
- **6. Vehicles**, meaning impact from a vehicle, but not including damage to the vehicle itself.
- Smoke, meaning sudden and accidental damage from smoke.

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

#### 8. Vandalism or malicious mischief

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

This peril does not include loss caused by theft:

- **a.** Committed by, or at the direction of, any "insured";
- In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is completed and occupied; or
- **c.** From that part of a "residence premises" rented by an "insured" to other than an "insured".
  - This peril does not include loss that occurs away from the "residence premises":
- a. While the property is at any other residence owned, rented to or occupied by any "insured", except while any "insured" is temporarily residing there. Property of a student who is an "insured" is covered while at a residence away from home;
- b. Of trailers and campers.

# 10. Falling objects

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

- **11. Weight of ice, snow or sleet** which causes damage to property contained in a "building structure".
- 12. Accidental discharge or overflow of "water" or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

This peril does not include loss:

- To the appliance from which the "water" or steam escaped;
- b. Caused by or resulting from freezing;

- c. On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises".
- d. Caused by or resulting in the presence, growth, proliferation, spread, or any activity of "fungi", wet or dry rot or bacteria.
- 13. Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating "water".

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

14. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance.

This peril does not include loss on the "residence premises" while the dwelling is unoccupied, unless you have used reasonable care to:

- a. Maintain heat in the "building structure"; or
- **b.** Shut off the "water" supply and drain the system and appliances of "water".
- 15. Sudden and accidental damage to electrical appliances, devices, fixtures and wiring from an increase or decrease of artificially generated electrical current.

We will only pay up to \$1,000 for all items damaged by this peril.

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

This peril does not include loss on the "residence premises" if the dwelling has been vacant of contents or furnishings for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

## **SECTION I – EXCLUSIONS**

- 1. We do not insure for loss caused directly or indirectly by any of the following events. This means that you will not be covered for any loss which was proximately caused by one or more of the excluded events set forth below. You will not receive coverage regardless of: (a) whether other causes acted concurrently or in any sequence with an excluded event to produce the loss if the loss was proximately caused by an excluded event; or (b) whether the excluded event occurs suddenly or gradually, involved isolated or widespread damage, arises from natural or external forces, or occurs as a result of any combination of these factors.
  - Ordinance or Law, which means any ordinance or law:
    - (1) Requiring or regulating the construction, demolition, remodeling, renovation or repair of a "building structure" or other structure, including

removal of any resulting debris. This Exclusion 1.a. (1) does not apply to the amount of coverage that may be provided for in 11. Building Code Upgrade Coverage under Section I – Additional Coverages. However, we do cover the replacement of damaged glass, constituting a part of the "building structure", with safety glazing material where required by any ordinance or law:

- (2) The requirements of which result in a loss in value to any covered "building structure" or other structure; or
- (3) Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants or "contaminants".

Pollutants means, any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

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

- b. Earth Movement, meaning any natural or artificially created loss of any kind attributable in whole or in part to any movement of the earth or soil, whether on or off the "residence premises", that is caused by, resulting from, contributed to or aggravated by rain or snow, including run-off from same, "earthquake", landslide, mudflow, earth sinking, rising or shifting, volcanic eruption meaning the eruption, explosion or effusion of a volcano, unless direct loss by:
  - (1) Fire;
  - (2) Explosion other than the explosion of a volcano; or
  - (3) Breakage of glass or safety glazing material which is part of a "building structure", storm door or storm window;

ensues, and then we will pay only for the ensuing loss. This exclusion does not apply to loss by theft.

## c. Water Damage, meaning:

- (1) Flood or surface "water" from rain or snow, waves, tidal "water", tidal wave, tsunami, seiche, sea surge, overflow of a body of "water", or spray from any of these, whether or not driven by wind;
- (2) Release or escape of "water" held by a dam, levy or dike or by a "water" or flood control device;
- (3) "Water" or "water"-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment located off the "residence premises"; or
- (4) "Water" below the surface of the ground whether occurring naturally or artificially, including "water" which exerts pressure on, or seeps or leaks

through a "building structure", sidewalk, driveway, foundation, swimming pool, spa, hot tub or other structure;

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

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

- d. Power Interruption, meaning the interruption of power or other utility service if the interruption takes place away from the "residence premises", except to the extent that freezer food coverage is provided under Additional Coverages. If a Peril Insured Against ensues on the "residence premises", we will pay only for loss caused by the ensuing peril.
- e. Neglect, meaning neglect of the "insured" to use all reasonable means to save and preserve property at and after the time of a loss.
- f. War, including undeclared war, civil war, insurrection, rebellion, revolution, war-like act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a war-like act even if accidental.
- g. Nuclear Hazard, to the extent set forth in the Nuclear Hazard Clause of Section I – Conditions.
- h. Intentional Loss, meaning any loss arising out of any act committed by or at the direction of any "insured" with the intent to cause a loss.
- i. "Fungi", Wet or Dry Rot or Bacteria, whether caused by or consisting of, which means the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria, unless:
  - (1) Direct loss by fire or lightning; or
  - (2) Additional Coverage 12. applies.
- j. Terrorism, meaning any intentional or accidental use of force or violence and/or threat thereof against person(s), property or communication/ information system(s) by any person(s) or group(s) of persons motivated by or committed for political, religious, social, racial, ethnic, ideological, philosophical or similar purpose(s). This includes the intention to:
  - (1) Put any sector of the public in fear;
  - (2) Intimidate, coerce, influence or punish any sector of the public or any government; and/or
  - (3) Disrupt any segment of the economy, including, but not limited to, disrupting or interfering with electronic or communication/information system(s).

This exclusion will only apply when the insured damage to all types of property, including "business" interruption losses in the United States, its territories and possessions and

Puerto Rico, sustained by all persons and entities affected by the act(s) of terrorism exceeds a total of \$100,000,000 as determined by the Property Claims Services (PCS) and is attributable to a single act of terrorism or to multiple acts of terrorism which appear to be carried out in concert or to have a related purpose or common leadership.

Terrorism does not include vandalism and malicious mischief. For purposes of this exclusion vandalism and malicious mischief do not include acts which are committed for the purpose of, or having the effect of intending to:

- Put any sector of the public in fear;
- (2) Intimidate, coerce, influence or punish any sector of the public or any government; and/or
- (3) Disrupt any segment of the economy, including, but not limited to, disrupting or interfering with electronic or communication/information system(s).
- We do not insure for loss to property described in Coverages
   A and B caused by any of the following. However, any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.
  - a. Weather Conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in sub-paragraphs d. through h. of paragraph 1. above to produce the loss. Any and all loss or damage described in sub-paragraph b. or c. of paragraph 1. above that is contributed to in any way by weather conditions shall be, and will remain, excluded in its entirety;
  - Acts or Decisions, including the failure to act or decide, of any person, group, organization or governmental body;
  - c. Faulty, Inadequate or Defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling;
    - (4) Maintenance; or
    - (5) Establishment or enforcement of building codes or standards for construction or materials;

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

## **SECTION I - CONDITIONS**

## 1. Insurable Interest and Limit of Liability

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

- a. To the "insured" for an amount greater than the "insured's" interest; nor
- **b.** For more than the applicable limit of liability.

#### 2. Your Duties After Loss

In case of a loss to which this insurance may apply, you shall see that the following duties are performed:

- Give immediate notice to us or our agent, and in case of theft also to the police. In case of loss under the Credit Card coverage also notify the credit card company;
- Protect the property from further damage, make reasonable and necessary repairs required to protect the property, and keep an accurate record of repair expenditures;
- c. Prepare an inventory of damaged personal property showing, in detail, the quantity, description, place of purchase/acquisition, date of purchase/acquisition, "actual cash value" and amount of loss. Attach to the inventory all bills, receipts and related documents that substantiate the figures in the inventory;
- d. As often as we reasonably require and subject to all applicable provisions of the Insurance Code:
  - (1) Exhibit the damaged property;
  - (2) Provide us with original records and documents we request and permit us to make copies. Tax returns are privileged against disclosure under applicable law, but may be necessary to process or determine a claim: and
  - (3) Submit to and subscribe, outside the presence of any other "insured":
    - (a) Statements;
    - (b) Examinations under oath; and
  - (4) Produce representatives, employees, members of the "insured's" household or others to the extent it is within the "insured's" power to do so; and
- e. Submit to us, within 60 days after we request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
  - (1) The time and cause of loss:
  - (2) Interest of the "insured" and all others in the property involved and all encumbrances on the property;
  - (3) Other insurance which may cover the loss;
  - (4) Changes in title or occupancy of the property during the term of the policy;
  - (5) Specifications of any damaged "building structure" and detailed estimates for repair of the damage;
  - (6) An inventory of damaged personal property described in 2.c.;
  - (7) Receipts for additional living expenses incurred and records supporting the fair rental value loss;
  - (8) Evidence or affidavit supporting a claim under the

Credit Card and Forgery and Counterfeit Money coverage, stating the amount and cause of loss.

#### 3. Loss Settlement

Covered property losses are settled as follows:

- a. (1) Personal property;
  - (2) Awnings, domestic appliances, outdoor antennas, satellite dishes and outdoor equipment, whether or not attached to the "building structure"; and
  - (3) Structures that are not "building structures", except fences:
    - at "actual cash value" at the time of loss but not to exceed the amount necessary to repair or replace or the applicable limit of liability.
- b. "Building structures" under Coverage A or B at "replacement cost" without deduction for depreciation, subject to the following:
  - (1) If at the time of loss the amount of insurance in this policy on the damaged "building structure" is 80% or more of the full "replacement cost" of the "building structure" immediately prior to the loss, we will pay the cost of repair or replacement, without deduction for depreciation, but not exceeding the smallest of the following amounts:
    - (a) The limit of liability under this policy applying to the "building structure";
    - (b) The "replacement cost" of that part of the "building structure" damaged for equivalent construction and use on the same premises; or
    - (c) The amount actually and necessarily spent to repair or replace the damaged "building structure".
  - (2) If at the time of loss the amount of insurance in this policy on the damaged "building structure" is less than 80% of the full "replacement cost" of the "building structure" immediately prior to the loss, we will pay the larger of the following amounts, but not exceeding the limit of liability under this policy applying to the "building structure":
    - (a) The "actual cash value" of that part of the "building structure" damaged; or
    - (b) That proportion of the cost to repair or replace, without deduction for depreciation, of that part of the "building structure" damaged, which the total amount of insurance in this policy on the damaged "building structure" bears to 80% of the "replacement cost" of the "building structure".
  - (3) In determining the amount of insurance required to equal 80% of the full "replacement cost" of the "building structure" immediately prior to the loss, you shall disregard the value of excavations,

foundations, piers and other supports which are below the undersurface of the lowest basement floor or, where there is no basement, which are below the surface of the ground inside the foundation walls, and underground flues, pipes, wiring and drains.

- (4) When the cost to repair or replace the damage is more than \$1,000 or more than 5% of the amount of insurance in this policy on the "building structure", whichever is less, we will pay no more than the "actual cash value" of the damage until actual repair or replacement is completed and costs incurred.
- (5) You may disregard the "replacement cost" loss settlement provisions and make claim under this policy for the "actual cash value" for loss to "building structures". You may then make claim for "replacement cost" value according to the provisions of this Condition 3., provided that you:
  - (a) Complete the actual repair or replacement of the damaged part of the property within 12 months from the date that we make our first payment to you towards the "actual cash value"; and,
  - (b) Notify us of your claim within 30 days after the work has been completed.
    - Prior to the deadline, we may grant you extensions of up to six months to complete the work on a showing of good cause.
- (6) If the loss relates to a "state of emergency", as defined in Section 8558 of the Government Code, paragraph b.(5) does not apply. In that event, you may disregard the "replacement cost" loss settlement provisions and make claim under this policy for the "actual cash value" for loss to "building structures". You may then make claim for "replacement cost" value according to the provisions of this Condition 3., provided that you:
  - (a) Complete the actual repair or replacement of the damaged part of the property within 24 months from the date that we make our first payment to you toward the "actual cash value"; and,
  - (b) Notify us of your claim within 30 days after the work has been completed.

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

(7) In the event of a total loss of the "building structure" under Coverage A or B, you may rebuild or replace the "building structure" at an address other than that stated in the Declarations. Such replacement will not increase the amount we will pay under paragraph 3.b. (1) or (2) above, which

does not include the value of any land associated with the "building structure" under Coverage **A** or **B** that sustained a total loss.

#### 4. Loss to a Pair or Set

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

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

## 5. Glass Replacement

Subject to a \$50 deductible, loss for damage to glass caused by a Peril Insured Against shall be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

## 6. Appraisal

If you and we fail to agree on the amount of a covered loss, either one can request that the amount of the loss be set by appraisal. If either makes a written request for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written request. Where the request is accepted, the two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, you or we can ask a judge of a court of competent jurisdiction in the state where the "residence premises" is located to select an umpire.

Appraisal proceedings are informal unless you and we mutually agree otherwise. For purposes of this section, "informal" means that no formal discovery shall be conducted, including depositions, interrogatories, requests for admission, or other forms of formal civil discovery, no formal rules of evidence shall be applied, and no court reporter shall be used for the proceedings.

The appraisers shall then set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by you and us.

In the event of a government-declared disaster, as defined in the Government Code, appraisal may be requested by either you or us but shall not be compelled.

#### 7. Other Insurance

If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.

## 8. Suit Against Us

No action shall be brought unless there has been compliance with the policy provisions and the action is started within one year after the date of loss or damage.

## 9. Our Option

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the property damaged with equivalent property. We may take part or all of the covered damaged property at the agreed or appraised value, though we are not obligated to take any such property.

## 10. Loss Payment

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

- a. Reach agreement with you; or
- b. There is an entry of a final judgment; or
- c. There is a filing of an appraisal award with us.

## 11. Abandonment of Property

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

## 12. Mortgage Clause

The word "mortgagee" includes trustee. If a mortgagee is named in this policy, any loss payable under Coverage  $\bf A$  or  $\bf B$  shall be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment shall be the same as the order of precedence of the mortgagees.

If we deny your claim that denial shall not apply to a valid claim of the mortgagee, if the mortgagee:

- Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
- Pays any premium due under this policy on demand if you have neglected to pay the premium;
- c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

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

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

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

#### 13. No Benefit to Bailee

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

#### 14. Nuclear Hazard Clause

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

#### 15. Loss Deductible Clause

We pay for loss to covered property only when such loss exceeds \$250 and then only for the amount of such excess. This deductible applies separately to each loss.

## 16. Adjustments to Coverage Limits

The maximum limit for Coverage A as stated in the Declarations may be adjusted upon renewal of this policy based on indices that measure construction costs or inflation generally. We will not lower the Coverage A limit without your consent. You are responsible to advise us if the limits are insufficient to replace your property. At your request, we will assist you in estimating the "replacement cost" of your dwelling. The maximum limits for Coverages B, C and D will be adjusted upon each renewal date in the same proportion as the adjustment to Coverage A. The adjusted limits for Coverages A, B, C and D will be rounded to the next highest \$100 as shown in the Declarations.

# 17. Adjusters

If within a six-month period, we assign a third or subsequent adjuster to be primarily responsible for a claim, we will provide you in a timely manner with a written status report. For purposes of this section, a written status report shall include a summary of any decisions or actions that are substantially related to the disposition of a claim, including, but not limited to, the amount of losses to structures or contents, the retention or consultation of design or construction professionals, the amount of coverage for losses to structures or contents and all items of dispute.

#### 18. Claim Related Documents

Within 15 days of your request, we will provide you with copies of "claim-related documents" in accordance with applicable provisions of the Insurance Code. Claim-related documents are documents that relate to the evaluation of damages, and are subject to exceptions from disclosure as specified in the Insurance Code and other applicable statutes.

## **SECTION II - LIABILITY COVERAGES**

#### COVERAGE E - Personal Liability

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

- 1. Pay up to our limit of liability for the "damages" for which the "insured" is legally liable; and
- 2. Provide a defense at our expense by counsel of our choice, even if the allegations are groundless, false or fraudulent. We may make any investigation and settle any claim or suit that we decide is appropriate. Our obligation to defend any claim or suit ends when the amount we pay for "damages" resulting from the "occurrence" equals our limit of liability.

## **COVERAGE F - Medical Payments to Others**

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

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

## SECTION II - EXCLUSIONS

- Coverage E Personal Liability and Coverage F Medical Payments to Others do not apply to "personal injury" or "property damage":
  - a. The type of which is expected or intended by any "insured":
  - Arising out of past or present "business" pursuits of any "insured".

This exclusion does not apply to:

- Activities which are ordinarily incident to non-"business" pursuits; or
- (2) The rental or holding for rental of a residence of yours:
  - (a) On an occasional basis for the exclusive use as a residence;
  - (b) In part, unless intended for use as a residence by more than two roomers or boarders; or
  - (c) In part, as an office, school, studio or private garage;
- Arising out of the rendering or failing to render professional services;
- d. Arising out of any premises owned or rented to any "insured" which is not an "insured location";
- e. Arising out of the:
  - (1) Ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including any trailers, owned or operated by or rented or loaned to any "insured"; or
  - (2) Entrustment by the "insured" of a motor vehicle, watercraft of all types, aircraft or any other motorized land conveyance to any person.

This exclusion does not apply to:

- (1) A trailer not towed by or carried on a motorized land conveyance;
- (2) A motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration, and owned by any "insured", while on an "insured location";
- (3) A motorized golf cart designed to carry up to 4 persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and at the time of an "occurrence" is within the legal boundaries of:
  - (a) A golfing facility and is parked or stored there, or being used by an "insured" to:
    - Play the game of golf or for other recreational or leisure activity allowed by the facility;
    - (ii) Travel to or from an area where motor vehicles or golf carts are parked or stored; or
    - (iii) Cross public roads at designated points to access other parts of the golfing facility; or
  - (b) A private residential community, including its public roads upon which a motorized golf cart can legally travel which is subject to the

authority of a property owners association and contains an "insured's" residence.

- (4) A motorized land conveyance designed and exclusively used by any "insured" for assisting the handicapped or for the maintenance of an "insured location" which is not designed for travel on public roads and not subject to motor vehicle registration;
- f. Arising out of the ownership, maintenance, use, loading or unloading of a watercraft:
  - (1) Owned by or rented to any "insured" if the watercraft has inboard or inboard-outdrive motor power of more than 50 horsepower or is a sailing vessel, with or without auxiliary power, 26 feet or more in overall length;
  - (2) Powered by one or more outboard motors with more than 50 total horsepower if the outboard motor is owned by any "insured". However, outboard motors of more than 50 total horsepower are covered for the policy period if:
    - (a) They are acquired by you prior to the policy period and:
      - (i) Declared by you at policy inception; or
      - (ii) Your intention to insure is reported in writing to us within 45 days after newly acquiring the outboard motors.
    - (b) They are acquired by you during the policy period.

This exclusion does not apply while the watercraft is stored;

- g. Arising out of the ownership, maintenance, use, loading or unloading of an aircraft, meaning any contrivance used or designed for navigation of or flight in the air, except model aircraft of the hobby variety not used or designed for the transportation of people or cargo;
- h. Caused directly or indirectly by war, including undeclared war, civil war, insurrection, rebellion, revolution, war-like act by a military force or military personnel, destruction or seizure or use for military purposes, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a war-like act even if accidental;
- To "personal injury" sustained by a person as a result of an offense included in "personal injury" definitions b., c. and d. directly or indirectly related to the employment of such person by you;
- j. To "personal injury" arising out of "personal injury" definition c if the first injurious publication or utterance of the same or similar material by or on behalf of you was made prior to the effective date of this insurance:
- k. To "personal injury" arising out of "personal injury" definition c. concerning any organization or "business" enterprise, or its products or services, made by or at the direction of any "insured" with knowledge of the falsity thereof:

- I. To any person as an "insured" with respect to claims, suits or losses arising out of his activities as:
  - (1) An employee, officer, director, trustee or agent of the United States Government or any state, county, school district or any other political subdivision, or
  - (2) A candidate for public office or arising out of his activities on behalf of a candidate for public office;
- m. To punitive or exemplary "damages";
- Arising out of the transmission of a communicable or hereditary disease or physical condition by an "insured".
- o. To "personal injury" arising out of the discharge, dispersal, release or escape of vapors, fumes, acids, toxic chemicals, toxic gases, toxic liquids, toxic solids, waste materials or other irritants, contaminants or pollutants.

This exclusion does not apply to "personal injury" arising out of such discharge if sudden and accidental.

- p. To "property damage" caused by vapors, fumes, acids, toxic chemicals, toxic gases, toxic liquids, toxic solids, waste materials or other irritants, contaminants or pollutants.
- q. Arising out of statutorily imposed liability upon any "insured" in any matter, consisting of or caused by vapors, fumes, acids, toxic chemicals, toxic gases, toxic liquids, toxic solids, waste materials or other irritants, contaminants or pollutants.
- r. Arising out of the sale or transfer of real property, including, but not limited to:
  - (1) Known or unknown structural defects;
  - (2) Known or hidden defects in the plumbing, heating or electrical systems;
  - (3) Known or unknown soil conditions or drainage problems;
  - (4) Alleged concealment or misrepresentation of any known or unknown conditions in the real property.
- s. Arising directly or indirectly, in whole or in part, out of actual, alleged, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi", wet or dry rot or bacteria.
- t. Resulting from terrorism, meaning any intentional or accidental use of force or violence and/or threat thereof against person(s), property or communication/ information system(s) by any person(s) or group(s) of persons motivated by or committed for political, religious, social, racial, ethnic, ideological, philosophical or similar purpose(s). This includes the intention to:
  - Put any sector of the public in fear;
  - (2) Intimidate, coerce, influence or punish any sector of the public or any government; and/or

(3) Disrupt any segment of the economy, including, but not limited to, disrupting or interfering with electronic or communication/information system(s).

This exclusion will only apply when the insured damage to all types of property, including "business" interruption losses in the United States, its territories and possessions and Puerto Rico, sustained by all persons and entities affected by the act(s) of terrorism exceeds a total of \$100,000,000 as determined by the Property Claims Services (PCS) and is attributable to a single act of terrorism or to multiple acts of terrorism which appear to be carried out in concert or to have a related purpose or common leadership.

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

## 2. Coverage E - Personal Liability does not apply to:

- **a.** Liability:
  - (1) For your share of any loss assessment charged against all members of a corporation or association of property owners;
  - (2) Under any other contract or agreement, including real estate sales contract, except those written contracts directly relating to the maintenance of the "insured location" not excluded in (1) above or elsewhere in this policy;
- b. "Property damage" to property owned by the "insured" or any other resident of the "insured's" household;
- c. "Property damage" to property rented to, occupied or used by or in the care, custody or control of the "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;
- d. "Personal injury" to any person eligible to receive any benefits:
  - (1) Required to be provided; or
  - (2) Voluntarily provided; by the "insured" under any:
    - (1) Workers' or workmen's compensation law;
    - (2) Non-occupational disability law; or
    - (3) Occupational disease law;
- e. "Personal injury" or "property damage" for which any "insured" under this policy:
  - (1) Is also an "insured" under a nuclear energy liability policy; or
  - (2) Would be an "insured" but for its termination upon exhaustion of its limit of liability.

A nuclear energy liability policy is a policy issued by:

- (1) American Nuclear Insurers;
- (2) Mutual Atomic Energy Liability Underwriters;
- (3) Nuclear Insurance Association of Canada; or any

of their successors; or

- f. "Personal injury" to you and any "insured" within the meaning of part a., b., c., d. or e. of Definition 9. "insured".
- Coverage F Medical Payments to Others does not apply to "personal injury":
  - a. To a "residence employee" if it occurs off the "insured location" and does not arise out of or in the course of the "residence employee's" employment by any "insured":
  - **b.** To any person eligible to receive any benefits:
    - (1) Required to be provided; or
    - (2) Voluntarily provided; under any:
      - (1) Workers' or workmen's compensation law;
      - (2) Non-occupational disability law; or
      - (3) Occupational disease law;
  - c. From any:
    - (1) Nuclear reaction;
    - (2) Nuclear radiation; or
    - (3) Radioactive "contamination"; all whether controlled or uncontrolled or however caused; or
    - (4) Any consequence of any of these;
  - d. To any person other than a "residence employee" of any "insured", regularly residing on any part of the "insured location".

#### **SECTION II - ADDITIONAL COVERAGES**

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

#### 1. Claim Expenses

We pay:

- a. Expenses incurred by us and costs taxed against any "insured" in any suit we defend;
- b. Premiums on bonds for covered losses required in a suit defended by us, but not for bond amounts greater than the limit of liability for Coverage E. We are not obligated to apply for or furnish any bond;
- c. Reasonable expenses incurred by any "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$200 per day for assisting us in the investigation or defense of any claim or suit;
- d. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

### 2. First Aid Expenses

We will pay up to \$1,000 per person/\$5,000 per "occurrence" for reasonable first aid expenses incurred by any "insured"

because of "personal injury" covered under this policy. We will not pay for first aid to you or any other "insured".

### 3. Damage to Property of Others

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

We will not pay for "property damage":

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

#### 4. Loss Assessment

- a. We will pay up to \$10,000 for your share of any loss assessment charged during the policy period against all members of a corporation or association of property owners providing the loss assessment arises from:
  - (1) An "occurrence" that results in "personal injury" or "property damage" not excluded from coverage under Section II – Exclusions; or
  - (2) Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided, such person:
    - (a) Is elected by the members of a corporation or association of property owners; and
    - (b) Serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.
- Paragraph 1. Policy Period under Sections I and II –
  Conditions does not apply to this Loss Assessment
  Coverage.
- c. Regardless of the number of assessments, the limit of \$10,000 is the most we will pay for loss arising out of:
  - (1) One accident, including continuous or repeated exposure to substantially the same general harmful condition: or
  - (2) A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

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

#### **SECTION II - CONDITIONS**

### 1. Limit of Liability

Regardless of the number of "insureds", claims made or persons injured, our total liability under Coverage E stated in this policy for all "damages" resulting from any one "occurrence" shall not exceed the limit of liability for Coverage E stated in the Declarations.

Our total liability under Coverage **F** for all medical expense payable for "personal injury" to one person as the result of one accident shall not exceed the limit of liability for Coverage **F** stated in the Declarations.

#### 2. Severability of Insurance

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

#### 3. Duties After Loss

In case of an accident, "occurrence", or claim for "personal injury" or "property damage", the "insured" shall perform the following duties that apply. You shall cooperate with us in seeing that these duties are performed:

- a. Give written notice to us or our agent as soon as practicable, which sets forth:
  - (1) The identity of the policy and "insured";
  - (2) Reasonably available information on the time, place and circumstances of the accident, "occurrence" or claim; and
  - (3) Names and addresses of any claimants and available witnesses and other persons involved;
- Forward to us every notice, demand, summons, complaint or other process relating to the accident, "occurrence" or claim;
- c. At our request, assist in:
  - Making settlement;
  - (2) The enforcement of any right of contribution or indemnity against any person or organization who may be liable to any "insured";
  - (3) The conduct of suits and attend hearings and trials;
  - (4) Securing and giving evidence and obtaining the attendance of witnesses:
- d. Under the coverage Damage to Property of Others submit to us within 60 days after the loss, a sworn statement of loss and exhibit the damaged property, if within the "insured's" control;
- No "insured" shall, except at the "insured's" own cost, voluntarily make any payment, assume any obligation

or incur any expense other than for first aid to others at the time of the "personal injury".

### Duties of an Injured Person – Coverage F – Medical Payments to Others

The injured person or someone acting on behalf of the injured person shall:

- Give us written proof of claim, under oath if required, as soon as practicable;
- Execute authorizations to allow us to obtain copies of medical reports and records; and
- c. Submit to physical examination by a physician selected by us when and as often as we reasonably require.

### Payment of Claim – Coverage F – Medical Payments to Others

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

### 6. Suit Against Us

No action shall be brought against us unless there has been compliance with the policy provisions.

No one shall have any right to join us as a party to any action against any "insured". Further, no action with respect to Coverage E shall be brought against us until the obligation of the "insured" has been determined by final judgment or agreement signed by us.

### 7. Bankruptcy of Any "Insured"

Bankruptcy or insolvency of any "insured" shall not relieve us of any of our obligations under this policy.

## 8. Other Insurance Coverage E - Personal Liability

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

#### SECTIONS I AND II - CONDITIONS

### 1. Policy Period

This policy applies only to loss under Section I or "personal injury" or "property damage" under Section II, which occurs during the policy period.

#### 2. Concealment or Fraud

This entire policy is void:

- a. If it was obtained by fraud or concealment of any material facts or circumstances. If it is determined that the policy is void, all premiums paid will be returned to you since there has been no coverage under this policy; or
- b. If any "insured" has knowingly and willfully concealed or misrepresented any material fact or circumstance relating to this insurance before or after a claim or loss.

#### 3. Liberalization Clause

If we adopt any revision which would broaden the coverage under this policy without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

### 4. Waiver or Change of Policy Provisions

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

#### 5. Cancellation and Non-Renewal

- a. Your right to cancel. You may cancel this policy by calling or writing us, and stating the future date that the cancellation is to be effective.
- b. Time for giving notice of cancellation. If we decide to cancel this policy, we will mail to you at the address shown in the Declarations or deliver to you notice of cancellation:
  - Not less than 10 days prior to the effective date of cancellation for non-payment of premium; or
  - (2) Not less than 20 days prior to the effective date of cancellation for any reason other than nonpayment of premium.

If we choose to mail the notice of cancellation, there are legal requirements affecting how we mail the notice and which extend the notice periods given above depending on where the notice is mailed. These requirements are given in Section 1013(a) of the Code of Civil Procedure.

- c. Time for giving notice of non-renewal. If we decide not to renew this policy, we will mail to you at the address shown in the Declarations or deliver to you notice of non-renewal not less than 45 days before the effective date of the non-renewal.
- d. Grounds for cancellation and non-renewal.
  - (1) If this policy has been in effect for fewer than 60 continuous days and this policy is not a renewal of a prior policy with us, we may cancel this policy for any reason unless prohibited by law.
  - (2) If this policy has been in effect for 60 continuous days or more, or this policy is a renewal of a prior policy with us, we will cancel such a policy only for:
    - (a) Non-payment of premium; or
    - (b) Fraud or material misrepresentation by you or your representative in obtaining this policy or pursuing a claim under this policy; or
    - (c) Grossly negligent acts or omissions by you or your representative substantially increasing any hazard insured against; or
    - (d) Physical changes in the "insured location" which make the property uninsurable; or
    - (e) Any other reason unless prohibited by law.

- (3) We may elect not to renew this policy for any reason unless prohibited by law.
- Other matters concerning cancellation and nonrenewal.
  - Proof of mailing is proof of notice.
  - (2) Upon cancellation, you may be entitled to a premium refund; if so, we will send it to you but our making the offer of a refund is not a condition of cancellation. If you or we cancel, any refund will be computed on a pro-rata basis.

## 6. Assignment

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

### 7. Subrogation

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

If an assignment is sought, any "insured" shall sign and deliver all related papers and cooperate with us in any reasonable manner.

Subrogation does not apply under Section II to Medical Payments to Others or Damage to Property of Others.

#### 8. Death

If you die:

- a. We insure the appointed and qualified representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death:
- b. "Insured" shall also include:
  - (1) Any member of your household who is an "insured" at the time of your death, but only while a resident of the "residence premises"; and
  - (2) With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative. As to any person qualifying hereunder, they shall notify us of the death of the person named in the Declarations within 60 days of that person's death. Any renewal of the policy after the death may void the policy consistent with paragraph 2. above.

## 9. Changes

This policy and the Declarations include all the agreements between you and us relating to this insurance. No change or waiver may be effected in this policy except by endorsement issued by us. If a premium adjustment is necessary we will make the adjustment as of the effective date of the change. If the adjustment results in a refund, we may apply it to any premium balance owed on this policy, whether or not then due under our billing plan.

### 10. Unclaimed Property

Unclaimed property may be transferred to the appropriate state if no activity occurs to claim the property within the time period specified by state law. Any check, bank draft or other form of payment issued by us with respect to this policy is subject to an administrative fee of \$2.00 if the check, bank draft or other form of payment has not been presented for payment or otherwise collected prior to the time the check, bank draft or other form of payment becomes unclaimed property under the laws of the state of residence of the payee. This provision applies to any amounts we are required by law to transfer as unclaimed property. This clause is void where prohibited by law.

**In Witness Whereof**, the CSAA Insurance Exchange has caused this policy to be signed by its Attorneys in Fact at Walnut Creek, California.

CSAA Insurance Services, Inc. Attorney in Fact for

**CSAA** Insurance Exchange

President

Secretary

#### INCLUDED ENDORSEMENTS

# LIMITED HOME REPLACEMENT COST COVERAGE HO 28 01 05

In exchange for your agreement to insure the dwelling and other "building structures" shown in the Declarations in accordance with the following provisions and to pay the applicable premium we agree that the limit of liability under Coverage  ${\bf A}$  – Dwelling and Coverage  ${\bf B}$  – Other Structures is increased to 150% of the respective amounts shown in the Declarations if:

- a. The dwelling and other "building structures" shown in the Declarations have been insured at the time this endorsement was added to the policy to 100% of their "replacement cost"; and
- Each annual adjustment to the limits of liability resulting from the Adjustments to Coverage Limits provisions of Section I – Coverages, conditions has been accepted by you; and
- c. You notify us within 90 days of the start of any additions or physical changes which increase the value of such

dwelling or other "building structures" on the "residence premises" by \$5,000 or more.

Coverage is limited to the amount reasonably necessary to repair or replace the dwelling and other "building structures", but does not include any costs required to replace, rebuild, stabilize or otherwise restore or protect the land.

This endorsement supersedes Section I – Conditions, 3.b. (1), (2) and (3).

All other provisions of this policy apply.

## WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE ENDORSEMENT – CALIFORNIA

(Residence Employees)

HO 90 10 86

For an additional premium we agree, with respect to "residence employees":

### Under Coverage I

To pay when due all benefits required of an "insured" by the California Workers' Compensation Law; and

### **Under Coverage II**

To pay on behalf of an "insured" all "damages" for which the "insured" is legally liable because of "bodily injury" sustained by a "residence employee". The "bodily injury" must be caused by accident or disease and arise out of and in the course of employment by the "insured" while:

- In the United States of America, its territories or possessions, or Canada, or
- b. Temporarily elsewhere if the "residence employee" is a citizen or resident of the United States or Canada.

Coverage II does not apply to any suit brought in or judgment rendered by any court outside the United States of America, its territories and possessions, or Canada, or to any action on such judgment.

#### Who Is Covered

A "residence employee" is covered if during the 90 calendar days immediately before the date of injury the employee has:

- Actually been engaged in such employment by the "insured" for no less than 52 hours, and
- b. Earned no less than \$100 in wages.

## Application of Coverage

This insurance applies only to "bodily injury" which occurs during the policy period. If the "bodily injury" is a disease, it must be caused or aggravated by the conditions of the "residence employee's" employment by the "insured".

#### **Policy Provisions**

This insurance is subject to all the provisions of this endorsement and the following provisions of this policy:

- a. Under Section I and II Conditions:
  - 4. Waiver or Change of Policy Provisions
  - 5. Cancellation
  - 7. Assignment
  - 8. Subrogation
  - b. Under Section II Conditions:
  - 3. Duties After Loss.
  - 6. Suit Against Us.
- Our agreement to defend the "insured" as provided under Coverage E – Personal Liability.
- d. Under Section II Additional Coverages:
  - Claim Expenses.
  - 2. First Aid Expenses.
- **e.** The definition of "bodily injury," "business," "insured" and "residence employee."

# Additional Provisions Applicable to Coverage I

The following provisions are applicable to Coverage I:

- a. We shall be directly and primarily liable to any "residence employee" of an "insured" entitled to the benefits of the California Workers' Compensation Law.
- b. As between the "residence employee" and us, notice to or knowledge of the "occurrence" of the injury on the part of an "insured" will be deemed notice or knowledge on our part.
- c. The jurisdiction of an "insured" will, for the purpose of the law imposing liability for compensation, be our jurisdiction.
- d. We will be subject to the orders, findings, decisions or awards rendered against an "insured", under the provisions of the law imposing liability for compensation, subject to the provisions, conditions and limitations of this policy. This policy shall govern as between an "insured" and us as to payments by either in discharge on an "insured's" liability for compensation.
- e. The "residence employee" has a first lien upon any amount which we owe you on account of this insurance. In case of your legal incapacity or inability to receive the money and pay it to the "residence employee", we will pay it directly to the "residence employee". Your obligation to the "residence employee" will be discharged to the extent of such payment.

## Limits of Liability Coverage II

Our total limit of liability will not exceed \$100,000 for all damages arising out of "bodily injury" by disease or "bodily injury" sustained in any one accident, regardless of the number of "residence employees" who sustain "bodily injury" or the number of "insureds".

#### Other Insurance

This insurance does not apply to any loss to which other valid and collectible Workers' Compensation or Employers-Liability

Insurance applies.

### **Conformity to Statute**

Terms of this insurance which are in conflict with the California Workers' Compensation Law are amended to conform to that law.

#### **Exclusions**

This policy does not apply:

- a. To liability for additional compensation imposed on an "insured" under Sections 4553 and 4557, Division IV, Labor Code of the State of California, because of the serious and willful misconduct of an "insured", or because of "bodily injury" to an employee under 16 years of age and illegally employed at the time of injury;
- b. To liability for "bodily injury" arising out of "business" pursuits of an "insured".
- c. Under Coverage II:
  - To liability assumed by the "insured" under any contract or agreement.
  - To "bodily injury" by disease unless a written claim is made or suit brought against the "insured" within 36 months after the end of the policy period.
  - To any obligation under a workers' compensation, unemployment or disability benefits law or any similar law.

#### **OPTIONAL ENDORSEMENTS**

The endorsements listed below apply only if they are shown on the Declarations page of the policy applicable to the loss. We may change the terms and conditions of these endorsements for any renewal period by sending you a new edition of the endorsement.

# ADDITIONAL RESIDENCE PREMISES – OCCUPIED BY INSURED

#### **HARI 07 14**

For an additional premium, this policy is amended as follows:

#### Section II:

Under Coverage **E** – Personal Liability and Coverage **F** – Medical Payments to Others the structure(s) shown in the Schedule received with your Declarations are included in the definition of "Insured Location".

# REPLACEMENT VALUE ENDORSEMENT PERSONAL PROPERTY

#### HO 29 08 05

For an additional premium, we agree, subject to all conditions in this endorsement, to settle losses under Coverage **C** – Personal Property at replacement value instead of "actual cash value". Coverage under this endorsement is subject to and included in the limit of liability shown in the Declarations and does not increase that limit.

"Replacement value" means the current cost at time of loss

without deduction for depreciation to replace the damaged, destroyed, or stolen property with articles of like kind and quality.

This endorsement shall not apply to:

- 1. Property which by its inherent nature cannot be replaced;
- Property not maintained in good or workable condition;
- 3. Property not being used by you or stored for such use; or
- Property being stored and not used.

Our liability for loss to any property insured under this endorsement shall not exceed the smallest of the following:

- 1. The cost of repair or restoration;
- 2. The replacement value at time of loss; or
- Any limit, or Special Limits of Liability described in the policy, including the Declarations.

We will not be liable for any loss under this endorsement unless and until actual repair or replacement is completed. You may elect to disregard this endorsement and make claim under this policy for the "actual cash value" for loss to damaged, destroyed, or stolen property. You may then make claim for "replacement value" according to the provisions of this endorsement provided that you:

- (a) Complete the actual repair or replacement of the damaged part of the property within 12 months from the date that we make our first payment to you toward the "actual cash value", or if the loss relates to a "state of emergency", as defined in Section 8558 of the Government Code, complete the actual repair or replacement of the damaged part of the property within 24 months from the date that we make our first payment to you toward the "actual cash value"; and,
- (b) Notify us of your claim within 30 days after the repair or replacement has occurred.

Prior to the deadline, we may grant you extensions of up to six months to repair or replace the damaged part of the property on a showing of good cause.

Special Exclusion. The coverage provided by this endorsement shall not apply to any loss caused by an "earthquake".

All other provisions of the policy, including any applicable deductible not in conflict with this endorsement, remain unchanged. However, if this policy provides "replacement cost" for Coverages **A** and **B**, losses to outdoor radio and television antennas and aerials, satellite dishes, awnings, domestic appliances and outdoor equipment will be settled at "replacement value" as well.

# OTHER STRUCTURES RENTED TO OTHERS HO 40

For an additional premium, this policy is amended as follows:

#### Section I:

We insure for direct physical loss to the structure(s) shown in the Declarations located on the "residence premises" rented or held

for rental to any person not a tenant of the described dwelling for use as a private residence for an amount not exceeding the limit of liability shown in the Schedule received with your Declarations. This amount shall be considered specific insurance applicable only to such structure(s).

#### Section II:

Under Coverage  $\mathbf{E}$  – Personal Liability and Coverage  $\mathbf{F}$  – Medical Payments to Others the structure(s) shown in the Schedule received with your Declarations are included in the definition of "residence premises".

# ADDITIONAL INSURED RESIDENCE PREMISES HO 41 04 84

The definition of "insured" in this policy is amended to include any person or organization shown in the Declarations with respect to:

#### Section I:

Coverage **A** – Dwelling and Coverage **B** – Other Structures; and

Coverage  ${\bf E}$  – Personal Liability and Coverage  ${\bf F}$  – Medical Payments to Others but only with respect to the "residence premises".

This coverage does not apply to "personal injury" to any employee arising out of or in the course of the employee's employment by the person or organization.

# OFFICE, PROFESSIONAL, PRIVATE SCHOOL OR STUDIO OCCUPANCY RESIDENCE PREMISES

HO 42 08 08

For an additional premium, this policy is amended as follows:

#### Section I:

Under Coverage  ${\bf C}$  – Personal Property the \$2,500 Special Limit of Liability for "business property" in Section  ${\bf I}$  - Coverages is deleted for equipment, supplies and furnishings located on the "residence premises" and normally used in office, professional, private school or studio "business" occupancy specifically shown in the Schedule received with your Declarations.

#### Section II:

Under Coverage **E** – Personal Liability and Coverage **F** – Medical Payments to Others:

- The "residence premises" shown in the Declarations shall not be considered "business property" because an "insured" occupies a part thereof as an office, school or studio.
- Subpart (3) is added to Section II Exclusions 1.b.as follows:
  - (3) Activities which are ordinarily incident to the specific "business" pursuits shown in the Schedule received with your Declarations.
- 3. This insurance does not apply to "personal injury" to:

- a. Any employee of any "insured" arising out of specific "business" pursuits shown in the Schedule received with your Declarations; or
- **b.** Any pupil arising out of corporal punishment administered by or at the direction of the "insured".

# OFFICE, PROFESSIONAL, PRIVATE SCHOOL OR STUDIO OCCUPANCY ADDITIONAL RESIDENCE PREMISES (Section II Only)

#### HO 43 04 84

For an additional premium, under Coverage **E** – Personal Liability and Coverage **F** – Medical Payments to Others:

- The "residence premises" shown in the Declarations shall not be considered "business property" because an "insured" occupies a part thereof as an office, school or studio.
  - Subpart (3) is added to Section II Exclusions 1.b. as follows:
    - (3) Activities which are ordinarily incident to the specific "business" pursuits shown in the Schedule received with your Declarations.
- 2. This insurance does not apply to "personal injury" to:
  - a. Any employee of any "insured" arising out of the specific "business" pursuits shown in the Schedule received with your Declarations; or
  - b. Any pupil arising out of corporal punishment administered by or at the direction of the "insured".

# RESIDENCE PREMISES - THREE- OR FOUR FAMILY DWELLING

#### HO 44 04 84

For an additional premium, the definition of "residence premises" is amended to include the three- or four-family dwelling shown in the Declarations.

# OTHER STRUCTURES-NOT RENTED (Section I) HO 48 04 84

For an additional premium, the additional limit of liability shown in the Schedule received with your Declarations for each other structure shall be considered specific insurance applicable only to such structure(s).

This endorsement does not increase the Coverage  ${\bf B}$  – Other Structures limit of liability in the Declarations.

# \$100 DEDUCTIBLE (Section I Only) HO 57 10 86

For an additional premium, the Loss Deductible Clause contained in paragraph **15.** of Section I – Conditions is deleted and replaced by the following:

Loss Deductible Clause: With respect to loss otherwise covered under this policy, we shall be liable only when such loss in each

"occurrence" exceeds \$100 and then only for the amount of such excess.

# \$500 DEDUCTIBLE (Section I Only) HO 59 10 86

For a premium credit, the Loss Deductible Clause contained in paragraph 15. of Section I - Conditions is deleted and replaced by the following:

Loss Deductible Clause: With respect to loss otherwise covered under this policy, we shall be liable only when such loss in each "occurrence" exceeds \$500 and then only for the amount of such excess.

# \$1,000 DEDUCTIBLE (Section I Only) HO 60 10 86

For a premium credit, the Loss Deductible Clause contained in paragraph **15.** of Section I – Conditions is deleted and replaced by the following:

Loss Deductible Clause: With respect to loss otherwise covered under this policy, we shall be liable only when such loss in each "occurrence" exceeds \$1,000 and then only for the amount of such excess.

# SCHEDULED PERSONAL PROPERTY ENDORSEMENT HO 61

#### 61 1147 0813

For an additional premium, this policy covers Scheduled Personal Property for which a limit of liability is shown in the Declarations or Schedules forming a part hereof. Except as otherwise provided herein, the coverage afforded by this endorsement is subject to the following sections of the policy:

The War Subsection of Section I - Exclusions; Section I - Conditions; and Sections I and II - Conditions.

#### ADDITIONALLY ACQUIRED PROPERTY

The following clause is applicable only to Jewelry, Furs, Cameras, Musical Instruments and Fine Arts when such property is covered hereunder.

In consideration of the agreement by the Insured to report additional property of the kind insured hereunder, acquired by the Insured subsequent to the attachment date of this endorsement, within thirty (30) days from the date acquired and to pay full premium thereon from the date acquired at pro rata of the current rates of this Exchange for such insurance, this endorsement covers on each separate class of such additionally acquired property for not exceeding 25% or \$10,000 whichever is the lesser, of the amount of insurance on such class exclusive of this provision. It is specifically understood and agreed by the Insured that this endorsement shall cease to cover such additionally acquired property if it is not reported to this Exchange within the stated thirty (30) day period.

The additional coverage does not apply to property of a class not already covered hereunder.

#### ADDITIONAL EXCLUSIONS

This endorsement does not insure against:

- Loss caused by wear and tear, gradual deterioration, insects, vermin, or inherent vice;
- 2. Loss by nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this endorsement; however, subject to the foregoing and all provisions of this policy, direct loss by fire resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this endorsement.

#### As to Fine Arts:

- Damage sustained due to and resulting from any repairing, restoration or retouching process;
- b. Breakage of art glass windows, statuary, marbles, glassware, brick-a-brac, porcelains and similar fragile articles, unless caused by fire, lightning, aircraft, theft or attempted theft, cyclone, tornado, windstorm, earthquake, flood, explosion, malicious damage or collision, derailment or overturn of conveyance, unless endorsed hereon.
- c. Loss to property on exhibition at fairgrounds or on the premises of any national or international exposition unless such premises are specifically herein described.
- 4. As to Postage Stamps or Rare and Current Coin Collections:
  - a. Fading, creasing, denting, scratching, tearing, thinning, transfer of colors, inherent defect, dampness, extremes of temperature, gradual depreciation, or damage sustained from handling or while being actually worked upon and resulting therefrom;
  - b. Mysterious disappearance of individual stamps, coins or other individual articles insured hereunder unless specifically scheduled herein with a definite amount set opposite their description, or if not specifically scheduled, unless mounted in a volume, and the page to which they are attached is also lost;
  - Loss or damage to property in the custody of transportation companies; nor shipments by mail unless by registered mail;
  - Theft from any attended automobile except while being shipped by registered mail;
  - e. Loss of or damage to any property described herein which is not an actual part of a stamp, money or numismatic collection.

#### SPECIAL CONDITIONS

 Fine Arts: If Fine Arts are covered hereunder, the Insured represents and agrees that the property insured hereunder will be packed and unpacked by competent packers.

This Exchange shall be liable for more than the amount set opposite the respective articles covered hereunder, which amounts are agreed to be the value of said articles.

In the event of the total loss of any article or articles which are a part of a set, this Exchange agrees to pay the Insured the full amount of the value of such set as specified in the schedule attached, and the Insured agrees to surrender the remaining article or articles of the set to this Exchange.

This insurance covers the property insured while on exhibition otherwise within the limits of the Continental United States, the State of Hawaii and Canada except as hereinbefore excluded.

- 2. Golfer's Equipment: If Golfer's Equipment is covered hereunder, this insurance shall cover gold clubs, golf clothing and golf equipment, which is the property of the named insured, but excluding watches, jewelry and stock for sale; also on other clothing of the named insured while contained in any locker situated in a club house or other building used in connection with the game of golf; except that golf balls are covered hereunder only against loss by fire or burglary, meaning the felonious abstraction of the balls from within a building, room or locker by any persons making felonious entry therein by actual force or violence, or which there shall be visible marks made upon the exterior of such premises at the place of such entry.
- Musical Instruments: If Musical Instruments are covered hereunder, the Insured represents and agrees such instruments insured hereunder will not be played for remuneration during the term of this endorsement.
- Silverware: Silverware shall not include pens, pencils, flasks, smoking implements or accessories or articles of personal adornment.
- 5. POSTAGE STAMPS OR RARE AND CURRENT COIN COLLECTION: IF A STAMP OR A COIN COLLECTION IS COVERED HEREUNDER, IN THE EVENT OF LOSS OR DAMAGE THE AMOUNT PAYABLE HEREUNDER SHALL BE ASCERTAINED IN THE FOLLOWING MANNER:
  - A. IN CASE OF LOSS OF OR DAMAGE TO PROPERTY SCHEDULED HEREIN AND REPRESENTING ANY ONE STAMP, COIN OR OTHER INDIVIDUAL ARTICLE INSURED, THIS EXCHANGE SHALL PAY OR MAKE GOOD TO THE INSURED SUCH LOSS OR DAMAGE UP TO BUT NOT EXCEEDING THE AMOUNT(S) SET OPPOSITE THE ITEM(S) INVOLVED.
  - B. IN CASE OF LOSS OF OR DAMAGE TO PROPERTY SPECIFICALLY DESCRIBED IN THE ABOVE

SCHEDULE AS PAIRS, STRIPS, BLOCKS, SERIES, SHEETS, COVERS, FRAMES, CARDS OR THE LIKE, THIS EXCHANGE SHALL PAY IN THE EVENT OF TOTAL LOSS OF SUCH AN ITEM UP TO BUT NOT EXCEEDING THE AMOUNT SET OPPOSITE THE ITEM INVOLVED AND IN THE EVENT OF PARTIAL LOSS NOT MORE THAN THE CASH MARKET VALUE OF THE WHOLE SET, LESS THE CASH MARKET VALUE OF THE REMAINDER AT THE TIME OF LOSS, IT BEING HOWEVER UNDERSTOOD AND AGREED THAT IN THE EVENT OF THE PROPERTY BEING INSURED FOR LESS THAN THE CASH MARKET VALUE, THE LIABILITY OF THIS EXCHANGE SHALL NOT EXCEED THE PROPORTION THAT THE AMOUNT INSURED BEARS TO THE CASH MARKET VALUE:

- IN ALL CASES OF LOSS OF OR DAMAGE TO THE C. INSURED PROPERTY NOT PROVIDED FOR IN THE TWO PREVIOUS PARAGRAPHS, THE EXCHANGE SHALL NOT BE LIABLE FOR MORE THAN THE ACTUAL CASH MARKET VALUE OF THE PROPERTY AT THE TIME OF LOSS. SUBJECT HOWEVER TO A NOT I IMIT OF EXCEEDING \$1.000 UNSCHEDULED NUMISMATIC PROPERTY AND NOT EXCEEDING \$250, WITH RESPECT TO ANY STAMP, COIN OR OTHER INDIVIDUAL ARTICLE OR ANY ONE PAIR. STRIP. BLOCK. SERIES, SHEET, COVER, FRAME, CARD OR THE LIKE;
- D. THIS EXCHANGE SHALL NOT BE LIABLE FOR A GREATER PROPORTION OF ANY LOSS ON PROPERTY NOT SPECIFICALLY SCHEDULED HEREIN, THAN THE TOTAL SUM INSURED ON SUCH UNSCHEDULED PROPERTY BEARS TO THE ACTUAL CASH MARKET VALUE THEREOF AT THE TIME SUCH LOSS SHALL HAPPEN.
- 6. VALUATION: THIS EXCHANGE SHALL NOT BE LIABLE FOR MORE THAN THE ACTUAL CASH VALUE OF THE PROPERTY AT THE TIME ANY LOSS OR DAMAGE OCCURS AND THE LOSS OR DAMAGE SHALL BE ASCERTAINED OR ESTIMATED ACCORDING TO SUCH ACTUAL CASH VALUE WITH PROPER DEDUCTION FOR DEPRECIATION, HOWEVER CAUSED, AND SHALL IN NO EVENT EXCEED:
  - A. WHAT IT WOULD COST TO REPAIR OR REPLACE THE SAME WITH MATERIAL OF LIKE KIND AND QUALITY, OR
  - B. THE APPLICABLE AMOUNT OF INSURANCE SET OPPOSITE THE RESPECTIVE ARTICLE COVERED HEREUNDER, WHICHEVER IS LESS.
- 7. Loss Clause: Any loss hereunder shall not reduce the amount of this endorsement, except in the event of payment of claim for total loss of an item specifically scheduled hereon. If claim is paid for total loss of one or more scheduled items, the unearned premium applicable to such

items will be refunded to the Insured or applied to the premium due on item(s) replacing those on which the claim was paid.

- 8. PAIR, SET OR PARTS: IN THE EVENT OF LOSS TO:
  - A. ANY ARTICLE OR ARTICLES WHICH ARE A PART OF A PAIR OR SET, THE MEASURE OF LOSS TO SUCH ARTICLE OR ARTICLES SHALL BE A REASONABLE AND FAIR PROPORTION OF THE TOTAL VALUE OR THE PAIR OR SET, GIVING CONSIDERATION TO THE IMPORTANCE OF SAID ARTICLE OR ARTICLES, BUT IN NO EVENT SHALL SUCH LOSS BE CONSTRUED TO MEAN TOTAL LOSS OF THE PAIR OR SET; OR
  - B. ANY PART OF PROPERTY COVERED CON-SISTING, WHEN COMPLETE FOR USE, OF SEVERAL PARTS, THE EXCHANGE SHALL ONLY BE LIABLE FOR THE VALUE FOR THE PART LOST OR DAMAGED.
- 9. OTHER INSURANCE: IF THE INSURED HAS OTHER INSURANCE AGAINST A LOSS COVERED BY THIS ENDORSEMENT THIS EXCHANGE SHALL NOT BE LIABLE UNDER THIS ENDORSEMENT FOR A GREATER PROPORTION OF SUCH LOSS THAN THE APPLICABLE LIMIT OF LIABILITY STATED IN THE ABOVE SCHEDULE BEARS TO THE TOTAL APPLICABLE LIMIT OF LIABILITY OF ALL VALID AND COLLECTIBLE INSURANCE AGAINST SUCH LOSS.

# ADDITIONAL RESIDENCE PREMISES -RENTED TO OTHERS HO 70 12 02

For an additional premium, the following definitions are amended:

- "Insured location" is amended for purposes of Coverage E-Personal Liability and Coverage F Medical Payments to Others to include the premises shown in the Schedule received with your Declarations; and
- "Business" is amended for purposes of Coverage E -Personal Liability and Coverage F - Medical Payments to Others so that it does not apply to the rental or holding for rental of the premises shown in the Schedule received with your Declarations.

# BUSINESS PURSUITS (Section II) HO 71 12 01

For an additional premium, the insurance provided by this policy under Coverage  $\mathbf{E}$  – Personal Liability and Coverage  $\mathbf{F}$  – Medical Payments to Others will apply to your "business" pursuits conducted in connection with the "business" pursuits shown in the Declarations, subject to the following provisions:

This insurance does not apply:

 To "personal injury" or "property damage" arising out of past or present "business" pursuits in connection with a "business" owned or financially controlled by an "insured" or

- by a partnership or joint venture of which such an "insured" is a partner or member;
- To "personal injury" or "property damage" arising out of the rendering of or failure to render professional services of any nature (other than teaching);
- To "personal injury" to a fellow employee of an "insured" injured in the course of such person's employment;
- When an "insured" is a member of the faculty or teaching staff of any school or college;
  - a. To "personal injury" or "property damage" arising out of the maintenance, operation, use, entrustment, loading or unloading of draft or saddle animals, vehicles for use therewith, aircraft, motor vehicles, recreational motor vehicles or watercraft owned or operated or hired by or for an "insured" or an "insured's" employer or used by an "insured" for the purpose of instruction in the use thereof: or
  - b. To "personal injury" to any pupil arising out of corporal punishment administered by or at the direction of an "insured", but this exclusion does not apply under Coverage E Personal Liability if liability for corporal punishment is indicated in the Declarations as included.

# \$1,500 DEDUCTIBLE (Section I only) HO 76 12 07

For a premium credit, the Loss Deductible Clause contained in paragraph **15.** of Section I – Conditions is deleted and replaced by the following:

Loss Deductible Clause: With respect to loss otherwise covered under this policy, we shall be liable only when such loss in each "occurrence" exceeds \$1,500 and then only for the amount of such excess.

# \$2,000 DEDUCTIBLE (Section I Only) HO 77 12 07

For a premium credit, the Loss Deductible Clause contained in paragraph 15. of Section I – Conditions is deleted and replaced by the following:

Loss Deductible Clause: With respect to loss otherwise covered under this policy, we shall be liable only when such loss in each "occurrence" exceeds \$2,000 and then only for the amount of such excess.

# \$2,500 DEDUCTIBLE (Section I Only) HO 78 12 07

For a premium credit, the Loss Deductible Clause contained in paragraph **15.** of Section I – Conditions is deleted and replaced by the following:

Loss Deductible Clause: With respect to loss otherwise covered under this policy, we shall be liable only when such loss in each "occurrence" exceeds \$2,500 and then only for the amount of such excess.

# \$3,000 DEDUCTIBLE (Section I Only) HO 79 12 07

For a premium credit, the Loss Deductible Clause contained in paragraph 15. of Section I – Conditions is deleted and replaced by the following:

Loss Deductible Clause: With respect to loss otherwise covered under this policy, we shall be liable only when such loss in each "occurrence" exceeds \$3,000 and then only for the amount of such excess.

# \$4,000 DEDUCTIBLE (Section I Only) HO 80 12 07

For a premium credit, the Loss Deductible Clause contained in paragraph **15**. of Section I – Conditions is deleted and replaced by the following:

Loss Deductible Clause: With respect to loss otherwise covered under this policy, we shall be liable only when such loss in each "occurrence" exceeds \$4,000 and then only for the amount of such excess.

# \$5,000 DEDUCTIBLE (Section I Only) HO 81 12 07

For a premium credit, the Loss Deductible Clause contained in paragraph 15. of Section I – Conditions is deleted and replaced by the following:

Loss Deductible Clause: With respect to loss otherwise covered under this policy, we shall be liable only when such loss in each "occurrence" exceeds \$5,000 and then only for the amount of such excess.

# \$7,500 DEDUCTIBLE (Section I Only) HO 82 12 07

For a premium credit, the Loss Deductible Clause contained in paragraph **15**. of Section I – Conditions is deleted and replaced by the following:

Loss Deductible Clause: With respect to loss otherwise covered under this policy, we shall be liable only when such loss in each "occurrence" exceeds \$7,500 and then only for the amount of such excess

# SNOWMOBILE (Section II Only) HO 164 04 84

For an additional premium, under Coverage **E** – Personal Liability and Coverage **F** – Medical Payments to Others:

 Section II – Exclusion 1.e. is deleted only with respect to "personal injury" or "property damage" arising out of the ownership, maintenance, operation, use, loading or unloading of the snowmobile(s) described in the Schedule received with your Declarations while away from an "insured location". 2. The definition of "insured" includes as an additional "insured" any person or organization legally responsible for a snowmobile owned by you or any other "insured" who is a resident of your household, but does not include a person or organization using or having custody or possession of the snowmobile without the permission of the owner. This insurance for an additional "insured" shall be excess insurance over any other valid and collectible insurance available to such "insured".

With respect to the described snowmobile(s), this insurance does not apply:

- To any snowmobile subject to the Motor Vehicle Registration Act;
- While any snowmobile is used to carry persons for a charge;
- c. While any snowmobile is used for "business" purposes;
- d. While any snowmobile is rented to others; or
- While any snowmobile is being operated in any prearranged or organized race, speed contest or other competitions.

## \$250 THEFT DEDUCTIBLE (Section I) HO 177 10 86

For a premium credit, with respect only to loss by theft of property covered under Coverage **C** of this policy, the following Loss Deductible Clause is substituted for any other loss deductible clause which may form a part of this policy.

Loss Deductible Clause: for loss by theft of property covered under Coverage **C**, each claim shall be adjusted separately. The sum of \$250 shall be deducted from the amount of each such adjusted claim or the applicable limit of liability, whichever is less.

# JEWELRY AND WATCHES INCREASED LIMITS OF LIABILITY (Section I) HO 210 08 08

For an additional premium, Section I – Coverages, Special Limits of Liability, is amended by deleting numbered category **5.** and substituting the following:

The aggregate amount shown in the Declarations for loss by theft of jewelry, watches, precious and semiprecious stones, gold other than goldware, silver other than silverware, and platinum.

# EXCLUDED OTHER STRUCTURES (Section I) HO 300 04 84

In exchange for our issuing, or at the time of this endorsement continuing in force the policy to which this endorsement is attached, you and we agree that the other structures specified as excluded in the Schedule received with your Declarations are removed from coverage under Section I of the policy.

### ADDITIONAL INTERESTS- RESIDENCE PREMISES HO 04 10 06 10

In addition to the Mortgagee(s) shown in the Declarations or elsewhere in this policy, the persons or organizations named in the Schedule received with your Declarations also have an interest in the "residence premises".

# CANCELLATION AND NONRENEWAL NOTIFICATION

If we decide to cancel or not to renew this policy, the persons or organizations named in the Schedule received with your Declarations will be notified in writing.

All other provisions of this policy apply.

# LENDER'S LOSS PAYABLE ENDORSEMENT 438 BFUNS

- Loss or damage, if any, under this policy, shall be paid to the Payee named on the first page of this policy, its successors and assigns, hereinafter referred to as "the Lender", in whatever form or capacity its interests may appear and whether said interest be vested in said Lender in its individual or in its disclosed or undisclosed fiduciary or representative capacity, or otherwise, or vested in a nominee or trustee of said Lender.
- 2. The insurance under this policy, or any rider or endorsement attached thereto, as to the interest only of the Lender, its successors and assigns, shall not be invalidated suspended: (a) by any error, omission, or change respecting the ownership, description, possession, or location of the subject of the insurance or the interest therein, or the title thereto: (b) by the commencement of foreclosure proceedings or the giving of notice of sale of any of the property covered by this policy by virtue of any mortgage or trust deed; (c) by any breach of warranty, act, omission, neglect, or non-compliance with any of the provisions of this policy, including any and all riders now or hereafter attached thereto, by the named "insured", the borrower, mortgagor, trustor, vendee, owner, tenant, warehouseman, custodian, occupant, or by the agents of either or any of them or by the happening of any event permitted by them or either of them. or their agents, or which they failed to prevent, whether before or after the attachment endorsement, or whether before or after a loss, which under the provisions of this policy of insurance or of any rider or endorsement attached thereto would invalidate or suspend the insurance as to the named "insured", excluding here from, however, any acts or omissions of the Lender while exercising active control and management of the property.
- 3. In the event of failure of the "insured" to pay any premium or additional premium which shall be or become due under the term of this policy or on account of any change in occupancy or increase in hazard not permitted by this policy, this Company agrees to give written notice to the Lender of such non-payment of premium after sixty (60) days from and

within one hundred and twenty (120) days after due date of such premium and it is a condition of the continuance of the rights of the Lender hereunder that the Lender when so notified in writing by the Company of the failure of the "insured" to pay such premium shall pay or cause to be paid the premium due within ten (10) days following receipt of the Company's demand in writing therefor. If the Lender shall decline to pay said premium or additional premium, the rights of the Lender under this Lender's Loss Payable Endorsement shall not be terminated before ten (10) days after receipt of said written notice by the Lender.

- 4. Whenever this Company shall pay to the Lender any sum for loss or damage under this policy and shall claim that as to the "insured" no liability therefor exists, this Company, at its option, may pay to the Lender the whole principal sum and interest and other indebtedness due or to become due from the "insured", whether secured or unsecured, (with refund of all interest not accrued), and this Company, to the extent of such payment, shall thereupon receive a full assignment and transfer, without recourse, of the debt and all rights and securities held as collateral thereto.
- If there be any other insurance upon the within described 5. property, this Company shall be liable under this policy as to the Lender for the proportion of such loss or damage that the sum hereby "insured" bears to the entire insurance of similar character on said property under policies held by, payable to and expressly consented to by the Lender. Any Contribution Clause included in any Fallen Building Clause Waiver or any Extended Coverage Endorsement attached to this contract of insurance is hereby nullified except Contribution Clauses for the compliance with which the "insured" has received reduction in the rate charged or has received extension of the coverage to include hazards other than fire and compliance with such Contribution Clause is made a part of the consideration for insuring such other hazards. The Lender upon the payment to it of the full amount of its claims, will surrogate this Company (pro rata with all other insurer contributing to said payment) to all of the Lender's rights of contribution under said other insurance.
- 6. The Company reserves the right to cancel this policy at any time, as provided by its terms, but in such case this policy shall continue in force for the benefit of the lender for ten (10) days after written notice of such cancellation is received by the Lender and shall then cease.
- 7. This policy shall remain in full force and effect as to the interest of the Lender for a period of ten (10) days after its expiration unless an acceptable policy in renewal thereof with loss thereunder payable to the Lender in accordance with the terms of this Lender's Loss Payable Endorsement, shall have been issued by some insurance company and accepted by the Lender.
- 8. Should legal title to and beneficial ownership of any of the property covered under this policy become vested in the Lender or its agents, insurance under this policy shall continue for the term thereof for the benefit of the Lender but, in such event, any privileges granted by this Lender's Loss

Payable Endorsement which are not also granted the "insured" under the terms and conditions of this policy and/or under other riders or endorsements attached thereto shall not apply to the insurance hereunder as respects such property.

9. All notices hereby provided to be given by the Company to the Lender in connection with this policy and this Lender's Loss Payable Endorsement shall be mailed to or delivered to the Lender at its office or branch described on the first page of the policy.

<sup>\*</sup> In the United States and Canada, an insured person can obtain claim service by calling 1-800-922-8228.

