



## MERRIMACK MUTUAL FIRE INS. CO.

ANDOVER, MASSACHUSETTS 01810  
PREMIUM INVOICE

POLICY NUMBER	FROM	POLICY PERIOD	TO	AGENT NO	AGENT
HP 2493319	06/14/18	06/14/19		0007872	TELEPHONE: (603) 424-9901
<b>NAMED INSURED AND ADDRESS</b>					
JAMES R GRIER & SHARON GRIER 15 LONGLEY RD GROTON MA 01450-1320					BROWN & BROWN OF NEW HAMPSHIRE 309 DANIEL WEBSTER HWY MERRIMACK NH 03054-4116

ACCOUNT BALANCE \$2,466.00 PAYMENT DUE 06/14/18  
 \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \*

A - FULL PAYMENT . . . . . \$2,466.00

B - 1/3 DOWN-PAYMENT . . . . . \$822.00

YOU HAVE REQUESTED OUR 3-PAY PLAN. ONE THIRD DOWN-PAYMENT IS REQUIRED, FOLLOWED BY TWO EQUAL INSTALLMENTS, BILLED AT NINETY DAY INTERVALS. A \$10.00 SERVICE CHARGE WILL BE ADDED TO YOUR BALANCE.

C - EFT 12-PAYMENT PLAN . . . . .

EFT PLAN NOW AVAILABLE. SEE ATTACHED INSTRUCTION SHEET.

IF POLICY IS TO BE PAID BY MORTGAGEE, PLEASE SUBMIT THIS INVOICE TO BANK.

IN APPRECIATION OF YOUR BUSINESS, THIS POLICY HAS BEEN ISSUED WITH A 6% CUSTOMER LOYALTY CREDIT. YOU ALSO ARE RECEIVING A 5% HOME/AUTO CREDIT.

**IMPORTANT - NO REMINDER NOTICE WILL BE SENT FOR THIS PAYMENT.**

DETACH PLEASE WRITE YOUR POLICY NUMBER ON YOUR CHECK AND RETURN THIS STUB WITH YOUR PAYMENT. DETACH

04/23/18

HP 2493319112010024660020180423112018061400082200

NAME OF INSURED	DU DATE	AMOUNT DUE
JAMES R GRIER	06/14/18	\$822.00
POLICY NO.	TYPE OF POLICY	AMOUNT TO PAY IN FULL
HP 2493319	HOMEOWNERS	\$2,466.00

►  
PLEASE  
MAKE  
CHECKS  
PAYABLE  
TO

MERRIMACK MUTUAL FIRE INS. CO  
PO BOX 1983  
ANDOVER MA 01810-0183

ONLINE PAYMENT AVAILABLE AT:  
[WWW.ANDOVERCOS.COM](http://WWW.ANDOVERCOS.COM)

## IMPORTANT INFORMATION REGARDING PAYMENT PLANS

### Payment Plans

The Andover Companies (Merrimack Mutual Fire Insurance Company, Cambridge Mutual Fire Insurance Company, and Bay State Insurance Company) offer a variety of installment payment plans for policyholders who pay their premiums directly rather than through a mortgage holder. This document explains the plans, the requirements and restrictions that apply.

The payment-plan options are:

- **Single Payment** - The total policy premium is due on the effective date of the policy.
- **Three Payments ("3-Pay")** - The policyholder makes an initial payment of one third of the policy premium, and pays the remaining two thirds in installments at 90-day intervals. A \$10 service charge applies.
- **Five Payments ("5-Pay")** - The policyholder makes an initial payment of one-fourth of the policy premium, and pays the remainder in four equal installments at bi-monthly intervals. A \$20 service charge applies.
- **Nine Payments ("9-Pay")** - The policyholder makes an initial payment of one-fifth of the policy premium, and pays the remainder in eight equal installments at monthly intervals. A \$40 service charge applies. This option is available for commercial lines policies only.
- **Twelve Payments ("12-Pay")** - The policyholder makes payment in twelve equal monthly installments via a recurring EFT (electronic funds transfer). No service charge applies. Enrollment in the recurring EFT program is required. To be eligible for this plan, the policy premium must exceed \$500.

The Andover Companies will renew a policy with the same payment plan as the prior term unless a pay plan change has been processed prior to the issuance of the renewal policy, or in the event of late or rejected payments as described below.

### Invoices

During each policy term, The Andover Companies will send invoices at the appropriate intervals indicating the amount due under the payment plan selected and the date by which the payment is due.

If you decide to pay the premium in full prior to the policy's effective date, no service charge will be assessed.

If our records indicate that a mortgage-holder is responsible for paying your policy premium, we will invoice the mortgage-holder for the total policy premium. Premium due from any endorsements made to the policy during the policy term is the responsibility of the policyholder.

If you receive an invoice and believe that we have incorrectly classified your policy as policyholder-billed or mortgagee-billed, please contact your agent.

If a mid-term endorsement is made to your policy and results in a change to the premium, the change will be spread to unbilled installments. If no remaining installment balances are due, the balance for the change will be invoiced or refunded. Please do not send payment for changes to your policy until an invoice is received.

### Payments

You may make installment payments by check or by online payment. We cannot accept payments over the telephone.

If you choose to pay by check, please write your policy number on the check. Mail the check and the remittance stub in the envelope provided. Express mail deliveries are also accepted during business hours at: The Andover Companies, Attn: Billing Department, 95 Old River Rd., Andover MA 01810-1078.

Certain credit-card and other electronic payments may be made on line by visiting [www.andovercos.com](http://www.andovercos.com). From that website, you will be directed to a third-party site that handles electronic payments for The Andover Companies. Payment may be made by credit or debit card, or by arranging an EFT from your bank account. Your payment must be for either the "Amount Due" or the "Amount to Pay in Full" shown on your most recent invoice.

Payments will not be accepted at [www.andovercos.com](http://www.andovercos.com) for policies that have been cancelled or for policies that are classified on our records as mortgagee-billed or recurring EFT (12-Pay).

If you choose to participate in our 12-Pay installment plan, you must submit a signed recurring EFT authorization form, prior to the effective date of your policy. The terms and conditions on the authorization form will apply. All of your payments under the 12-Pay plan will be remitted via this automated process; you should not submit payments under any of the other methods described in this section. If you are enrolled in the recurring EFT program and wish to change your banking information, you must complete and submit a new authorization form.

#### **Late or Rejected Payments**

Your policy describes circumstances in which nonpayment of policy premiums may result in cancellation or nonrenewal of your coverage. In addition, failure to comply with the requirements of your installment plan will result in ineligibility for installment payments, and may be treated as nonpayment of premiums under the policy, resulting in cancellation or nonrenewal.

#### **Late Payments**

You must ensure that we receive the amount due listed on your installment invoice on or before the due date shown on the invoice. A payment that is not received on or before the invoice due date is considered a late payment.

In the event of a late payment, The Andover Companies may issue a nonpayment cancellation notice. Failure to pay the amount due on or before the date stated in the cancellation notice will result in cancellation of your policy.

If there are three or more late payments on your policy during any two-year period, you will no longer qualify for the installment plan option, other than our EFT 12-Pay plan (if the premium exceeds \$500). At renewal, you will be required to make a single payment or enroll in the 12-Pay plan. Installment plans will continue to be unavailable, and full payment (or participation in the 12-Pay plan) will be required upon renewal, for a period of three years. Partial payments, other than through the 12-Pay plan, will not be accepted.

#### **Rejected Payments**

If a payment fails due to circumstances beyond our control, such as a check that is dishonored or an electronic payment that fails due to insufficient funds, this will be considered a rejected payment. If there are two or more rejected payments during a policy term, this will be treated as nonpayment of premium for purposes of the cancellation provisions of your policy. This will automatically terminate your enrollment in any installment plan, including the EFT 12-pay plan, and payment in full of the remaining balance on the policy will be required in order to avoid cancellation. Partial payments will not be accepted. We will notify you should any payment be rejected.

#### **Policy Changes**

Please contact your agent regarding any coverage change you wish to request for your policy, including a change of address.



## THE ANDOVER COMPANIES

MERRIMACK MUTUAL FIRE INSURANCE CO., FOUNDED 1828 • BAY STATE INSURANCE CO., FOUNDED 1955 • CAMBRIDGE MUTUAL FIRE INSURANCE CO., FOUNDED 1833

### RECURRING ELECTRONIC FUNDS TRANSFER ("EFT") AUTHORIZATION FORM

Policy Number HP 2493319

Policyholder's Name JAMES R GRIER

Bank Name: \_\_\_\_\_

Bank Routing Number: \_\_\_\_\_ Bank Account Number: \_\_\_\_\_

Checking Account       Savings Account       Personal Account       Commercial Account

Bank Account Owner Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Bank Account Owner's Address: \_\_\_\_\_  
(Street Address)

(City)

(State)

(Zip)

#### Authorization Agreement

Subject to the Terms and Conditions printed on the reverse side of this form, which I have read and hereby accept, I authorize The Andover Companies (Merrimack Mutual Fire Insurance Company, Cambridge Mutual Fire Insurance Company or Bay State Insurance Company) to enroll me in its Recurring Electronic Funds Transfer Premium Payment Plan ("Recurring EFT Premium Payment Plan") and initiate monthly deductions from my above-identified bank account ("Payment Account") to pay the premiums for the above-identified insurance policy and any renewals thereof. I certify that the Payment Account is an account from which I am authorized to make payments. I may terminate this authorization only by giving the Andover Companies written notice of termination, in which case this authorization will remain in effect for up to 30 days following the Andover Companies' receipt of my notice of termination.

Signature of Bank Account Owner: \_\_\_\_\_ Date: \_\_\_\_\_

You have been provided this form in duplicate. Please complete both copies,  
retain one for your records, and return the other to:

The Andover Companies  
Attn: Billing Department  
95 Old River Rd  
Andover MA 01810



## THE ANDOVER COMPANIES

### Terms and Condition of Recurring EFT Premium Payment Plan

E S

1. To be eligible for Recurring Electronic Fund Transfer ("EFT") Premium Payment Plan, the policy premium must exceed \$500. Your payment will consist of twelve monthly installments. There are no service charges associated with this payment plan.
2. You may only stop payment of a pre-authorized electronic fund transfer by notifying your financial institution at least three business days before the scheduled date of the transfer. Therefore, you should not participate in the Recurring EFT Premium Payment Plan unless you are satisfied that you will not need to stop payment.
3. Once you enroll in the Recurring EFT Premium Payment Plan, please do not make payment by any other method.
4. All payments will be processed as electronic funds transfers ("EFTs") on approximately the same date each month and for the amount indicated on the policy payment schedule. Please note that the payments are transferred according to your bank's business calendar. No reminder notice will be sent for payments but they will appear on your monthly bank statement. A check will not be returned to you by your financial institution. If changes which affect your premium are made to the policy, a new payment schedule will be mailed to you.
5. If the amount in your Payment Account is insufficient for the required deduction or the deduction cannot be made for any other reason associated with your Payment Account, no withdrawal will be made and the amount will be added to the next unbilled payment and a new payment schedule will be mailed to you. Any two separate occurrences of missed monthly deductions during the current policy term will constitute nonpayment of premium for purposes of the cancellation provisions of your insurance policy. This will automatically terminate your enrollment in the Recurring EFT Premium Payment Plan and will require full payment of the remaining balance on the policy.
6. If you have any questions about, or think there is an error in, an EFT deduction by The Andover Companies, you should as soon as possible notify us either by telephone at 1-800-225-0770 during customer service hours, or write us at The Andover Companies, 95 Old River Road, Andover, MA 01810. Whether you contact Andover by telephone or in writing, you must (1) tell us your name and policy number; (2) identify the transfer in question and explain as clearly as possible why you need more information or why you believe there is an error; and (3) if you believe there is an error in the dollar amount, state the amount.

If your inquiry or a suspected error with respect to an EFT deduction concerns an entry in a Payment Account statement from your financial institution, we must hear from you no later than ninety (90) days after the FIRST statement was sent to you on which the problem or error appears. If you tell us verbally, we may require you to submit a written confirmation within ten (10) Business Days after your verbal notification. We will tell you the results of our investigation within ten (10) Business Days after we hear from you, and will correct any error promptly. However, if we require more time, we reserve the right to take up to forty-five (45) days to complete our investigation, in which case we will provisionally credit your Payment Account within ten (10) Business Days for the amount you think is in error. If we ask for a written confirmation and we do not receive it within ten (10) Business Days, we will not provisionally credit your Payment Account. If it is determined there was no error we will mail you a written explanation within three (3) Business Days after completion of our investigation and may revoke any provisional credit provided to you. You may ask for copies of documents used in our investigation. If you do not tell us within ninety (90) days after the statement was sent to you, you may lose any amount withdrawn in error if we can prove that we could have prevented the withdrawal had you told us in time.

7. Any documentation provided to you by The Andover Companies which indicates that an EFT withdrawal was made shall be admissible as evidence of such withdrawal and shall constitute prima facie proof that such withdrawal was made.



## THE ANDOVER COMPANIES

MERRIMACK MUTUAL FIRE INSURANCE CO., FOUNDED 1828 • BAY STATE INSURANCE CO., FOUNDED 1955 • CAMBRIDGE MUTUAL FIRE INSURANCE CO., FOUNDED 1833

### RECURRING ELECTRONIC FUNDS TRANSFER ("EFT") AUTHORIZATION FORM

Policy Number HP 2493319

Policyholder's Name JAMES R GRIER

Bank Name: \_\_\_\_\_

Bank Routing Number: \_\_\_\_\_ Bank Account Number: \_\_\_\_\_

Checking Account       Savings Account       Personal Account       Commercial Account

Bank Account Owner Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Bank Account Owner's Address: \_\_\_\_\_  
(Street Address)

\_\_\_\_\_ (City)

\_\_\_\_\_ (State)

\_\_\_\_\_ (Zip)

#### Authorization Agreement

Subject to the Terms and Conditions printed on the reverse side of this form, which I have read and hereby accept, I authorize The Andover Companies (Merrimack Mutual Fire Insurance Company, Cambridge Mutual Fire Insurance Company or Bay State Insurance Company) to enroll me in its Recurring Electronic Funds Transfer Premium Payment Plan ("Recurring EFT Premium Payment Plan") and initiate monthly deductions from my above-identified bank account ("Payment Account") to pay the premiums for the above-identified insurance policy and any renewals thereof. I certify that the Payment Account is an account from which I am authorized to make payments. I may terminate this authorization only by giving the Andover Companies written notice of termination, in which case this authorization will remain in effect for up to 30 days following the Andover Companies' receipt of my notice of termination.

Signature of Bank Account Owner: \_\_\_\_\_ Date: \_\_\_\_\_

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retain one for your records, and return the other to:**

The Andover Companies  
Attn: Billing Department  
95 Old River Rd  
Andover MA 01810



**THE ANDOVER COMPANIES**  
**Terms and Condition of Recurring EFT Premium Payment Plan**

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2. You may only stop payment of a pre-authorized electronic fund transfer by notifying your financial institution at least three business days before the scheduled date of the transfer. Therefore, you should not participate in the Recurring EFT Premium Payment Plan unless you are satisfied that you will not need to stop payment.
3. Once you enroll in the Recurring EFT Premium Payment Plan, please do not make payment by any other method.
4. All payments will be processed as electronic funds transfers ("EFTs") on approximately the same date each month and for the amount indicated on the policy payment schedule. Please note that the payments are transferred according to your bank's business calendar. No reminder notice will be sent for payments but they will appear on your monthly bank statement. A check will not be returned to you by your financial institution. If changes which affect your premium are made to the policy, a new payment schedule will be mailed to you.
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MUTUAL COMPANY  
NONASSESSABLE POLICY

THIS POLICY HAS BEEN PREPARED  
IN THE **MERRIMACK MUTUAL FIRE**  
**INSURANCE COMPANY** EXPRESSLY FOR:

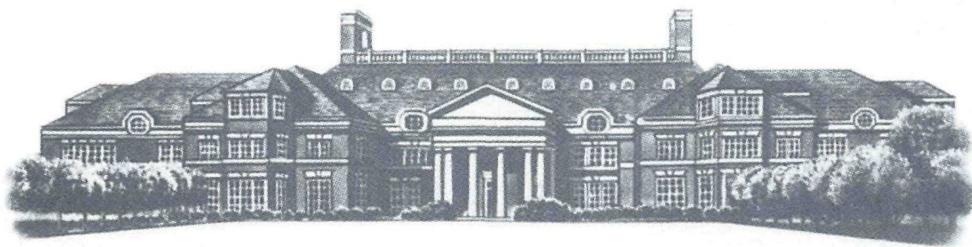
JAMES R GRIER  
& SHARON GRIER  
15 LONGLEY RD  
GROTON MA 01450-1320

AND HAS BEEN ISSUED ON BEHALF OF:

**BROWN & BROWN OF NEW HAMPSHIRE**  
**309 DANIEL WEBSTER HWY**  
**MERRIMACK NH 03054-4116**



## THE ANDOVER COMPANIES



***Merrimack Mutual***

FIRE INSURANCE COMPANY  
FOUNDED 1828

***Cambridge Mutual***

FIRE INSURANCE COMPANY  
FOUNDED 1833

***Bay State***

INSURANCE COMPANY  
FOUNDED 1955

ANDOVER MASSACHUSETTS

THIS POLICY COVER PAGE WITH THE DECLARATIONS PAGE, POLICY FORM AND ENDORSEMENTS, IF ANY, ISSUED  
TO FORM A PART THEREOF, COMPLETES THIS POLICY.

# YOUR HOMEOWNERS POLICY QUICK REFERENCE

## **DECLARATIONS PAGE**

Your Name  
 Location of Your Residence  
 Policy Period  
 Coverages  
 Amounts of Insurance  
 Deductible

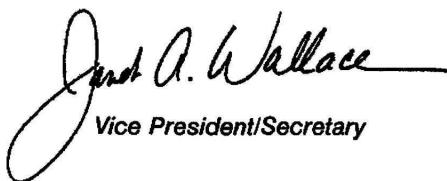
**Beginning on the Pages noted below  
for policy forms HO 00**

	<b>03</b>	<b>04</b>	<b>05</b>	<b>06</b>
<b>AGREEMENT</b>	1	1	1	1
<b>DEFINITIONS</b>	1	1	1	1
<b>SECTION I - PROPERTY COVERAGES</b>	3	3	2	2
Coverages	3	3	2	2
Dwelling	3	X	2	2
Other Structures	3	X	3	X
Personal Property	5	3	3	3
Loss Of Use	5	4	5	4
Additional Coverages	5	5	5	5
<b>PERILS INSURED AGAINST</b>	9	8	10	8
<b>EXCLUSIONS</b>	12	10	12	10
<b>CONDITIONS</b>	13	11	13	11
Insurable Interest And Limit Of Liability	13	11	13	11
Deductible	13	11	13	11
Duties After Loss	14	11	13	11
Loss Settlement	14	11	14	12
Mortgage Clause	16	X	15	13
<b>SECTION II - LIABILITY COVERAGES</b>	17	13	16	14
Coverages	17	13	16	14
Personal Liability	17	13	16	14
Medical Payments to Others	17	13	17	14
<b>EXCLUSIONS</b>	17	13	17	14
<b>ADDITIONAL COVERAGES</b>	20	16	20	18
<b>CONDITIONS</b>	21	17	21	19
Limit Of Liability	21	17	21	19
Severability Of Insurance	22	17	21	19
Duties After Occurrence	22	17	21	19
Policy Period	22	17	22	19
<b>SECTIONS I And II CONDITIONS</b>	23	18	22	20

**MUTUALS MEMBERSHIP AND VOTING NOTICE:** The named insured(s) are notified that by virtue of this policy, they are a member of the Merrimack Mutual Fire Insurance Company of Andover, Massachusetts, and are entitled to vote either in person or by proxy at any and all meetings of said Company. The Annual Meetings are held in its Home Office, on the 2nd Monday, of May, in each year, at 3:00 P.M.

**MUTUALS PARTICIPATION CLAUSE WITHOUT CONTINGENT LIABILITY:** No Contingent Liability: This policy is nonassessable. The policyholder is a member of the company and shall participate, to the extent and upon the conditions fixed and determined by the Board of Directors in accordance with the provisions of law, in the distribution of dividends so fixed and determined.

In Witness Whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.



Jard A. Wallace  
 Vice President/Secretary



Malcolm W. Braun  
 President/Chief Executive Officer



MERRIMACK MUTUAL FIRE INS. CO.  
ANDOVER, MASSACHUSETTS 01810

RENEWAL DECLARATION \* \* EFFECTIVE 06/14/18

PART B DECLARATIONS PAGE  
20180423-15:14:39:33

RENEWAL OF POLICY HP 2493319

POLICY NUMBER	FROM	POLICY PERIOD	TO	AGENT NO	AGENT
HP 2493319		06/14/18	06/14/19	0007872	TELEPHONE: (603) 424-9901
<b>NAMED INSURED AND ADDRESS</b>					
JAMES R GRIER & SHARON GRIER 15 LONGLEY RD GROTON MA 01450-1320					BROWN & BROWN OF NEW HAMPSHIRE 309 DANIEL WEBSTER HWY MERRIMACK NH 03054-4116

THE PREMISES COVERED BY THIS POLICY IS LOCATED AT THE ABOVE ADDRESS.

POLICY PERIOD- 12:01 AM STANDARD TIME AT THE RESIDENCE PREMISES.

**RATING INFORMATION:**

AUTOMATIC VALUE-UP AT RENEWAL, FRAME, CONSTRUCTED IN 2000,  
PROTECTION CLASS 04, TERRITORY 44, FEET FROM HYDRANT 1000, 1 FAMILY,  
PREMIUM GROUP 83, INSIDE CITY.

**DEDUCTIBLE:** IN CASE OF A LOSS UNDER SECTION I, WE COVER ONLY THAT PART  
OF THE LOSS OVER \$ 1000

COVERAGE AT THE ABOVE DESCRIBED LOCATION IS PROVIDED ONLY WHERE A LIMIT OF LIABILITY IS SHOWN OR A PREMIUM IS STATED  
**SECTION I COVERAGE**

	LIMITS OF LIABILITY	PREMIUM
A. DWELLING	\$689,000	\$2,592.00
B. OTHER STRUCTURES	\$68,900	
C. PERSONAL PROPERTY	\$482,300	
D. LOSS OF USE	\$137,800	
<b>SECTION II COVERAGE</b>		
E. PERSONAL LIABILITY	\$500,000	
F. MEDICAL PAYMENTS TO OTHERS	\$1,000	\$23.00
TOTAL BASIC PREMIUM		\$2,615.00

SUPPLEMENTAL PREMIUM OR CREDITS

BUILDING CODE EFFECTIVENESS GRADING CREDIT	\$52.00CR
SCHEDULED PERSONAL PROPERTY - FINE ARTS, HO 04 61	\$148.00
ADDITIONAL COVERAGE ENDORSEMENT, H-142	\$50.00
PREMISES ALARM OR FIRE PROT SYSTEM, HO 04 16	\$181.00CR
PERMITTED INCIDENTAL OCCUPANCIES - RESIDENCE PREMISES, HO 04 42	\$28.00
SUPERIOR HOME PROGRAM	\$30.00

INCLUDES:

COMPREHENSIVE FORM, HO 00 05	NO ADD'L CHARGE
ADD'L LIMITS OF LIABILITY FOR COVERAGES A,B,C & D, HO 05 02	NO ADD'L CHARGE
COVERAGE C INCREASED TO 70%	NO ADD'L CHARGE
PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT, HO 04 90	NO ADD'L CHARGE

PLEASE NOTE :

ALL POLICY CHANGES SHOULD BE PROCESSED THROUGH YOUR AGENT.



## MERRIMACK MUTUAL FIRE INS. CO.

ANDOVER, MASSACHUSETTS 01810

RENEWAL DECLARATION \* \* EFFECTIVE 06/14/18

PART B DECLARATIONS PAGE

RENEWAL OF POLICY HP 2493319

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ORDINANCE OR LAW COVERAGE (100% OF COVERAGE-A LIMIT), HO 04 77 NO ADD'L CHARGE  
 HOME SYSTEMS PROTECTION, H-700 \$35.00  
 ACCOUNT CREDIT ENDORSEMENT, H-925 \$130.00CR  
 HOME/AUTO DISCOUNT, H-938 \$130.00CR  
 IDENTITY RECOVERY COVERAGE, H-959 \$15.00  
 CUSTOMER LOYALTY CREDIT, HF-982 \$156.00CR  
 OPTIONAL DEDUCTIBLE \$285.00CR  
 TOTAL SUPPLEMENTAL PREMIUMS - - - - - \$628.00CR  
 TOTAL HOMEOWNER PREMIUM - - - - - \$1,987.00  
 TOTAL UMBRELLA PREMIUM - - - - - \$479.00  
 TOTAL ANNUAL PREMIUM - - - - - \$2,466.00

MORTGAGEE  
 CITIZENS BANK  
 ISAOA ATIMA  
 1 CITIZENS DR  
 RIVERSIDE RI

02915

FORMS AND ENDORSEMENTS - H00005 05/11\*, H00120 05/11\*, HF-154 06/95\*,  
 H-149 10/96\*, H02441 09/01\*, H00523 09/01\*, HF-153 06/14\*, HF990MA 06/10\*,  
 ILP001 01/04\*, H0P063 10/15\*, H-702 01/15\*, H-999MA 03/17\*, H00461 05/11\*,  
 H-142MA 01/17\*, H00416 10/00\*, H00442 10/00\*, H00477 10/00\*, H00490 05/11\*,  
 H00502 05/11\*, H-700MA 09/14\*, H-925 05/97\*, H-938MA 04/08\*, H-959 05/08\*,  
 HF-982 04/08\*, H00538 05/11\*.

R/W HP 209-44-38 (BOR)

-----  
 AUTHORIZED SIGNATURE

04/23/18  
 DATE

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF  
 THIS POLICY, WE AGREE TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

\*\*\*\*\*

DESCRIPTION OF ADDITIONAL COVERAGES

CONTINUED ON NEXT PAGE

ORIGINAL



MERRIMACK MUTUAL FIRE INS. CO.

ANDOVER, MASSACHUSETTS 01810

RENEWAL DECLARATION \* \* EFFECTIVE 06/14/18

PART B DECLARATIONS PAGE

RENEWAL OF POLICY HP 2493319

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JAMES R GRIER & SHARON GRIER 15 LONGLEY RD GROTON MA 01450-1320					BROWN & BROWN OF NEW HAMPSHIRE 309 DANIEL WEBSTER HWY MERRIMACK NH 03054-4116

## DESCRIPTION OF ADDITIONAL COVERAGES

LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE  
 TOTAL SECTION I LIMIT IS \$ 10000, TOTAL SECTION II LIMIT IS \$ 50000.

## ADDITIONAL COVERAGE ENDORSEMENT

PREMISES ALARM OR FIRE PROT. SYSTEM  
 PERCENTAGE IS 07.

PERMITTED INCIDENTAL OCCUPANCIES - RESIDENCE PREMISES  
 IN THE RESIDENCE PREMISES.  
 ELECTROLYSIS

ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE  
 TOTAL PERCENTAGE IS 100.

## PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT

## ADDITIONAL LIMITS OF LIABILITY FOR COVERAGES A,B,C &amp; D

## HOME SYSTEMS PROTECTION

PART A. - HOME SYSTEMS PROTECTION COVERAGE \$50,000 LIMIT \$1000 DEDUCTIBLE  
 PART B. - SERVICE LINE COVERAGE \$10,000 LIMIT \$500 DEDUCTIBLE

## ACCOUNT CREDIT ENDORSEMENT

## HOME/AUTO DISCOUNT

## IDENTITY RECOVERY COVERAGE

## CUSTOMER LOYALTY CREDIT

CONTINUED ON NEXT PAGE

ORIGINAL



MERRIMACK MUTUAL FIRE INS. CO.

ANDOVER, MASSACHUSETTS 01810

PART B DECLARATIONS PAGE

RENEWAL DECLARATION \* \* EFFECTIVE 06/14/18

RENEWAL OF POLICY HP 2493319

POLICY NUMBER	FROM	POLICY PERIOD	TO	AGENT NO	AGENT
HP 2493319	06/14/18	06/14/19		0007872	TELEPHONE: (603) 424-9901
<b>NAMED INSURED AND ADDRESS</b>					
JAMES R GRIER & SHARON GRIER 15 LONGLEY RD GROTON MA 01450-1320					BROWN & BROWN OF NEW HAMPSHIRE 309 DANIEL WEBSTER HWY MERRIMACK NH 03054-4116

## DESCRIPTION OF ADDITIONAL COVERAGES

SCHEDULED PERSONAL PROPERTY - FINE ARTS	AMT OF INS
1. PETER MAX "FRIENDS" 2001 24" X 32 1/4" MIXED MEDIA W/ACRYLIC PAINTING & COLOR LITHOGRAPHY ON PAPER	\$ 9995
2. NORMAN ROCKWELL "PLANTING THE GARDEN" LITHOGRAPH CIRCA 1974, ARTWORK CIRCA 1954 19 1/2" X 25 1/2"	\$ 2595
3. PETER MAX "BETTER WORLD III" 1999 24" X 18" MIXED MEDIA PAINTING W/ACRYLIC & COLOR LITHOGRAPHY ON PAPER	\$ 7195
4. PETER MAX "PEACE ON EARTH" 2001 24" X 18" MIXED MEDIA PAINTING W/ACRYLIC & COLOR LITHOGRAPHY ON PAPER	\$ 6395
5. MARCEL MOULY "LE PORT BLEU" (THE BLUE HARBOR) 2004 19 1/2" X 20 1/2" LITHOGRAPH IN COLOR ON WOVE PAPER	\$ 3850
6. PETER MAX "BETTER WORLD IV #28"	\$ 26750
7. GARY BENFIELD "ARABESQUE"	\$ 2950
8. SLAVA BRODINSKY "VILLAGE SCENE"	\$ 2850
9. HENDERSON, TOBY DOLL	\$ 1890
12. GARY BENFIELD "PARADISE" 1999 13" X 10 3/4" SERIGRAPH IN COLOR W/HAND EMBELLISHMENT ON CANVAS	\$ 3350
13. ITZCHAK TARKAY "MARSHA" 1999 13" X 10 3/4" SERIGRAPH IN COLOR W/HAND EMBELLISHMENT ON CANVAS	\$ 2650
15. ITZCHAK TARKAY "FOLIAGE IN SPRING" 2003 25 3/8" X 8 3/4 SERIGRAPH IN COLOR W/HAND EMBELLISHMENT ON CANVAS	\$ 2350

CONTINUED ON NEXT PAGE

ORIGINAL



MERRIMACK MUTUAL FIRE INS. CO.  
ANDOVER, MASSACHUSETTS 01810

PART B DECLARATIONS PAGE

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## DESCRIPTION OF ADDITIONAL COVERAGES

SCHEDULED PERSONAL PROPERTY - FINE ARTS	AMT OF INS
16. ITZCHAL TARKAY "MARGARET'S SURPRISE" 1999 12 3/4" X 10 3/4" SERIGRAPH IN COLOR W/HAND EMBELLISHMENT ON CANVAS	\$ 1950
18. MARCEL MOULY "ELEPHANTS SAUVAGES EN INDE" 2004 19 1/16" X 28 5/16" LITHOGRAPH IN COLOR ON WOVE PAPER	\$ 2150
19. ANATOLE KRASNYANSKY "VILLE FRANCHE-SUR-MER" 1999 27" X 24" WATERCOLOR AND ACRYLIC PAINTING ON HANDMADE JAPANESE PAPER	\$ 18495
20. ITCHAK TARKAY "MONTPARNASSIE II" 1990 20 3/8" X 16 7/8" SERIGRAPH IN COLOR ON COVENTRY PAPER	\$ 3395

CONTINUED ON NEXT PAGE

ORIGINAL



MERRIMACK MUTUAL FIRE INS. CO.  
ANDOVER, MASSACHUSETTS 01810

DECLARATIONS PAGE

## PERSONAL UMBRELLA POLICY

POLICY NUMBER	FROM	POLICY PERIOD	TO	AGENT NO	AGENT
HPU 2493319	06/14/18		06/14/19	0007872	TELEPHONE: (603) 424-9901
<b>NAMED INSURED AND ADDRESS</b>					
<b>JAMES R GRIER &amp; SHARON GRIER 15 LONGLEY RD GROTON MA 01450-1320</b>					<b>BROWN &amp; BROWN OF NEW HAMPSHIRE 309 DANIEL WEBSTER HWY MERRIMACK NH 03054-4116</b>

THE PREMISES COVERED BY THIS POLICY IS LOCATED AT THE ABOVE ADDRESS.

LIMIT OF LIABILITY EACH OCCURRENCE/OFFENSE UNLESS OTHERWISE STATED \$3,000,000  
DEDUCTIBLE - \$500

## RATING INFORMATION:

TERRITORY IS B, NUMBER OF ADDITIONAL AUTOMOBILES IS 1,  
NUMBER OF ADDITIONAL OWNER OCCUPIED PREMISES IS 1,  
NUMBER OF RENTED CONDOMINIUM UNITS IS 1, INCIDENTAL OFFICE OCCUPANCY APPLIES,

## AUTO LIABILITY FOLLOWING FORM ENDORSEMENT APPLIES

EXCESS PERMITTED INCIDENTAL OCCUPANCIES LIABILITY COVERAGE: 1

EXCESS PERMITTED INCIDENTAL OCCUPANCIES COVERAGE LIMIT:

3,000,000 EACH OCCURRENCE

NAME AND DESCRIPTION OF PERMITTED INCIDENTAL OCCUPANCY:

ELECTROLYSIS

ADDITIONAL OWNER OCCUPIED PREMISES: 1

UNDERLYING POLICY INSURER: CAMBRIDGE, LIABILITY LIMIT: \$500,000,

POLICY: HP2526086, # FAMILIES: 1.

ADDRESS: 40 FLORENCE AVE RINDGE NH 03461

RENTED CONDOMINIUM UNITS: 1

UNDERLYING POLICY INSURER: STATE FARM, LIABILITY LIMIT: \$1,000,000,

POLICY: 93-BM-K732-4.

ADDRESS: 106 JASMINE CT SEDONA AZ 86332

EXCLUSION - FUNGI, WET OR DRY ROT, OR BACTERIA

CONTINUED ON NEXT PAGE

ORIGINAL



MERRIMACK MUTUAL FIRE INS. CO.  
ANDOVER, MASSACHUSETTS 01810

DECLARATIONS PAGE

## PERSONAL UMBRELLA POLICY

POLICY NUMBER	FROM	POLICY PERIOD	TO	AGENT NO	AGENT
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IT IS IMPERATIVE THAT THE MINIMUM UNDERLYING INSURANCE REQUIRED BE KEPT IN FORCE.

## MINIMUM UNDERLYING COVERAGE REQUIRED:

## TYPE OF COVERAGE

- A. HOMEOWNERS PERSONAL LIABILITY
  - BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE LIABILITY \$300,000 EACH OCCURRENCE
- B. PERSONAL AUTOMOBILE LIABILITY
  - BODILY INJURY LIABILITY \$250,000 EACH PERSON/\$500,000 EACH ACCIDENT, PROPERTY DAMAGE LIABILITY \$100,000 OR
  - COMBINED SINGLE LIMIT \$300,000 EACH ACCIDENT
- C. COMMERCIAL AUTOMOBILE POLICY
  - COMBINED SINGLE LIMIT BODILY INJURY AND PROPERTY DAMAGE LIABILITY \$1,000,000 EACH ACCIDENT
- D. OWNED RECREATIONAL MOTOR VEHICLE LIABILITY
  - BODILY INJURY LIABILITY \$250,000 EACH PERSON/\$500,000 EACH ACCIDENT, PROPERTY DAMAGE LIABILITY \$100,000 OR
  - COMBINED SINGLE LIMIT \$300,000 EACH ACCIDENT
- E. WATERCRAFT LIABILITY
  - BODILY INJURY LIABILITY \$250,000 EACH PERSON/\$500,000 EACH ACCIDENT, PROPERTY DAMAGE LIABILITY \$100,000 OR
  - BODILY INJURY AND PROPERTY DAMAGE LIABILITY \$300,000 EACH OCCURRENCE
- F. LIABILITY FOR 1 OR 2 FAMILY RENTED DWELLINGS OR RENTED CONDOMINIUM UNITS
  - BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE LIABILITY \$300,000 EACH OCCURRENCE

CONTINUED ON NEXT PAGE

ORIGINAL



MERRIMACK MUTUAL FIRE INS. CO.  
ANDOVER, MASSACHUSETTS 01810

DECLARATIONS PAGE

## PERSONAL UMBRELLA POLICY

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JAMES R GRIER & SHARON GRIER 15 LONGLEY RD GROTON MA 01450-1320					BROWN & BROWN OF NEW HAMPSHIRE 309 DANIEL WEBSTER HWY MERRIMACK NH 03054-4116

FORMS AND ENDORSEMENTS: DL9817 04/02\*, H-612 03/17\*, DL9801 10/06\*,  
DL9812 10/06\*, DL9902 10/06\*.

PERSONAL UMBRELLA BASE PREMIUM - - - - - \$ 135

SUPPLEMENTAL PREMIUM OR CREDITS - - - - - \$ 344

TOTAL UMBRELLA PREMIUM - - - - - \$ 479

04/23/18

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

HF-990 MA (06/10)

## **POLICYHOLDER NOTICE OF MASSACHUSETTS FUEL OIL REMEDIATION COVERAGE AVAILABILITY**

Your Andover Homeowners Policy provides you with Section II Liability Coverage for fuel oil spills if there is a danger of the oil migrating to adjacent properties. If your house was built after 1990 or you have upgraded your heating system and tanks to comply with Mass Law Chapter 453, you may be eligible to upgrade your fuel spill coverage to include Section I Property Coverage. The cost of this additional coverage ranges from \$33 to \$70. Please contact your insurance agent for further details.

**Important Note:** The best way to avoid home heating oil spills is to make sure your heating system and tanks comply with the new Massachusetts regulations. Your local fuel oil dealer can assist you with the new regulations.

**Merrimack Mutual Fire Insurance Company**

**Bay State Insurance Company**

**Cambridge Mutual Fire Insurance Company**

HF-990 MA (06/10)

## ADVISORY NOTICE TO POLICYHOLDERS REGARDING HOME - SHARING SERVICES

This is a Notice regarding your Homeowners Policy. No coverage is provided by this Notice nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this summary, **THE PROVISIONS OF YOUR HOMEOWNERS POLICY SHALL PREVAIL.**

This Notice provides information concerning the potential insurance implications for you of engaging in home-sharing arrangements through home-sharing companies.

Home-sharing companies typically offer home-sharing, or short-term rental, services which use smart-phone applications and other Internet-based platforms to connect guests looking for rentals with homeowners or renters seeking to rent out their homes, spare rooms in their homes or apartments for compensation. These rentals may be on an **extremely short-term** (i.e., as short as **one night**) basis or as long as several months. The parties using these services can be acting as a host and renting out such spaces to others, or acting as a guest and utilizing someone else's space.

Your Homeowners Policy contains several provisions which may limit or exclude certain coverages when you participate in a home-sharing service, either when acting as a host or acting as a guest. For example:

- When acting as a **host**, and renting out space to others, coverage under your Homeowners Policy may, with certain exceptions, be limited or excluded with respect to:
  - Loss to a structure, other than your residence, that is rented or held for rental to others;
  - Loss to personal property of your roomers, boarders and other tenants;
  - Theft of your personal property from that part of your residence rented by you to others;
  - Loss of your appliances, carpeting and other household furnishings in each apartment regularly rented or held for rental to others; and
  - Your liability for bodily injury or property damage to others when the rentals occur more than occasionally.
- When acting as a **guest**, and utilizing someone else's space, coverage under your Homeowners Policy may be limited or excluded with respect to damage to property you rent, occupy, use or property that is in your care.

You should:

- Review your Homeowners Policy and any applicable home-sharing company provisions carefully; and
- Contact your insurance agent or broker to discuss potential gaps in insurance coverage under your policy and any protections which may be available.

**HOMEOWNERS  
HO 00 05 05 11**

# **HOMEOWNERS 5 - COMPREHENSIVE FORM**

## **AGREEMENT**

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

## **DEFINITIONS**

- A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.
- B.** In addition, certain words and phrases are defined as follows:
  - 1. "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in b. below, mean the following:
    - a. Liability for "bodily injury" or "property damage" arising out of the:
      - (1) Ownership of such vehicle or craft by an "insured";
      - (2) Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
      - (3) Entrustment of such vehicle or craft by an "insured" to any person;
      - (4) Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
      - (5) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.
    - b. For the purpose of this definition:
      - (1) Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
      - (2) Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
      - (3) Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
      - (4) Motor vehicle means a "motor vehicle" as defined in 7. below.

- 2. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
- 3. "Business" means:
  - a. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
  - b. Any other activity engaged in for money or other compensation, except the following:
    - (1) One or more activities, not described in (2) through (4) below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
    - (2) Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
    - (3) Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
    - (4) The rendering of home day care services to a relative of an "insured".
- 4. "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".
- 5. "Insured" means:
  - a. You and residents of your household who are:
    - (1) Your relatives; or
    - (2) Other persons under the age of 21 and in your care or the care of a resident of your household who is your relative;
  - b. A student enrolled in school full-time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:
    - (1) 24 and your relative; or
    - (2) 21 and in your care or the care of a resident of your household who is your relative; or

c. Under Section II:

- (1) With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person described in 5.a. or b. "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or
- (2) With respect to a "motor vehicle" to which this policy applies:
  - (a) Persons while engaged in your employ or that of any person described in 5.a. or b.; or
  - (b) Other persons using the vehicle on an "insured location" with your consent.

Under both Sections I and II, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

6. "Insured location" means:

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

7. "Motor vehicle" means:

- a. A self-propelled land or amphibious vehicle; or
  - b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in a. above.
8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:
- a. "Bodily injury"; or
  - b. "Property damage".

9. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

10. "Residence employee" means:

- a. An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or
- b. One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

11. "Residence premises" means:

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

and which is shown as the "residence premises" in the Declarations.

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

## SECTION I - PROPERTY COVERAGES

### A. Coverage A - Dwelling

1. We cover:

- a. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling; and

- b. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises".
- 2. We do not cover land, including land on which the dwelling is located.

## B. Coverage B - Other Structures

1. We cover other structures on the "residence premises" set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection.
2. We do not cover:
  - a. Land, including land on which the other structures are located;
  - b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;
  - c. Other structures from which any "business" is conducted; or
  - d. Other structures used to store "business" property. However, we do cover a structure that contains "business" property solely owned by an "insured" or a tenant of the dwelling, provided that "business" property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure.
3. The limit of liability for this coverage will not be more than 10% of the limit of liability that applies to Coverage A. Use of this coverage does not reduce the Coverage A limit of liability.

## C. Coverage C - Personal Property

### 1. Covered Property

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

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

## 2. Limit For Property At Other Locations

### a. Other Residences

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises", is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- (1) Moved from the "residence premises" because it is:
  - (a) Being repaired, renovated or rebuilt; and
  - (b) Not fit to live in or store property in; or
- (2) In a newly acquired principal residence for 30 days from the time you begin to move the property there.

### b. Self-storage Facilities

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

- (1) Moved from the "residence premises" because it is:
  - (a) Being repaired, renovated or rebuilt; and
  - (b) Not fit to live in or store property in; or
- (2) Usually located in an "insured's" residence, other than the "residence premises".

### 3. Special Limits Of Liability

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

- a. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, medals, scrip, stored value cards and smart cards.
- b. \$1,500 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

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

- c. \$1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.
- d. \$1,500 on trailers or semitrailers not used with watercraft of all types.
- e. \$1,500 for loss by theft, misplacing or losing of jewelry, watches, furs, precious and semiprecious stones.
- f. \$2,500 for loss by theft, misplacing or losing of firearms and related equipment.
- g. \$2,500 for loss by theft, misplacing or losing of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
- h. \$2,500 on property, on the "residence premises", used primarily for "business" purposes.
- i. \$1,500 on property, away from the "residence premises", used primarily for "business" purposes. However, this limit does not apply to antennas, tapes, wires, records, disks or other media that are:
  - (1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and
  - (2) In or upon a "motor vehicle".
- j. \$1,500 on portable electronic equipment that:
  - (1) Reproduces, receives or transmits audio, visual or data signals;
  - (2) Is designed to be operated by more than one power source, one of which is a "motor vehicle's" electrical system; and
  - (3) Is in or upon a "motor vehicle".
- k. \$250 on antennas, tapes, wires, records, disks or other media that are:
  - (1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and
  - (2) In or upon a "motor vehicle".

#### 4. Property Not Covered

We do not cover:

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

This includes a "motor vehicle's" equipment and parts.

However, this Paragraph 4.c. does not apply to:

- (1) Portable electronic equipment that:
  - (a) Reproduces, receives or transmits audio, visual or data signals; and
  - (b) Is designed so that it may be operated from a power source other than a "motor vehicle's" electrical system.
- (2) "Motor vehicles" not required to be registered for use on public roads or property which are:
  - (a) Used solely to service a residence; or
  - (b) Designed to assist the handicapped;
- d. Aircraft, meaning any contrivance used or designed for flight, including any parts whether or not attached to the aircraft.  
We do cover model or hobby aircraft not used or designed to carry people or cargo;
- e. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarcraft and air cushion vehicles;
- f. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";
- g. Property in an apartment regularly rented or held for rental to others by an "insured", except as provided under E.10. Landlord's Furnishings under Section I - Property Coverages;
- h. Property rented or held for rental to others off the "residence premises";
- i. "Business" data, including such data stored in:
  - (1) Books of account, drawings or other paper records; or
  - (2) Computers and related equipment.

We do cover the cost of blank recording or storage media and of prerecorded computer programs available on the retail market;

- j. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds except as provided in E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I - Property Coverages; or
- k. Water or steam.

#### **D. Coverage D - Loss Of Use**

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

##### **1. Additional Living Expense**

If a loss covered under Section I makes that part of the "residence premises" where you reside not fit to live in, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

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

##### **2. Fair Rental Value**

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

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

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

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

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

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

The periods of time under 1. Additional Living Expense, 2. Fair Rental Value and 3. Civil Authority Prohibits Use above are not limited by expiration of this policy.

#### **E. Additional Coverages**

##### **1. Debris Removal**

- a. We will pay your reasonable expense for the removal of:
  - (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
  - (2) Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

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

- b. We will also pay your reasonable expense, up to \$1,000, for the removal from the "residence premises" of:

- (1) Your trees felled by the peril of Windstorm or Hail or Weight of Ice, Snow or Sleet; or
- (2) A neighbor's trees felled by a Peril Insured Against;
 

provided the trees:

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

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

This coverage is additional insurance.

##### **2. Reasonable Repairs**

- a. We will pay the reasonable cost incurred by you for the necessary measures taken solely to protect covered property that is damaged by a Peril Insured Against from further damage.

- b. If the measures taken involve repair to other damaged property, we will only pay if that property is covered under this policy and the damage is caused by a Peril Insured Against. This coverage does not:
  - (1) Increase the limit of liability that applies to the covered property; or
  - (2) Relieve you of your duties, in case of a loss to covered property, described in C.4. under Section I - Conditions.

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

We cover trees, shrubs, plants or lawns, on the "residence premises", for loss caused by the following Perils Insured Against:

- a. Fire or Lightning;
- b. Explosion;
- c. Riot or Civil Commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by a resident of the "residence premises";
- f. Vandalism or Malicious Mischief; or
- g. Theft.

We will pay up to 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be paid for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

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

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

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

### **5. Property Removed**

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

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

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

- a. We will pay up to \$500 for:
  - (1) The legal obligation of an "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in an "insured's" name;
  - (2) Loss resulting from theft or unauthorized use of an electronic fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in an "insured's" name;
  - (3) Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and
  - (4) Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

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

- b. We do not cover:

- (1) Use of a credit card, electronic fund transfer card or access device:
  - (a) By a resident of your household;
  - (b) By a person who has been entrusted with either type of card or access device; or
  - (c) If an "insured" has not complied with all terms and conditions under which the cards are issued or the devices accessed; or
- (2) Loss arising out of "business" use or dishonesty of an "insured".
- c. If the coverage in a. above applies, the following defense provisions also apply:
  - (1) We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
  - (2) If a suit is brought against an "insured" for liability under a.(1) or (2) above, we will provide a defense at our expense by counsel of our choice.

- (3) We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under a.(3) above.

## 7. Loss Assessment

- a. We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be 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, other than:

- (1) Earthquake; or
- (2) Land shock waves or tremors before, during or after a volcanic eruption.

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

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

This coverage is additional insurance.

## 8. Collapse

This Additional Coverage applies to property covered under Coverages A and B.

- a. The coverage provided under this Additional Coverage - Collapse applies only to an abrupt collapse.
- b. For the purpose of this Additional Coverage - Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
- c. This Additional Coverage - Collapse does not apply to:

- (1) A building or any part of a building that is in danger of falling down or caving in;

- (2) A part of a building that is standing, even if it has separated from another part of the building; or

- (3) A building or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

- d. We insure for direct physical loss to covered property involving abrupt collapse of a building or any part of a building if such collapse was caused by one or more of the following:

- (1) The Perils Insured Against under Coverages A and B;
- (2) Decay, of a building or any part of a building, that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
- (3) Insect or vermin damage, to a building or any part of a building, that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
- (4) Weight of contents, equipment, animals or people;
- (5) Weight of rain which collects on a roof; or
- (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

- e. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under d.(2) through (6) above, unless the loss is a direct result of the collapse of a building or any part of a building.

- f. This coverage does not increase the limit of liability that applies to the damaged covered property.

## 9. Glass Or Safety Glazing Material

- a. We cover:

- (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;
- (2) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window when caused directly by earth movement; and

(3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

b. This coverage does not include loss:

(1) To covered property which results because the glass or safety glazing material has been broken, except as provided in a.(3) above; or

(2) On the "residence premises" if the dwelling has been vacant for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided in a.(2) above. A dwelling being constructed is not considered vacant.

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

## 10. Landlord's Furnishings

We will pay up to \$2,500 for your appliances, carpeting and other household furnishings, in each apartment on the "residence premises" regularly rented or held for rental to others by an "insured", for loss caused only by the following Perils Insured Against:

a. Fire Or Lightning

b. Windstorm Or Hail

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

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

c. Explosion

d. Riot Or Civil Commotion

e. Aircraft

This peril includes self-propelled missiles and spacecraft.

f. Vehicles

## g. Smoke

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

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

## h. Vandalism Or Malicious Mischief

### i. Falling Objects

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

## j. Weight Of Ice, Snow Or Sleet

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

## k. Accidental Discharge Or Overflow Of Water Or Steam

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

(2) This peril does not include loss:

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

(b) Caused by or resulting from freezing except as provided in m. Freezing below;

(c) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises"; or

(d) Caused by mold, fungus or wet rot unless hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

(3) In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

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

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

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

**m. Freezing**

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

- (a) Maintain heat in the building; or
- (b) Shut off the water supply and drain all systems and appliances of water.

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

(2) In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

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

This peril does not include loss to tubes, transistors, electronic components or circuitry that is a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

**o. Volcanic Eruption**

This peril does not include loss caused by earthquake, land shock waves or tremors.

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

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

**11. Ordinance Or Law**

a. You may use up to 10% of the limit of liability that applies to Coverage A for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:

(1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;

(2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or

(3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.

b. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in a. above.

c. We do not cover:

(1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or

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

This coverage is additional insurance.

## **12. Grave Markers**

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

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

## **SECTION I - PERILS INSURED AGAINST**

We insure against direct physical loss to property described in Coverages A, B and C.

We do not insure, however, for loss:

### **A. Under Coverages A, B and C:**

1. Excluded under Section I - Exclusions;

2. Caused by:

a. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:

(1) Maintain heat in the building; or

(2) Shut off the water supply and drain all systems and appliances of water.

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

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:

(1) Fence, pavement, patio or swimming pool;

(2) Footing, foundation, bulkhead, wall, or any other structure or device, that supports all or part of a building or other structure;

(3) Retaining wall or bulkhead that does not support all or part of a building or other structure; or

(4) Pier, wharf or dock;

c. Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;

d. Mold, fungus or wet rot. However, we do insure for loss caused by mold, fungus or wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure if such loss results from the accidental discharge or overflow of water or steam from within:

(1) A plumbing, heating, air conditioning or automatic fire protective sprinkler system, or a household appliance, on the "residence premises"; or

(2) A storm drain, or water, steam or sewer pipes, off the "residence premises".

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment; or

e. Any of the following:

(1) Wear and tear, marring, deterioration;

(2) Mechanical breakdown, latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;

(3) Smog, rust or other corrosion, or dry rot;

(4) Smoke from agricultural smudging or industrial operations;

(5) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against in a. through o. as listed in E.10. Landlord's Furnishings under Section I - Property Coverages.

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;

(6) Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings;

(7) Birds, rodents or insects;

(8) Nesting or infestation, or discharge or release of waste products or secretions, by any animals; or

(9) Animals owned or kept by an "insured".

**Exception To 2.e.**

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage A, B or C resulting from an accidental discharge or overflow of water or steam from within a:

- (i) Storm drain, or water, steam or sewer pipe, off the "residence premises"; or
- (ii) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and replace any part of a building, or other structure, on the "residence premises", but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the "residence premises".

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

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

**Section I - Exclusion A.3. Water,** Paragraphs a. and c. that apply to surface water and water below the surface of the ground do not apply to loss by water covered under d. and e. above.

**Under 2.a. through e. above,** any ensuing loss to property described in Coverages A, B and C not precluded by any other provision in this policy is covered.

**B. Under Coverages A and B:**

1. Caused by vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;

2. Involving collapse, including any of the following conditions of property or any part of the property:

- a. An abrupt falling down or caving in;
- b. Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- c. Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to a. or b. above;

other than as provided in E.8. Collapse under Section I - Property Coverages. However, any ensuing loss to property described in Coverages A and B not precluded by any other provision in this policy is covered.

**C. Under Coverage C caused by:**

1. Breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains and similar fragile articles other than jewelry, watches bronzes, cameras and photographic lenses.

However, there is coverage for breakage of the property by or resulting from:

- a. Fire, lightning, windstorm, hail;
- b. Smoke, other than smoke from agricultural smudging or industrial operations;
- c. Explosion, riot, civil commotion;
- d. Aircraft, vehicles, vandalism and malicious mischief;
- e. Collapse of a building or any part of a building;
- f. Water not otherwise excluded;
- g. Theft or attempted theft; or
- h. Sudden and accidental tearing apart, cracking, burning or bulging of:
  - (1) A steam or hot water heating system;
  - (2) An air conditioning or automatic fire protective sprinkler system; or
  - (3) An appliance for heating water;

2. Dampness of atmosphere or extremes of temperature unless the direct cause of loss is rain, snow, sleet or hail;
3. Refinishing, renovating or repairing property other than watches, jewelry and furs;
4. Collision, other than collision with a land vehicle, sinking, swamping or stranding of watercraft, including their trailers, furnishings, equipment and outboard engines or motors; or

5. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body. However, any ensuing loss to property described in Coverage C not precluded by any other provision in this policy is covered.

## SECTION I - EXCLUSIONS

A. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

### 1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

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

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

### 2. Earth Movement

Earth Movement means:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Subsidence or sinkhole; or
- d. Any other earth movement including earth sinking, rising or shifting.

This Exclusion A.2. applies regardless of whether any of the above, in A.2.a. through A.2.d., is caused by an act of nature or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in A.2.a. through A.2.d., is covered.

### 3. Water

This means:

- a. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b. Water which:
  - (1) Backs up through sewers or drains; or
  - (2) Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- c. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d. Waterborne material carried or otherwise moved by any of the water referred to in A.3.a. through A.3.c. of this exclusion.

This Exclusion A.3. applies regardless of whether any of the above, in A.3.a. through A.3.d., is caused by an act of nature or is otherwise caused.

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

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

This exclusion does not apply to property described in Coverage C that is away from a premises or location owned, rented, occupied or controlled by an "insured".

This exclusion applies to property described in Coverage C that is on a premises or location owned, rented, occupied or controlled by an "insured" even if weather conditions contribute in any way to produce the loss.

### 4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the "residence premises". But if the failure results in a loss, from a Peril Insured Against on the "residence premises", we will pay for the loss caused by that peril.

## 5. Neglect

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

## 6. War

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

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

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

## 7. Nuclear Hazard

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

## 8. Intentional Loss

Intentional Loss means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss.

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

## 9. Governmental Action

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

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

**B. 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 precluded by any other provision in this policy is covered.**

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in A. above to produce the loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
  - a. Planning, zoning, development, surveying, siting;

- b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- c. Materials used in repair, construction, renovation or remodeling; or
- d. Maintenance;
  - of part or all of any property whether on or off the "residence premises".

## SECTION I - CONDITIONS

### A. Insurable Interest And Limit Of Liability

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

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

### B. Deductible

Unless otherwise noted in this policy, the following deductible provision applies:

With respect to any one loss:

1. Subject to the applicable limit of liability, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.
2. If two or more deductibles under this policy apply to the loss, only the highest deductible amount will apply.

### C. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, or an "insured" seeking coverage, or a representative of either:

1. Give prompt notice to us or our agent;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I - Property Coverages;
4. Protect the property from further damage. If repairs to the property are required, you must:
  - a. Make reasonable and necessary repairs to protect the property; and
  - b. Keep an accurate record of repair expenses;
5. Cooperate with us in the investigation of a claim;

6. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
7. As often as we reasonably require:
  - a. Show the damaged property;
  - b. Provide us with records and documents we request and permit us to make copies; and
  - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same;
8. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
  - a. The time and cause of loss;
  - b. The interests of all "insureds" and all others in the property involved and all liens on the property;
  - c. Other insurance which may cover the loss;
  - d. Changes in title or occupancy of the property during the term of the policy;
  - e. Specifications of damaged buildings and detailed repair estimates;
  - f. The inventory of damaged personal property described in 6. above;
  - g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
  - h. Evidence or affidavit that supports a claim under E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I - Property Coverages, stating the amount and cause of loss.

#### D. Loss Settlement

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

1. Property of the following types:
  - a. Personal property;
  - b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings;
  - c. Structures that are not buildings; and
  - d. Grave markers, including mausoleums;

at actual cash value at the time of loss but not more than the amount required to repair or replace.

2. Buildings covered under Coverage A or B at replacement cost without deduction for depreciation, subject to the following:

a. If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, without deduction for depreciation, but not more than the least of the following amounts:

- (1) The limit of liability under this policy that applies to the building;
- (2) The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
- (3) The necessary amount actually spent to repair or replace the damaged building.

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

b. If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:

- (1) The actual cash value of that part of the building damaged; or
- (2) That proportion of the cost to repair or replace, without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

c. To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:

- (1) Excavations, footings, foundations, piers, or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;

- (2) Those supports described in (1) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
- (3) Underground flues, pipes, wiring and drains.
- d. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in 2.a. and b. above.

However, if the cost to repair or replace the damage is both:

- (1) Less than 5% of the amount of insurance in this policy on the building; and
  - (2) Less than \$2,500;
- we will settle the loss as noted in 2.a. and b. above whether or not actual repair or replacement is complete.
- e. You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition D. Loss Settlement, provided you notify us, within 180 days after the date of loss, of your intent to repair or replace the damaged building.

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

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

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

#### F. Appraisal

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

#### G. Other Insurance And Service Agreement

If a loss covered by this policy is also covered by:

1. 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; or
2. A service agreement, this insurance is excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

#### H. Suit Against Us

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

#### I. Our Option

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

#### J. Loss Payment

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

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

#### K. Abandonment Of Property

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

#### L. Mortgage Clause

1. If a mortgagee is named in this policy, any loss payable under Coverage A or B will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.

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

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

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

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

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

#### **O. Recovered Property**

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

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

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

#### **Q. Policy Period**

This policy applies only to loss which occurs during the policy period.

#### **R. Concealment Or Fraud**

We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
  2. Engaged in fraudulent conduct; or
  3. Made false statements;
- relating to this insurance.

#### **S. Loss Payable Clause**

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

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

### **SECTION II - LIABILITY COVERAGES**

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

If a claim is made or a suit is brought against an "insured" for damages because of "bodily 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 an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

## B. Coverage F - Medical Payments To Others

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

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

## SECTION II - EXCLUSIONS

### A. "Motor Vehicle Liability"

1. Coverages E and F do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
  - a. Is registered for use on public roads or property;
  - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or
  - c. Is being:
    - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
    - (2) Rented to others;
    - (3) Used to carry persons or cargo for a charge; or
    - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. If Exclusion A.1. does not apply, there is still no coverage for "motor vehicle liability", unless the "motor vehicle" is:
  - a. In dead storage on an "insured location";

- b. Used solely to service a residence;
- c. Designed to assist the handicapped and, at the time of an "occurrence", it is:
  - (1) Being used to assist a handicapped person; or
  - (2) Parked on an "insured location";
- d. Designed for recreational use off public roads and:
  - (1) Not owned by an "insured"; or
  - (2) Owned by an "insured" provided the "occurrence" takes place:
    - (a) On an "insured location" as defined in Definition B.6.a., b., d., e. or h.; or
    - (b) Off an "insured location" and the "motor vehicle" is:
      - (i) Designed as a toy vehicle for use by children under seven years of age;
      - (ii) Powered by one or more batteries; and
      - (iii) Not built or modified after manufacture to exceed a speed of five miles per hour on level ground;
  - e. A motorized golf cart that is owned by an "insured", designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:
    - (1) A golfing facility and is parked or stored there, or being used by an "insured" to:
      - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
      - (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
      - (c) Cross public roads at designated points to access other parts of the golfing facility; or
    - (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

## B. "Watercraft Liability"

1. Coverages E and F do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
  - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
  - b. Rented to others;
  - c. Used to carry persons or cargo for a charge; or
  - d. Used for any "business" purpose.
2. If Exclusion B.1. does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
  - a. Is stored;
  - b. Is a sailing vessel, with or without auxiliary power, that is:
    - (1) Less than 26 feet in overall length; or
    - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or
  - c. Is not a sailing vessel and is powered by:
    - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
      - (a) 50 horsepower or less and not owned by an "insured"; or
      - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
    - (2) One or more outboard engines or motors with:
      - (a) 25 total horsepower or less;
      - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
      - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
      - (d) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
        - (i) You declare them at policy inception; or
        - (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

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

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

## C. "Aircraft Liability"

This policy does not cover "aircraft liability".

## D. "Hovercraft Liability"

This policy does not cover "hovercraft liability".

## E. Coverage E - Personal Liability And Coverage F - Medical Payments To Others

Coverages E and F do not apply to the following:

### 1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by an "insured", even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity or property than initially expected or intended.

However, this Exclusion E.1. does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by an "insured" to protect persons or property;

### 2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

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

#### b. This Exclusion E.2. does not apply to:

- (1) The rental or holding for rental of an "insured location";
  - (a) On an occasional basis if used only as a residence;
  - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
  - (c) In part, as an office, school, studio or private garage; and

- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

### 3. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

### 4. "Insured's" Premises Not An "Insured Location"

"Bodily injury" or "property damage" arising out of a premises:

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

### 5. War

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

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

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

### 6. Communicable Disease

"Bodily injury" or "property damage" which arises out of the transmission of a communicable disease by an "insured";

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

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

### 8. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

**Exclusions** A. "Motor Vehicle Liability", B. "Watercraft Liability", C. "Aircraft Liability", D. "Hovercraft Liability" and E.4. "Insured's" Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

### F. Coverage E - Personal Liability

Coverage E does not apply to:

#### 1. Liability:

- a. For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided in D. Loss Assessment under Section II - Additional Coverages;

- b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:

- (1) That directly relate to the ownership, maintenance or use of an "insured location"; or
- (2) Where the liability of others is assumed by you prior to an "occurrence"; unless excluded in a. above or elsewhere in this policy;

- 2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";

- 3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;

- 4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:

- a. Workers' compensation law;
- b. Non-occupational disability law; or
- c. Occupational disease law;

- 5. "Bodily injury" or "property damage" for which an "insured" under this policy:

- a. Is also an insured under a nuclear energy liability policy issued by the:

- (1) Nuclear Energy Liability Insurance Association;

- (2) Mutual Atomic Energy Liability Underwriters;
  - (3) Nuclear Insurance Association of Canada;
- or any of their successors; or
- b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or
6. "Bodily injury" to you or an "insured" as defined under Definition 5.a. or b.
- This exclusion also applies to any claim made or suit brought against you or an "insured" to:
- a. Repay; or
  - b. Share damages with;
- another person who may be obligated to pay damages because of "bodily injury" to an "insured".

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

Coverage F does not apply to "bodily injury":

1. To a "residence employee" if the "bodily injury":
  - a. Occurs off the "insured location"; and
  - b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";
2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:
  - a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;
3. From any:
  - a. Nuclear reaction;
  - b. Nuclear radiation; or
  - c. Radioactive contamination;

all whether controlled or uncontrolled or however caused; or

  - d. Any consequence of any of these; or
4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

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

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

##### **A. Claim Expenses**

We pay:

1. Expenses we incur and costs taxed against an "insured" in any suit we defend;

2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage E limit of liability. We need not apply for or furnish any bond;
3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
4. 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.

##### **B. First Aid Expenses**

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

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

1. We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured".
2. We will not pay for "property damage":
  - a. To the extent of any amount recoverable under Section I;
  - b. Caused intentionally by an "insured" who is 13 years of age or older;
  - c. To property owned by an "insured";
  - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
  - e. Arising out of:
    - (1) A "business" engaged in by an "insured";
    - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
    - (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion e.(3) does not apply to a "motor vehicle" that:

  - (a) Is designed for recreational use off public roads;
  - (b) Is not owned by an "insured"; and

- (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

#### D. Loss Assessment

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

### SECTION II - CONDITIONS

#### A. Limit Of Liability

Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the Coverage E Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage F Limit Of Liability shown in the Declarations.

#### B. Severability Of Insurance

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

#### C. Duties After "Occurrence"

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:
  - a. The identity of the policy and the "named insured" shown in the Declarations;
  - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
  - c. Names and addresses of any claimants and witnesses;
2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
4. At our request, help us:
  - a. To make settlement;
  - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
  - c. With the conduct of suits and attend hearings and trials; and
  - d. To secure and give evidence and obtain the attendance of witnesses;
5. With respect to C. Damage To Property Of Others under Section II - Additional Coverages, submit to us within 60 days after the loss a sworn statement of loss and show the damaged property, if in an "insured's" control;
6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

**D. Duties Of An Injured Person Coverage F - Medical Payments To Others**

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

**E. Payment Of Claim - Coverage F - Medical Payments To Others**

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

**F. Suit Against Us**

1. No action can be brought against us unless there has been full compliance with all of the terms under this Section II.
2. No one will have the right to join us as a party to any action against an "insured".
3. Also, no action with respect to Coverage E can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

**G. Bankruptcy Of An "Insured"**

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

**H. Other Insurance**

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

**I. Policy Period**

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

**J. Concealment Or Fraud**

We do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements; relating to this insurance.

**SECTIONS I AND II - CONDITIONS**

**A. Liberalization Clause**

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

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

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

**B. Waiver Or Change Of Policy Provisions**

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

**C. Cancellation**

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
  - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
  - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
  - c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
    - (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or

**(2) If the risk has changed substantially since the policy was issued.**

This can be done by letting you know at least 30 days before the date cancellation takes effect.

- d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
- 3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
- 4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

**D. Nonrenewal**

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

**E. Assignment**

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

**F. Subrogation**

An "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, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage F or Paragraph C. Damage To Property Of Others under Section II - Additional Coverages.

**G. Death**

If any person named in the Declarations or the spouse, if a resident of the same household, dies, the following apply:

- 1. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death; and
- 2. "Insured" includes:
  - a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises"; and
  - b. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SPECIAL PROVISIONS - MASSACHUSETTS

### SECTION I - CONDITIONS

#### C. Duties After Loss

Paragraphs 4., 6., 7. and 8. are replaced by the following:

4. Protect the property from further damage; make reasonable and necessary repairs required to protect the property; keep an accurate record of repair expenditures. Some or all of these expenses may be reimbursable under this policy;
6. Prepare an inventory of damaged personal property; show in detail the quantity, description, actual cash value and amount of loss. Attach to the inventory when available all pertinent bills and documents that substantiate the figures in the inventory;
7. We may reasonably require you to:
  - a. Exhibit the damaged property;
  - b. Provide us with records and documents pertinent to the loss and permit us to make copies; and
  - c. Submit to an examination under oath, while not in the presence of another "insured", and sign the same;
8. 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:
  - a. The time and cause of loss;
  - b. The interest of all "insureds" and all others in the property involved and all encumbrances on the property;
  - c. Other insurance which may cover the loss;
  - d. Changes in title or occupancy of the property during the term of the policy;
  - e. Detailed estimates for repair of the damage;
  - f. An inventory of damaged personal property described in 6. above;
  - g. Receipts for additional living expenses incurred and records supporting the fair rental value loss; and
  - h. Evidence or affidavit supporting a claim under the Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money Coverage, stating the amount and cause of loss.

#### D. Loss Settlement

(This is not applicable to Form HO 00 04 or Form HO 00 06.)

Paragraph D.2.a. is replaced by the following:

- a. If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately prior to the loss, we will pay the cost of repair or replacement, without deduction for depreciation. We will pay replacement cost if the damaged building is repaired or replaced by you on the "residence premises" or some other location within the Commonwealth of Massachusetts within a reasonable time, but not more than two years from the date of loss.

We will pay the least of the following amounts:

- (1) The limit of liability under this policy that applies to the building;
- (2) The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
- (3) The necessary amount actually spent to repair or replace the damaged building.

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

Paragraph F. Appraisal is replaced by the following:

#### F. Arbitration

If you and we fail to agree on the amount of loss, we shall, upon receipt of your written request to do so, refer this matter to a three member board of referees. They are selected and must act according to the procedures set by the law. Their decision will be binding. This board does not make decisions about matters of coverage or fault.

Paragraph H. Suit Against Us is replaced by the following:

#### H. Suit Against Us

No action can be brought against us unless there has been full compliance with all the terms under Section I of this policy and the action is started within two years after the date loss occurs. However, if a court prevents the start or continuance of the action, but at a later date allows the action to resume, it must be resumed within one year of the court order. If a disagreement about the amount of loss has been referred to a board of referees within two years of the date of loss, any action against us must be started within 90 days after the board's decision.

Paragraph I. Our Option is replaced by the following:

#### I. Our Option

If we give you written notice within 15 days after we receive your proof of loss, we may repair or replace any part of the property damaged with material or property of like kind or quality.

Paragraph J. Loss Payment is replaced by the following:

#### J. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable within 30 days after we receive your proof of loss.

All applicable sales taxes are considered a part of any loss under this policy.

We shall pay you interest at the rate of one percent over the prime interest rate on the agreed figure commencing 30 days after the date of an executed proof of loss for such figure is received by us. This interest is to continue as long as the claim remains unpaid.

#### L. Mortgage Clause

Paragraph 3. is replaced by the following:

3. If we decide to cancel or not to renew this policy, the mortgagee shown in the Declarations will be notified:

- a. At least 20 days before the date cancellation takes effect; or
- b. At least 10 days before the date nonrenewal takes effect.

A United States Postal Service certificate of mailing showing the name and address of the mortgagee will be sufficient proof of notice.

(This Condition does not apply to Form HO 00 04.)

The following Conditions are added:

#### T. City Or Town Liens

We are required by Massachusetts law that we must notify the local inspector of buildings or Board of Health at least 10 days before we make a payment of \$1,000 or more for loss to a building or structure.

We must also give notice if there is damage which makes a building a health or safety hazard or dangerous or unsafe for occupancy regardless of the amount of our payment.

If prior to payment we receive official notice of a pending or existing lien against your premises, we must delay payment until the matter is settled. If we are required to pay all or part of the amount of the lien, we will not be obliged to pay that amount to you.

#### U. Vacancy

Unless otherwise provided in writing, we shall not be liable for loss caused by fire or lightning occurring while a described building is vacant, whether intended for occupancy by owner or tenant, beyond a period of 60 consecutive days for residential purposes of three units or less and 30 consecutive days for other residential purposes.

(These are Conditions S. and T. in Form HO 00 04.)

### SECTION II - CONDITIONS

#### C. Duties After "Occurrence"

Paragraph 4.a. is deleted.

Paragraph D. Duties Of An Injured Person - Coverage F - Medical Payments To Others is replaced by the following:

#### D. Duties Of An Injured Person - Coverage F - Medical Payments To Others

1. The injured person or someone acting for the injured person will:
  - a. Give us written proof of claim, under oath if required, as soon as is practicable; and
  - b. Execute authorization to allow us to obtain copies of pertinent medical reports and records.
2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require. We will pay for the cost of the examination.

## **SECTIONS I AND II - CONDITIONS**

### **C. Cancellation**

Paragraphs 2. and 4. are replaced by the following:

2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect and the reason for cancellation. This cancellation notice may be delivered to you or mailed, by first-class mail, to the mailing address shown in the Declarations or to your last address known to us. A United States Postal Service certificate of mailing showing your name and that address will be sufficient proof of notice.
  - a. When you have not paid the premium, whether payable to us or to our agent or under any finance or credit plan, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
  - b. When this policy has been in effect for less than 60 days, we may cancel for any reason, other than nonpayment of premium, by letting you know at least five days before the date cancellation takes effect.
  - c. When this policy has been in effect 60 days or more, or after 60 days from any anniversary date, we may cancel for one or more of the following by letting you know five days before the date cancellation takes effect:
    - (1) Conviction of an act which increases the chances of loss under this policy;
    - (2) Discovery of fraud or material misrepresentation by the "insured" in obtaining this policy;
    - (3) Discovery of willful or reckless acts or omissions by the "insured" increasing the hazard insured against;

(4) Physical changes in the property insured, which result in the property becoming uninsurable; or

(5) A determination by the commissioner that continuation of the policy will violate or place the insurer in violation of the law.

Where the stated reason is nonpayment of premium, you may continue the coverage and avoid the effect of the cancellation by payment at any time prior to the effective date of cancellation.

4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it when ascertained.

Paragraph D. Nonrenewal is replaced by the following:

### **D. Nonrenewal**

Ordinarily, we will renew this policy automatically and send you the renewal notice. Our notice will explain what you should do if you do not want to continue the policy.

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your last mailing address shown in the Declarations, written notice at least 45 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

If Scheduled Personal Property Endorsement HO 04 61 is made part of this policy, Condition F.3. Pair, Set Or Parts Other Than Fine Arts of Endorsement HO 04 61 is replaced by the following:

### **3. Pair, Set Or Parts Of Property Other Than Fine Arts**

In case of a loss we may elect to:

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

All other provisions of this policy apply.

## **Important Flood Insurance Notice**

Your homeowners or dwelling policy does **NOT** provide coverage for loss caused by flood or mudslide, which is defined, in part, by the National Flood Insurance Program as:

***A general and temporary condition of partial or complete inundation of normally dry land areas from overflow of inland or tidal waters or from the unusual and rapid accumulation or runoff of surface waters from any source.***

If you are required by your mortgage lender to have flood insurance on your property, or if you feel that your property is susceptible to flood damage, insurance covering damage from flood is available on most buildings and contents in participating communities through the federal government's National Flood Insurance Program.

You can learn more about the National Flood Insurance Program by talking with your independent agent or at [www.floodsmart.gov](http://www.floodsmart.gov) or by calling (888) 379-9531.

**HF-153 (06/14)**

## HOMEOWNERS AMENDATORY

Under **DEFINITIONS**, **B. 1.** is replaced by the following:

1. "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:
  - a. Liability for "bodily injury" or "property damage" arising out of the:
    - (1) Ownership of such vehicle or craft by an "insured";
    - (2) Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by an "insured";
    - (3) Entrustment of such vehicle or craft by an "insured" to any person;
    - (4) Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or

(5) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.

**b.** For the purpose of this definition:

- (1) Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
- (2) Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- (3) Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
- (4) Motor vehicle means a "motor vehicle" as defined in **7.** below.

## ALL OTHER PROVISIONS OF THIS POLICY APPLY.

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H-999 MA 03 17

## HOMEOWNERS POLICY PROGRAM - MASSACHUSETTS NOTICE TO POLICYHOLDERS

**CAUTION: NO COVERAGE IS PROVIDED BY THIS NOTICE; NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISION OF YOUR POLICY. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATION PAGE FOR COMPLETE INFORMATION ON THE COVERAGES THAT YOU ARE PROVIDED. IF THERE IS A CONFLICT BETWEEN THE POLICY AND THIS SUMMARY, THE POLICY SHALL PREVAIL.**

Dear Policyholder,

The form and endorsements made part of the renewal policy you have received differs from those in your former policy. Some changes give you more coverage and some reduce coverage. There are other changes that do not affect the level of coverage provided in your former policy. They were made to help you better understand your policy. This Policyholders Notice summarizes the main changes we made to your policy.

### I. BROADENINGS OF COVERAGE

#### A. Definitions

The definition of residence premises now includes a 3 or 4 family dwelling where you reside in at least one of the units. Your expiring policy defined the residence premises as a one or two family, unless Endorsement HO 04 44 was attached. Similarly, under the definition of insured location, f. has been broadened to include three or four family dwellings being built as a residence for an insured, instead of limiting coverage to one or two family dwellings.

#### B. Section I - Property Coverages

##### 1. Coverage B - Other Structures Used For Business (Forms HO 00 03 and HO 00 05)

Coverage now applies to an other structure on the residence premises that is used to store business property solely owned by an insured or a tenant of the dwelling. However, there is no coverage for the structure if any of the stored business property includes gaseous or liquid fuel other than fuel in a vehicle or craft parked in the structure.

Note: For Form HO 00 06 we cover a structure that contains business property solely owned by an insured or a tenant of the dwelling, provided that business property does not include gaseous or liquid fuel, other than fuel in a vehicle or craft parked or stored in the structure.

##### 2. Coverage C - Personal Property - Special Limits of Liability

The limits applying to the following categories of personal property are increased from\*:

- \$1,000 to \$1,500 for securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps;
- \$1000 to \$1500 for watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors;
- \$1,000 to \$1,500 for trailers or semi-trailers not used with watercraft;
- \$1,000 to \$1,500 for theft of jewelry, watches, furs, precious and semiprecious stones;
- \$2,000 to \$2,500 for theft of firearms and related equipment;
- \$250 to \$1,500 for business property away from the residence premises and
- \$1,000 to \$1,500 for electronic apparatus and accessories in or upon a motor vehicle.

\* If your policy is endorsed with the Homeowners Additional Coverage, H-142, certain limits are increased beyond the limits noted above.

H-999 MA 03 17  
Page 1 of 13

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

#### **Special Limits of Liability - Business Property and Electronic Apparatus**

Your former policy provided limited coverage for property on or away from the residence premises "used at any time or in any manner for any business purpose". We revised this terminology (under Special Limit Categories h., and i.) so that these special limits apply to property "used primarily for business purposes". Now, any such property you own that was used in a former trade, profession or occupation, or that is occasionally used in business, will be subject to the Coverage C limit instead of the special limit that applies to business property.

### **4. Coverage D - Loss Of Use**

If your former policy had the minimum limit for this coverage it has been increased from:

- 20% to 30% of the Coverage C - Personal Property limit if you have Form HO 00 04; or
- 40% to 50% of the Coverage C - Personal Property limit if you have Form HO 00 06.

If you did not have the minimum limit, you might not be affected by this change.

## **C. Additional Coverages**

### **1. Debris Removal**

We increased the \$500 limit for removal of fallen trees that damage an insured structure to \$1,000 subject to a maximum payment of \$500 per tree. We also broadened coverage to apply to the removal of fallen tree(s) that do not damage an insured structure if the tree:

- Blocks your driveway and prevents a motor vehicle licensed for road use from entering or leaving the residence premises; or
- Blocks and prevents use of a ramp or other type of access fixture designed to assist a handicapped person to enter or leave the dwelling.

### **2. Fund Transfer Card**

This term is now referred to as "electronic fund transfer cards and access devices" because other types of devices (for example, a personal computer) are increasingly being used to electronically transfer funds or to buy and sell goods and services. We also made this change to item j. under Coverage C - Property Not Covered.

### **3. Loss Assessment**

This coverage is revised in three ways: a) to point out that the deductible applies on a per event rather than a per assessment basis; b) to note that the property sustaining loss - for which the assessment is made - must be of the type insured under your policy; and c) to state that this coverage is additional insurance, meaning that it doesn't reduce the Coverage A, B or C limits shown in the Declarations.

### **4. Grave Markers**

In your former policy, a grave marker you own was covered either under Coverage B - Other Structures, if located on the residence premises and considered real estate, or under Coverage C - Personal Property, if not considered real estate and located on or away from the residence premises.

To better enable you to determine which coverage, if any, applies, we introduced a new Additional Coverage that pays up to \$5,000 for a coverage loss to grave markers, including mausoleums, regardless of where they are located and whether or not they are considered real estate. We believe that in most situations, this new coverage is broader than what was provided in your former policy.

## D. Section I - Perils Insured Against

### 1. Vandalism or Malicious Mischief

The vacancy period provision in this peril is extended from 30 to 60 days. That means if your dwelling is vacant for up to 60 consecutive days and it is vandalized during that time, you are covered for that damage. (See Part III, Other Changes, Item C.1. for more changes to this peril).

### 2. Accidental Discharge or Overflow of Water or Steam

We will now pay to tear out and replace any part of a non-building structure covered under the policy to access a break in a plumbing system on the residence premises if the water or steam that is leaking from the system is causing damage to an insured building. **For example:** if water is leaking from a break in a water line that is on the residence premises and under a paved driveway or cement walk (a non-building structure), and that water is causing damage to the dwelling, we'll pay to: a) tear up the driveway or walk to access the break and stop the leak; and b) repair or replace that part of the driveway or walk that was disturbed.

### 3. Birds, Rodents or Insects (Forms HO 00 03 and HO 00 05)

Previously, your policy generally provided that we did not insure for loss to your dwelling or other structures caused by birds, vermin, rodents or insects. We have removed "vermin" from this list.

### 4. Smoke

Coverage has been broadened to pay for damage caused by the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

### 5. Theft

Previously, your policy provided coverage for theft that occurs off the residence premises with respect to property of an insured who is a student, while at a residence the student occupies to attend school, as long as the student has been there at any time during the 45 days immediately before the loss. We have increased the 45 day period to 90 days.

## E. Section I - Conditions

### 1. Deductible

We have added a Deductible provision, which states, in part: if two or more deductibles under this policy apply to the loss, only the highest deductible amount will apply.

### 2. Other Insurance and Service Agreement (Form HO 00 06)

Some of your property may be covered both by your policy, and your corporation or association of property owners' policy. We have changed the Other Insurance And Service Agreement Condition, in general, to expressly address the deductible of other insurance or a service agreement in the name of a corporation or association of property owners covering the same property covered by your policy.

## F. Section II - Exclusions

### 1. Coverages E and F - Motor Vehicle Liability

**Owned Motorized Golf Carts.** We broadened coverage for motorized golf carts (MGC) by adding two exceptions to the motor vehicle exclusion in this policy. If an insured owns a MGC that is NOT registered, nor required to be registered, for use on public roads or property, we now provide coverage for claims alleging bodily injury or property damage involving the MGC if, at the time of the accident, the MGC is within the boundaries of:

- a. Certain types of private residential communities that contain an insured's residence; or
- b. A golfing facility and it is being used to play golf or for any other leisure activity permitted by the facility.

**CAUTION: THERE IS NO COVERAGE FOR ANY ACCIDENT WHILE THE MGC IS OUTSIDE THE BOUNDARIES OF THE PRIVATE RESIDENTIAL COMMUNITY OR GOLF FACILITY. CONTACT YOUR INSURANCE AGENT IF YOU HAVE THIS EXPOSURE.**

## **2. Coverages E and F - Expected or Intended Injury or Damage**

We added an exception to this exclusion which provides coverage for bodily injury or property damage resulting from the use of reasonable force by an insured to protect persons or property. (See Part II, Reductions in Coverage, Item F.2. for more changes to this exclusion.)

## **3. Coverages E and F - Business and Rental Property**

We added an exception to this exclusion which provides coverage for insured minors who are involved in the occasional or part-time, self-employed business pursuits of the type normally undertaken by minors. **Here are a few examples:** babysitting; lawn & garden maintenance; newspaper delivery; computer instruction; web page design; and house painting.

## **4. Controlled Substance**

We have revised the Controlled Substance Exclusion so that the exclusion does not apply to the legitimate use of prescription drugs by a person following "the lawful orders of a licensed health care professional", instead of "the orders of a licensed physician" as previously provided under the policy.

## **G. Section II - Additional Coverages**

### **1. Claims Expenses - Expenses Incurred and Loss of Earnings**

The maximum daily payment for the reasonable expenses incurred by an insured, including loss of earnings, for assisting us in the defense of a claim or suit is increased from \$50 to \$250.

### **2. Damage to Property of Others**

The limit of liability for damage to property of others accidentally caused by an insured is increased from \$500 to \$1000.

## **II. REDUCTIONS IN COVERAGE**

### **A. Definitions**

#### **1. Business**

This definition now states that a business is:

- a. A full time, part time or occasional trade, profession or occupation of an insured; or
- b. Any other activity engaged in by an insured for money or other compensation. There are, however, some 'other activities' that we don't treat as a business. They are listed in the business definition in the policy form.

**Contact your insurance agent if you are unsure if an activity of any insured would be treated as a business; or if it is treated as a business, whether the insured and business are eligible for optional coverage.**

#### **2. Student Away From Home (Definition of Insured)**

The definition of insured has been expanded to state that a student who lives away from your home is covered as an insured only if he or she attends school on a full time basis and is:

- a. Your relative and 23 years of age or younger; or
- b. Not your relative and 20 years of age or younger if still in the care of a resident of your household who is your relative.

**An older student or a part time student who lives away from home may be added to the policy as an "Additional Insured". Contact your insurance agent regarding the Additional Insured - Student Living Away from the Residence Premises endorsement.**

## **B. Section I - Property Coverages**

### **1. Coverage C - Limit for Property at Other Locations**

We have limited coverage with respect to personal property located in a self-storage facility to 10% of the limit for Coverage C or \$1,000, whichever is greater.

**This limit may be increased in increments of \$1,000 for an additional charge. Contact your insurance agent for eligibility regarding the Increased Amount of Insurance For Personal Property Located In A Self-storage Facility Endorsement.**

### **2. Coverage C - Special Limit of Liability**

The special limit of \$200 that applies to a single loss event involving money, bank notes, bullion, gold, etc. has been extended to include certain instruments that serve as a substitute for cash money: scrip, stored value cards, and smart cards.

We have introduced a \$250 special limit for antennas, tapes, wires, records, disks or other media that are in or upon a motor vehicle and are used with electronic equipment that reproduces, receives or transmits audio, visual or data signals.

## **C. Section I - Perils Insured Against**

### **1. Freezing of Plumbing Systems and Household Appliances**

Your former policy covered loss by this peril if you maintained heat in the dwelling or shut off the water supply and drained the water from all pipes and appliances when the dwelling was vacant, unoccupied or under construction. This policy continues to cover loss by this peril. However, we revised it to state that: a) it now applies to the dwelling whether it is under construction, vacant, unoccupied or occupied and b) the option to shut off the water supply and drain the pipes does not apply to a building on the residence premises that contains an automatic fire protective sprinkler system.

### **2. Nesting or Infestation (Forms HO 00 03 and HO 00 05)**

We have added language to your policy to generally provide that it does not insure for loss to your dwelling or other structures caused by nesting or infestation or discharge or release of waste products or secretions by any animals.

## **D. Section I - Exclusions**

### **1. Governmental Action**

We now exclude the destruction, confiscation, or seizure of covered property by order of any governmental or public authority. However, this exclusion does not apply to action taken by the authority at the time of a fire to prevent its spread.

### **2. Earth Movement - Form HO 00 05 and Endorsements HO 05 24 and HO 17 31**

The Earth Movement exclusion is extended to apply to Coverage C - Personal Property.

## **E. Section I - Conditions/Other Insurance and Service Agreement**

We added "Service Agreement" to the Other Insurance Condition because of the proliferation of home warranties and appliance service and maintenance agreements that could result in payment by this policy and the warranty or maintenance contract when both cover the same property involved in a loss. Therefore, this insurance will be excess over any compensation you receive as a result of the service or maintenance agreement.

## **F. Section II - Exclusions**

### **Coverage E - Personal Liability and Coverage F - Medical Payments To Others**

#### **1. Motor Vehicle And Watercraft Liability**

With the introduction of the definitions for motor vehicle liability and watercraft liability, these exclusions apply to claims alleging bodily injury or property damage that arise out of an insured's negligent supervision of or failure to supervise any person involving any vehicle or craft, including trailers.

There may be coverage with respect to certain toy vehicles under specified limited circumstances.

## **2. Expected or Intended Injury or Damage**

Your former policy and this policy exclude coverage for any injury or damage that is intended or expected by an insured. The exclusion in this policy has been revised to state that there is NO coverage for such injury or damage even if it is of a different kind, quality, degree, or is sustained by a different person, entity, or property than initially intended or expected.

## **III. OTHER CHANGES**

The following changes were made to more explicitly express the level of coverage provided for the policy provisions noted below. However, they could result in a change in coverage depending on the circumstances of a given claim.

### **A. Section I - Property Coverages**

#### **Coverage C - Personal Property**

##### **1. Property At An Insured's Residence Other Than The Residence Premises**

Your former policy and this policy cover personal property usually located at another residence for up to 10% of the Coverage C limit shown in the Declarations. However, this limited amount does not apply to property in a newly acquired principal residence for 30 days from the time you begin to move property there. We added another exception in this policy to point out that property that has been moved to another residence, because the residence premises is being repaired or rebuilt and is not fit to live in or store property in, is not subject to the 10% limitation.

##### **2. Covered Property (Property Of Others)**

We revised this provision to emphasize that you can apply your Coverage C limit to personal property of a guest, residence employee or others after a loss to such property occurs.

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

- a. **Platinumware** - The special limit provision that applies to theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware is extended to include platinumware and platinum-plated ware. This avoids the possibility of having the lower limit that applies to platinum apply to platinumware.
- b. **Firearms** - This special limit provision is revised to point out that it also applies to theft of firearm-related equipment.

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

###### **a. Motor Vehicles**

Your former policy and this policy do not cover motor vehicles, their accessories and equipment except for vehicles not registered and not required to be registered for use on public roads or property and: 1) designed to assist the handicapped; or 2) used to service an insured's residence (for example, a motorized lawn tractor, snowplow or garden cart). This provision has been revised to state that 'parts' are included with accessories and equipment and that coverage for service vehicles only applies to a vehicle that is used solely to service a residence.

###### **b. Water or Steam**

Water or steam transported through mains or in bulk to the residence is considered a utility, much like electricity and natural gas. Therefore, it is not real or personal property and as a consequence, not covered under this or your former policy. To eliminate any questions on this point, we added water and steam to the list of property not covered.

## B. Additional Coverages

### 1. Collapse

We revised this coverage to define collapse and to state that: a) a building or part of a building in danger of falling down or caving in is not considered collapse; and b) the terms "hidden decay" and "hidden insect or vermin damage" do not include decay or damage which an insured is aware of before the building collapses.

### 2. Landlord's Furnishings

This coverage is revised to state that the basic limit of \$2,500 is within the policy limits and that it applies separately to each rented unit. This limit may be increased for an additional premium. Contact your insurance agent for eligibility.

### 3. Ordinance or Law

Your former policy and this policy provide a limited amount of coverage for increased construction costs you incur to upgrade damaged property to comply with federal, state or local building codes. However, we do not cover the costs incurred to comply with codes that deal with the affects of pollutants on an insured structure. We modified this exception to coverage to point out that the costs to deal with the effects of pollutants "in or on" an insured structure are not covered.

## C. Section I - Perils Insured Against

### 1. Direct Physical Loss (Forms HO 00 03 and HO 00 05)

Your previous policy contained the phrase "we insure against risk of direct loss" to certain property. We have removed the words "risk of" from this phrase to reinforce the related policy language, and added the word "physical".

### 2. Collapse

We have revised different sections of your policy to more explicitly express the scope of coverage with respect to collapse. In general, collapse is not covered except under the Section I Collapse Additional Coverage. In general, Section I Collapse Additional Coverage only applies to an abrupt collapse.

### 3. Vandalism or Malicious Mischief

This peril now explicitly expresses that any ensuing loss caused by any intentional and wrongful act committed by vandals in the course of the vandalism or malicious mischief is not covered when the premises has been vacant for a period of more than 60 consecutive days. For example, assume during the third month of a dwelling's vacancy, vandals entered the house and spray-painted the walls and destroyed the furnace. Assume too that two weeks later, long after the vandals have left, the water in the pipes in the house froze, because of the lack of heat and extremely cold weather, and break in a number of places. Shortly thereafter, warm weather thaws the frozen pipes and water leaks from the breaks causing damage to the floors and walls of the dwelling. Because the dwelling was vacant for more than 60 consecutive days, there is NO coverage for: a) the damage to the walls and furnace caused by the vandals and b) the ensuing loss to the floors and walls caused by the water that leaked from the broken pipes due to lack of heat.

### 4. Mold, Fungus or Wet Rot (Special Coverage Forms or Endorsements)

Damage caused by mold or wet rot is not covered under this policy. "Mold" was intended to include all forms of fungi. We added the term "fungus" to this group because not all fungi are considered mold yet all mold are considered fungus.

However, there may be limited coverage provided by an endorsement attached to your policy. Please refer to **Limited Fungi, Wet or Dry Rot, or Bacteria Coverage** for details.

**5. Mechanical Breakdown, Latent Defect and Inherent Vice (Forms HO 00 03 and HO 00 05 and Endorsements HO 04 14, HO 17 31 and HO 17 32)**

In addition to the perils named above, we added the phrase "any quality in property that causes it to damage or destroy itself" to emphasize the meaning of the technical terms "latent defect" and "inherent vice".

**6. Sudden and Accidental Damage From Artificially Generated Electrical Current**

To reflect changes in terminology and technology that have occurred over the past 20 years, we added the phrase "electronic components or circuitry that are part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus" to the existing term, "tubes and transistors".

**D. Section I - Exclusions**

**1. Introductory Paragraph**

To emphasize that the exclusions named in the policy apply to both catastrophic and non-catastrophic loss situations, this paragraph is revised to state that the exclusions apply whether or not the excluded event causes widespread damage or affects a substantial area.

**2. Water Damage**

We revised the "water back-up" and "subsurface water" exclusions to state that they also apply to damage caused by water-borne material. In addition, we revised the "sump overflow" exclusion to state that it applies to water and water-borne material that overflows or is discharged from a sump, sump pump or related equipment.

**3. Earth Movement and Water Damage**

To point out that coverage is excluded not only for naturally occurring events, we added language to these exclusions to indicate that they apply regardless of the cause, that is, damage caused by an act of nature or otherwise caused.

**4. Intentional Loss**

We added text to this exclusion to point out that there is no coverage for ALL insureds if an insured commits or conspires to commit damage that results in an otherwise covered loss.

**E. Section I - Conditions**

We have added a Deductible provision, which states, in part, that it applies "with respect to any one loss".

**F. Section II - Exclusions**

**1. Coverages E and F - Motor Vehicle and Watercraft Liability**

The policy language for these exclusions has been editorially revised:

- To accommodate the new definition for motor vehicle;
- To emphasize that there is **NO** coverage for any vehicle or watercraft **UNLESS** it is specifically excepted in the form or it is covered by endorsement; and
- To emphasize the extent of coverage that is provided for **non-owned** motorized golf carts.

**2. Coverages E and F - Hovercraft Liability**

A specific exclusion for hovercraft liability is added. Hovercraft are also known as "ground effect vehicles" or "air-cushioned vehicles" and were excluded in your former policy as motor vehicles or motorized land conveyances.

### **3. Coverages E and F - Business and Rental Property**

We combined the business liability exclusion with the formerly separate rental property exclusion to accommodate the new definition of business. (See Part II Reductions In Coverage, Item A.) We also revised policy language for the business exclusion to describe and emphasize its broad application. For example, if one insured conducts an excluded business on the residence premises, there is no coverage for any insured for a claim alleging injury or damage involving that business.

### **ENDORSEMENTS - BROADENINGS AND REDUCTIONS**

While most endorsements have been revised, the following endorsements have undergone changes that affect the level of coverage provided in the former editions. The information provided below applies to your policy only when the endorsement is shown on your Declarations page:

#### **A. HO 04 61, Scheduled Personal Property**

This endorsement is revised to:

- Provide coverage for theft of stamps and coins from an unattended auto;
- Extend coverage for fine arts to anywhere in the world; and
- To point out that when the Personal Property Replacement Cost Loss Settlement endorsement is attached to the policy, most property insured under this endorsement, HO 04 61, will also be subject to replacement cost loss settlement.

#### **B. HO 24 82, Personal Injury Coverage**

This endorsement is revised to:

- Treat personal injury separately from bodily injury;
- Provide up to \$1,000 of coverage for loss assessments charged against an insured by a property owners association in which that insured is a member;
- Point out that the offenses relating to defamation ("libel" and "slander") apply to both oral and written publications; and that the offenses of 'wrongful eviction', 'wrongful entry' and 'invasion of the right of private occupancy' apply to improper occupancy of a room, dwelling or premises;
- Newly exclude Personal Injury:
  1. Caused by or at the direction of an insured with the knowledge that the act would violate the rights of another and would inflict personal injury;
  2. Arising out of publication of material if done by or at the direction of an insured with knowledge of its falsity;
  3. Arising out of publication of material whose first publication took place before the beginning of the policy period; and
  4. Arising out of pollution, including clean-up costs associated with pollution claims;
- Rewrite the exclusion pertaining to personal injury arising out of a 'criminal act' committed by or at the direction of an insured (instead of a violation of a penal law or ordinance);
- Specifically indicate which provisions, definitions, exclusions, additional coverages and conditions in the form apply to "personal injury".

#### **C. HO 04 12, Increased Limits On Business Policy**

We have revised this endorsement to increase the special limit of liability for business property away from the residence premises.

**D. HO 04 35, Supplemental Loss Assessment Coverage**

This endorsement provides additional amounts of loss assessment coverage, but the previous version contained a "special limit" of \$1,000 when the assessment resulted from a deductible in a corporation or association of property owners' insurance policy. We have eliminated the \$1,000 "special limit".

**E. HO 04 36, Loss Assessment Coverage For Earthquake**

For any one assessment, we have increased the minimum deductible from \$250 to \$500.

**F. HO 04 54, Earthquake**

We have increased the minimum deductible from \$250 to \$500.

**G. HO 17 31, Unit-owners Coverage C Special Coverage**

The previous version of this endorsement generally provided that we did not insure for loss to your personal property caused by birds, vermin, rodents or insects. We have revised the endorsement to remove "vermin" from this list. However, we have added language to the endorsement to generally provide that your policy does not insure for loss to your personal property caused by nesting or infestation, or discharge or release of waste products or secretions by any animals.

**H. HO 17 32, Unit-owners Coverage A Special Coverage**

The previous version of this endorsement generally provided that we did not insure for loss to your dwelling or other structures caused by birds, vermin, rodents or insects. We have revised the endorsement to remove "vermin" from this list. However, we have added language to the endorsement to generally provide that your policy does not insure for loss to your dwelling or other structures caused by nesting or infestation, or discharge or release of waste products or secretions by any animals.

**I. HO 24 13, Incidental Low Power Recreational Motor Vehicle Liability Coverage**

This endorsement, previously called Incidental Motorized Land Conveyances, has also been revised so that it will expressly exclude liability coverage for motorized scooters with respect to an occurrence that takes place off an insured location.

**J. HO 04 95, Limited Water Back-Up and Sump Discharge or Overflow Coverage**

We have revised the endorsement to reinforce that the coverage provided by the endorsement, in general, is limited to water or waterborne material originating from within the dwelling in which the named insured resides and which backs up through sewers or drains or overflows or is discharged from a sump, sump pump or related equipment.

MERRIMACK AND CAMBRIDGE - The prior version of this endorsement, H-939 Water Back Up and Sump Overflow, had a special \$250 deductible for losses paid under this coverage. The coverage language has been revised and this separate deductible provision has been eliminated. Your Section I deductible now applies. Please consult with your agent if you would like to make any changes to your limit or deductible.

BAY STATE - The prior version of this endorsement, H-137 Water Back Up and Sump Overflow, had a special \$1000 deductible for losses paid under this coverage. The coverage language has been revised and this separate deductible provision has been eliminated. Your Section I deductible now applies. Please consult with your agent if you would like to make any changes to your limit or deductible.

**K. HO 04 58, Other Members of your Household**

This endorsement has been re-numbered from H-950 Other Members of Your Household.

**L. HO 00 05, Comprehensive Form**

If your previous policy was an HO 00 03 endorsed with the HO 00 15 Special Personal Property Coverage form, your policy has been converted to an HO 00 05 form at this renewal. This new policy form provides the same level of coverage that Form HO 00 03 with HO 00 15 provided, except for the elimination of earth movement coverage for contents. We no longer offer the HO 00 15 as a separate endorsement. Please contact your agent if you would like to obtain coverage for the peril of Earthquake.

**M. HO 04 60, Scheduled Personal Property (with Agreed Value Loss Settlement)**

If your prior policy contained H-937A Agreed Amount Insurance - Jewelry, your renewal policy is endorsed with the HO 04 60 instead.

**N. Business In Home Coverage**

Endorsement H-912, Business In Home, is no longer available and your policy has renewed without this coverage. Please contact your agent about making other coverage arrangements for your business.

**O. HO 04 14, Personal Computers**

We have revised the endorsement that provides coverage for your personal computers. In place of the H-127A, endorsement HO 04 14 has been added (unless your new policy is a Form HO 00 05, or an HO 00 04 with HO 05 24 or an HO 00 06 with HO 17 31 in which case Special Coverage is already included).

Please note that the rate is no longer based on a limit per \$100 of value and that your policy deductible now applies to a loss.

**P. HO 05 02, Additional Limits of Liability for Coverages A, B, C and D**

Endorsement H-116 has been replaced with HO 05 02. Please note:

- a. The Coverage A limit of liability is increased, after a loss, to the amount necessary to repair or replace the damaged or destroyed property. (When the loss to such property exceeds the Coverage A limit, the policy is endorsed, retroactive to the date of loss, to the limit needed to settle the loss).
- b. The limits of liability for Coverages B, C, and D will now be increased by the same percentage applied to the Coverage A limit.

**Q. H-142, Additional Coverage Endorsement**

Endorsement H-142 has been replaced with a newer edition. Certain Coverage C Special Limits have been increased but the \$500 coverage for fallen trees without damage to a covered structure has been eliminated. Coverage is provided for fallen trees that block driveways or handicapped ramps as noted above.

**R. HO 05 41, Extended Theft Coverage for Residence Premises Occasionally Rented to Others**

Endorsement HO 04 80 has been replaced with HO 05 41. Endorsement HO 05 41 is broader than HO 04 80 in that it covers for theft of loss of covered property from anywhere on the residence premises, including the rented part of the residence premises and even if caused by the tenant, roomer or boarder or a member of the tenant's household or their employees.

**S. HO 05 08, Specified Additional Amount Of Insurance For Coverage A - Dwelling - Massachusetts**

Classic Coverage Endorsement H-989MA has been replaced with HO 05 08. The "Additional Amount of Insurance" for Coverage A continues to be 25%, but we have introduced a new option of 50%. Please contact your agent if you would like to review this new option.

**T. DL 98 01, Personal Umbrella**

Your former Umbrella endorsement H-130 has been replaced by our newest coverage form DL 98 01 and H-612. Please read these and the additional endorsements carefully and contact your agent if you have any questions. The following does not restate all of the language differences between the old and new policy forms but briefly summarizes some of the major differences.

### **Broadening of Coverage**

- 1) The new Personal Umbrella Policy broadens your coverage for certain business-related activities that were previously excluded under the H-130. In particular, the new Personal Umbrella Policy:
  - a. extends coverage to the use of an auto for business purposes, other than an auto business, by an insured. (Please note that \$1 million CSL of liability is required on the underlying commercial auto policy).
  - b. extends coverage for certain bodily injury, personal injury or property damage arising out of an insured minor's occasional or part-time business pursuits.
  - c. extends coverage to certain injuries arising out of the rendering of home day care services to a relative of an insured.
- 2) With respect to animals owned by you or a family member, the new Personal Umbrella Policy broadens coverage by adding as an insured any person or organization legally responsible for those animals under certain conditions.
- 3) The new Personal Umbrella Policy provides coverage for loss of use of tangible property, regardless of whether the loss directly resulted from physical injury to or destruction of that property.

### **Reduction of Coverage**

- 1) The new Personal Umbrella Policy reduces coverage for certain personal injury by:
  - a. changing the definition of personal injury to omit shock, mental anguish and mental injury as an independent covered offense.
  - b. limiting coverage for invasion of the right of privacy to injury arising out of oral or written publication of material that violates a person's right of privacy.
  - c. excluding coverage for personal injury arising out of oral or written publication of material, if done by or at the direction of an insured with knowledge of its falsity or if the first publication of the material took place before the policy period.
  - d. excluding personal injury arising out of a criminal act committed by or at the direction of an insured.
  - e. excluding coverage for personal injury sustained by any person as a result of an offense related to the employment of that person by an insured.
- 2) Coverage is excluded for bodily injury or personal injury arising out of the use, sale, manufacture, delivery, transfer or possession of a Controlled Substance as defined by the Federal Food and Drug Law. This exclusion does not apply to the legitimate use of prescription drugs following the orders of a licensed health care professional.
- 3) The new Personal Umbrella Policy expressly provides that coverage for the acts or omissions of an insured as an officer or member of a board of directors of a not-for-profit corporation or organization will be available only if the insured receives no compensation for such activities other than reimbursement of expenses.
- 4) The new Personal Umbrella Policy changes the Severability Clause in your policy. The new policy expressly provides that the Severability Clause does not apply to exclusions which preclude coverage for an insured or any insured. Thus, if one insured comes within a policy exclusion that is applicable to an insured or any insured, that exclusion will also be construed to apply to and preclude coverage for every person who is an insured under your Umbrella Policy.
- 5) The new Personal Umbrella policy limits coverage for environmental occurrences or offenses by specifically excluding coverage for:
  - a. "bodily injury," "personal injury," or "property damage" caused by an occurrence or offense involving the escape of fuel from a "fuel system."

- b. "personal injury" or "property damage" caused by lead contamination.
- 6) The new Personal Umbrella Policy eliminates coverage for the lessor of a car loaned to or hired by you.
- 7) Your renewal includes DL 98 12, Auto Liability Following Form Endorsement. This endorsement limits auto coverage to the same extent coverage is provided in underlying insurance.
- Clarification of Coverage and Procedural Changes
- The new Personal Umbrella policy:
- 1) clarifies that there is no coverage for bodily injury or personal injury arising out of sexual molestation, corporal punishment or physical or mental abuse regardless of where such acts are committed.
  - 2) clarifies that there is no coverage for claims by one insured against another insured for personal injury as well as bodily injury.
  - 3) clarifies that there is no coverage for personal injury as well as bodily injury arising out of the transmission of a communicable disease.
  - 4) expressly provides that there is no coverage for any assessment charged against you as a member of an association, corporation or community of property owners.
  - 5) expressly excludes coverage for any type of multiple or punitive damages or fines or penalties imposed by law.
  - 6) clarifies that coverage for recreational motor vehicles that are owned by you or a family member is available only to the extent that recreational motor vehicle coverage is provided by underlying insurance at the time of the occurrence.
  - 7) specifically states that an insured will not, except at the insured's own cost, voluntarily make payment, assume obligation or incur expense to others.
  - 8) expressly states that we do not provide coverage for any insured who has intentionally made fraudulent statements or engaged in fraudulent conduct in connection with any occurrence or offense for which coverage is sought under this policy.
  - 9) expressly provides that our duty to settle or defend ends when our limit of liability for the occurrence or offense has been exhausted by payment or judgments or settlements.

**HOMEOWNERS OR DWELLING LIABILITY INSURANCE  
LEAD POISONING EXCLUSION AND COVERAGE OPTION**

**NOTICE TO PERSONS APPLYING FOR INSURANCE  
AND  
NOTICE TO POLICYHOLDERS**

This is a discussion of the Massachusetts lead poisoning exclusion that may apply to the residential building or residential unit insured under the policy that you are applying for or have just received.

It gives you information about:

- the conditions that pertain to the exclusion and the availability of an option that overrides the exclusion, and
- the requirements that pertain to the optional coverage.

No coverage is provided by this summary nor can it be construed to replace any provision of your policy. You should read the policy for complete information regarding the lead poisoning exclusion and, if purchased, the Coverage for Lead Poisoning Endorsement. If there is any conflict between the policy and this notice, **THE PROVISIONS OF THE POLICY SHALL PREVAIL**.

**1. LEAD POISONING EXCLUSION - COVERAGE E AND COVERAGE L - DWELLING LIABILITY**

- A. Coverage E in the Homeowners policy (and Coverage L on the DL-10 Landlord's Premises Liability Endorsement) excludes bodily injury arising from lead poisoning caused by the presence or exposure of lead in or on a residential unit, including the common areas used in connection with such unit, that you own and rent to others.
- B. If you own a one to four family residential building or a residential condominium or cooperative unit and/or occupy a residential unit in any residential building, located in Massachusetts, the lead poisoning exclusion may not apply to you. Read the following to determine whether this is the case.
  - (1) If the residential building was built in or after 1978, the exclusion does **not apply; the rest of this notice does not apply to you**.
  - (2) If the residential building was built before 1978 and no residential unit is rented or held for rental to others, the exclusion does **not apply; the rest of this notice does not apply to you**.
  - (3) If the residential building was built before 1978, and:
    - (a) one or more residential units, in the residential building, or residential units you own in the condominium or cooperative residential building is rented, or held for rental, to others; and/or
    - (b) you own and rent, or hold for rental, to others one or more other structures at the same location as the residential building described in (3)(a); and

a Letter of Interim Control or a Letter of Compliance is issued for units or other structures described in (3)(a) or (b) above, the exclusion does **not apply** to that unit or other structure, but will apply with respect to other units and/or other structures that you own and do not occupy. **IT IS IMPORTANT THAT YOU LET US KNOW, AS SOON AS PRACTICABLE, THAT YOU HAVE RECEIVED A LETTER OF INTERIM CONTROL OR A LETTER OF COMPLIANCE AND THAT, UPON OUR REQUEST, YOU SEND US A COPY OF YOUR LETTER OF INTERIM CONTROL OR COMPLIANCE IF YOU HAVE NOT ALREADY DONE SO.**

THROUGHOUT THIS NOTICE, A LETTER OF INTERIM CONTROL OR A LETTER OF COMPLIANCE INCLUDES ANY OTHER EQUIVALENT LETTER ISSUED BY A LEAD INSPECTOR AUTHORIZED TO DO SO UNDER THE MASSACHUSETTS LEAD LAW.

Please note, however, that if you have or obtain a Letter of Interim Control for a unit and/or other structure and it expires before you obtain a Letter of Compliance for that unit and/or other structure, **THE EXCLUSION APPLIES TO THAT UNIT OR OTHER STRUCTURE UNTIL THE LETTER OF COMPLIANCE IS OBTAINED.**

Send a copy of the Letter to your Insurance Agent.

- (4) If the residential building, other structure or condominium or cooperative unit is newly purchased by you, the exclusion does not apply during a period ending 90 days from the date you took title to such real property. However, this provision applies only if you, within 90 days of taking title to the property, obtain a Letter of Interim Control or Compliance.
  - (5) If the residential building was built before 1978, and one or more residential units are rented or held for rental to others, and you, or your managing agent, is notified by an authorized lead inspector of the need to bring any unit in the residential building into compliance with the provisions of the previously granted Letter of Interim Control, the exclusion does not apply to that unit for a period of 14 days, **the rest of this Notice does not apply to you with respect to that unit for a period of 14 days. After that time the exclusion applies to that unit, subject to B.(6) below.** IT IS IMPORTANT THAT YOU LET US KNOW, AS SOON AS PRACTICABLE, THAT YOU HAVE RECEIVED A LETTER OF INTERIM CONTROL AND THAT YOU SEND US, UPON OUR REQUEST, A COPY OF YOUR LETTER OF INTERIM CONTROL IF YOU HAVE NOT ALREADY DONE SO.
  - (6) If the 14 day period described in B.(5) above is extended by the lead poisoning control director, local code enforcement agency or board of health, or by judicial order, the exclusion does not apply to that unit during this extension, except that the exclusion does apply with respect to bodily injury for which you are held strictly liable under the Massachusetts Lead Law.
- C. If the conditions described in B.(1) through B.(6) above do not apply to a given unit in the residential building or other structure located in Massachusetts that you own and are renting or holding for rental to others, **then the exclusion applies to that unit.**
  - D. We will reduce the premium charged for each location rented, or held for rental, to others. The amount of this premium reduction will differ based on whether you have (a) obtained a Letter of Compliance or not obtained either a Letter of Compliance or a Letter of Interim Control or (b) obtained a Letter of Interim Control.

## **2. COVERAGE OPTION AND LEAD POISONING LIMITS**

- A. You may buy coverage to override the lead poisoning exclusion for all residential units for which you have not obtained a Letter of Interim Control or Letter of Compliance.
- B. (1) If this is a **NEW or RENEWAL POLICY** with us and you did not choose this coverage before, you may do so at anytime.
- (2) Unless you and we agree otherwise, if you request coverage for lead poisoning within 30 days of receipt of this NOTICE, coverage will be effective on the inception date of this policy; if your request for lead poisoning coverage is made after 30 days of your receipt of this NOTICE, coverage will become effective as of the date we receive your request.
- C. If this is a **RENEWAL POLICY** with us and your expiring policy has lead poisoning coverage, we have continued to provide you with this coverage for the same limit in your expiring policy.
- D. The minimum lead poisoning limit we offer is \$100,000 and the maximum limit is \$300,000.

## **3. MORE THAN ONE LOCATION**

Only one Coverage E (or L) limit of liability and one lead liability limit will apply.

If you choose to purchase lead poisoning coverage and your policy insures, under Coverage E (or Coverage L) two or more dwellings and/or residential units in a residential building located in Massachusetts, make sure that the locations to which Lead Liability Coverage applies (are listed on the policy Declarations as applying to Endorsements HO 24 42 or DL 24 42).

If they are not, notify your agent or broker and arrange for the necessary listing of locations.

**QUESTIONS AND ANSWERS:**  
**LEAD POISONING AND RESIDENTIAL RENTAL PROPERTY**

**1. Are insurers required to cover lead poisoning liability claims resulting from lead in dwelling units, or can they exclude coverage of such claims?**

There is no single answer to this question. An insurer may decline to insure any premises for liability insurance of any kind. But, once such an insurer in the regular ("admitted") market elects to write liability coverage on any given residential rental premises constructed before 1978, it must cover liability from injury from lead in dwelling units, if that injury arises from any part of the premises that complies with the Lead Law. However, under such insurance, injuries from lead in dwelling units are not covered if they result from an insured owner's gross or willful negligence. An insurer in the regular market may exclude coverage of liability for injury from lead in a residential rental dwelling unit if the unit (and associated common area) is not in compliance with the Lead Law. However, if such an insurer intends to apply an exclusion of this kind, it must, at the same time, offer the insured the option of "buying back" the lead coverage it intends to exclude. (Lead "buyback" coverage costs extra. Its price is regulated by the Division of Insurance.) Also, if a new owner of residential rental property constructed before 1978 is insured for liability by a regular market carrier, he or she generally will be insured for liability for injury from lead in dwelling units, occurring within 90 days of taking title, if, before the end of the 90-day period, he or she comes into compliance with the Lead Law.

The above lead liability insurance rules apply to all policies containing liability insurance that are written on residential rental properties by regular market insurers. The rules also apply to homeowners insurance from the FAIR Plan. The FAIR Plan offers homeowners insurance to property owners unable to find coverage in the regular market. It does not provide commercial liability coverage.

The above rules apply to rental properties, including those that are owner-occupied. The rules do not permit regular market and FAIR Plan homeowners insurance policies on single family owner-occupied homes to contain lead liability exclusions. While regular market or FAIR Plan homeowners insurance on a single family owner-occupied home will cover lead liability claims, such coverage will not extend to claims made by persons, including children, who are covered under the same policy for liability claims made against them. Note: Surplus lines carriers (less regulated insurers that are not part of the regular market, and that provide insurance to those who cannot find it elsewhere, generally at higher than regular market prices) are not subject to any of the above requirements regarding lead liability insurance.

**2. What is lead poisoning?**

Lead poisoning is a disease especially dangerous for children under six years old. It is caused by ingestion or inhalation of lead. In young children, too much lead in the body can cause serious damage to the brain, kidneys, nervous system and red blood cells. High levels of lead can cause retardation, convulsions, coma and sometimes death. Low levels can slow a child's development and cause learning and behavioral problems.

**3. How do children become lead poisoned?**

Children most often are exposed to lead through ingestion of lead paint dust and lead paint debris. Such dust and debris may accumulate in window wells, window sills, floors and other surfaces through normal use and wear of lead-painted building components. Chipping or peeling lead paint, plaster or putty also creates lead dust and debris. Children do not have to chew on lead-painted surfaces to become poisoned. In fact, research has shown that the normal hand-to-mouth activity of young children, bring a small amount of fine lead dust into the child's system, is responsible for most lead poisoning. Children can also be exposed to lead from other sources, such as leaded soil or water, but these rarely cause lead poisoning by themselves.

**4. Do I face serious liability if a child becomes poisoned on my property?**

Yes. Under the Lead Law, a property owner is strictly liable for damages resulting to a lead-poisoned child caused by his or her failure to comply with the Lead Law. This means that the property owner does not even have to be aware of the presence of lead paint in his or her property. The potential damages that may be awarded in such cases may depend on the degree of lead poisoning. Court awards can be considerable for severely-poisoned children, as they often include the costs of lost potential earnings, long-term remedial education and medical care for what can be permanent injuries. A property owner who meets the requirements of the Lead Law is free of strict liability as long as he or she maintains a valid Letter of Compliance or Letter of

Interim Control. However, such a property owner must exercise reasonable care to maintain the condition of compliance. He or she can become liable to a lead-poisoned child if he or she breaches that duty of reasonable care - that is, is negligent.

#### **5. What does the Lead Law require property owners to do?**

Owners of residential property built before 1978 in which children under six years of age live must have the property inspected for lead paint by a licensed lead inspector or risk assessor. If there are Lead Law violations, the property owner must have the unit deleaded for full compliance, or brought under interim control.

#### **6. Can I refuse to rent to a family with a child under six as a way of avoiding my obligation to delead?**

No. The Lead Law prohibits rental discrimination, including refusing to rent to families with children under six, or evicting or refusing to renew the lease of families with children under six, because of lead paint. M.G.L.c.111, s.199A. Discrimination is also a violation of the U.S. Fair Housing Act, 42 U.S.C. 3604, and the Massachusetts anti-discrimination statute, M.G.L.c.151B, s. 4. Parents cannot waive the rights of their children to live in lead-safe housing or agree to assume the risks of lead exposure.

#### **7. How do I obtain evidence that my property is in compliance with the Lead Law?**

You need either a Letter of Full Compliance or a Letter of Interim Control. A Letter of Full Compliance is a legal letter, signed and dated by a licensed lead inspector, that says either that there are no lead paint hazards in the property, or that the property has been deleaded. A Letter of Interim Control is a legal letter, signed and dated by a licensed risk assessor, that says work necessary to make a home temporarily safe from lead hazards has been done. A Letter of Interim Control is good for one year, but can be renewed for one more year.

#### **8. How do I get a lead inspection or risk assessment?**

Call the state Department of Public Health Childhood Lead Poisoning Prevention Program (CLPPP) for a list of their licensed private lead inspectors and risk assessors, or contact your local board of health. Many of these contractors advertise in the telephone yellow pages as well.

#### **9. How can I get my property deleaded or brought under interim control?**

Based on the findings of a lead inspection or risk assessment, a deleader licensed by the state Department of Labor and Industries (DLI) must do any removal of lead paint, lead components and surfaces (such as windows and woodwork, with the exception of doors, cabinet doors and shutters) and making leaded surfaces intact. The property owners or an agent who works for the property owner who is not a licensed deleader can do certain low-risk deleading and interim control tasks. For a list of licensed deleaders, call DLI at 1-800-425-0004 or CLPPP at 1-800-532-9571. For information on low-risk owner/agent deleading and interim control work, call CLPPP.

#### **10. Is there financial assistance to help owners pay for deleading?**

Yes. First, there is a state income tax credit of up to \$1,500 per unit for deleading for full compliance. A state income tax credit of up to \$500 per unit is available for half the cost of interim control work that also contributes to full compliance. Second, there are grants and no-interest or low-interest loans available to eligible property owners through the U.S. Department of Housing and Urban Development, the Massachusetts Executive Office of Communities and Development, the Massachusetts Housing Finance Authority, local city and town community development, rehabilitation and planning departments, as well as private banks. Call CLPPP for more detailed information on finding financial assistance.

### **WHERE TO GET INFORMATION**

#### **Massachusetts Division of Insurance**

470 Atlantic Avenue  
Boston, MA 02210-2223  
(617) 521-7777

**Massachusetts Department of Public Health  
Childhood Lead Poisoning Prevention Program**  
470 Atlantic Avenue, 2nd Floor  
Boston, MA 02210-2224  
1-800-532-9571 or (617) 753-8400

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## LEAD POISONING EXCLUSION - MASSACHUSETTS

### DEFINITIONS

With respect only to the provisions of this endorsement, Paragraph B.2. "Bodily injury" in the form attached to this policy is replaced by the following. Also, with respect only to the provisions of this endorsement, this definition applies to Farmers Personal Liability Endorsement HO 24 73:

2. "Bodily injury" means bodily harm, sickness or disease arising out of lead poisoning, including required care, loss of services and death that results.

### SECTION II - EXCLUSIONS

#### F. Coverage E - Personal Liability

The following Exclusion is added:

7. "Bodily injury":
  - a. Resulting from an "insured's" gross or willful negligence; or
  - b. Caused by the presence or exposure of lead in or on any of the following:
    - (1) A residential unit, including common areas used in connection with such unit, that is rented, or held for rental, to others, in any one to four family residential building built before 1978, provided that the building is owned by an "insured";
    - (2) A residential unit, including common areas used in connection with such unit, in any condominium or cooperative residential building built before 1978, provided that such unit is owned by an "insured" and rented, or held for rental, to others;
    - (3) Any other structure owned by an "insured" and rented, or held for rental, to others which is at the same location as any residential building described in b.(1) or (2) above; or
    - (4) Appliances, furnishings and fixtures, other than plumbing fixtures, owned by an "insured" and rented, or held for rental, to others and contained in or on a residential building or other structure described in b.(1), (2) or (3) above.

(This is Exclusion 10. in Endorsement  
HO 24 73)

Exclusion 7.b. above does not apply to:

1. "Bodily injury" which occurs on or after the date a lead inspector, authorized to do so under the Massachusetts Lead Law, issues:
  - a. A Letter of Interim Control or its equivalent. However, this exception to Exclusion 7.b. applies only to such covered unit(s), or to such other covered property, to which the letter applies and only for the period of time such letter is in effect; or
  - b. A Letter of Compliance or its equivalent. However, this exception to Exclusion 7.b. applies only to such covered unit(s), or to such other covered property, to which the letter applies; or
2. "Bodily injury" which occurs within 14 days after an "insured", or a managing agent for an "insured", is notified by an authorized lead inspector of the need to bring any of the property, described in 7.b. above, into compliance with the provisions of the Letter of Interim Control;
3. "Bodily injury" which occurs within any extension to the 14 day period described in 2. above, which is granted by the lead poisoning control director, local code enforcement agency or board of health, or by judicial order, except "bodily injury" for which an "insured" is strictly liable under the Massachusetts Lead Law; or
4. "Bodily injury" which occurs because of exposure to lead which exposure occurs during a period ending 90 days from the date an "insured" took title to the real property described in 7.b. above if such "bodily injury" is caused by the presence or exposure of lead in or on that real property. However, this exception to Exclusion 7.b. applies only if an "insured", within 90 days from taking title, complies with the requirements of the Massachusetts Lead Law that apply to new owners.

You agree to let us or our agent know, as soon as practicable, when you receive a Letter of Interim Control or a Letter of Compliance, or the equivalent, and to provide us with a copy of such letter, upon our request.

All other provisions of this policy apply.

IL P 001 01 04

# U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. Please read this Notice carefully.

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

IL P 001 01 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**SCHEDULED PERSONAL PROPERTY ENDORSEMENT****SCHEDULE**

<b>Class Of Personal Property</b>	<b>Amount Of Insurance</b>	<b>Premium</b>
1. Jewelry, as scheduled below.	\$	\$
2. Furs and garments trimmed with fur or consisting principally of fur, as scheduled below.	\$	\$
3. Cameras, projection machines, films and related articles of equipment, as listed below.	\$	\$
4. Musical Instruments and related articles of equipment, as listed below.  You agree not to perform with these instruments for pay unless specifically provided under this policy.	\$	\$
5. Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding pens, pencils, flasks, smoking implements or jewelry.	\$	\$
6. Golfer's Equipment, meaning golf clubs, golf clothing and golf equipment.	\$	\$
7.a. Fine Arts, as scheduled below. This premium is based on your statement that the property insured is located at the following address:  at  at	Total Fine Arts Amount  \$	\$
7.b. For an additional premium, Paragraph 5.b. under C. Perils Insured Against is deleted only for the articles marked with a double asterisk (**) in the Schedule below.	Amount of 7.b. only  \$	\$
8. Postage Stamps	\$	\$
9. Rare And Current Coins	\$	\$

<b>Article Or Property</b>	<b>Description</b>	<b>Amount Of Insurance</b>
		\$

**THE AMOUNTS SHOWN FOR EACH ITEM IN THIS SCHEDULE ARE LIMITED BY THE LOSS SETTLEMENT CONDITION IN PARAGRAPH F.2.**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

We cover the classes of personal property which are indicated in the Schedule above by an amount of insurance.

This coverage is subject to the:

1. Definitions;
2. Section I - Conditions; and
3. Sections I and II - Conditions;

in the policy and all provisions of this endorsement.

Any deductible stated in this policy does not apply to this coverage.

**A. Newly Acquired Property - Jewelry, Furs, Cameras And Musical Instruments Only**

1. We cover newly acquired property of a class of property already insured. The lesser of the following limits applies:
  - a. 25% of the amount of insurance for that class of property; or
  - b. \$10,000.
2. When you acquire new property, you must:
  - a. Report these objects to us within 30 days; and
  - b. Pay the additional premium from the date acquired.

**B. Newly Acquired Fine Arts**

When Fine Arts are scheduled, we cover objects of art acquired during the policy period for their actual cash value. However, we will pay no more than 25% of the amount of insurance for fine arts scheduled. For coverage to apply for newly acquired fine arts, you must:

1. Report these objects to us within 90 days; and
2. Pay the additional premium from the date acquired.

**C. Perils Insured Against**

We insure against direct loss to property described only if that loss is a physical loss to property; however, we do not insure loss caused by any of the following:

1. Wear and tear, gradual deterioration or inherent vice.
2. Insects or vermin.
3. War, including the following and any consequence of any of the following:
  - a. Undeclared war, civil war, insurrection, rebellion or revolution;
  - b. Warlike act by a military force or military personnel; or
  - c. Destruction, seizure or use for a military purpose.

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

4. Nuclear Hazard, to the extent set forth in the Nuclear Hazard Clause of Section I - Conditions.

**5. If Fine Arts are covered:**

- a. Repairing, restoration or retouching process;
- b. Breakage of art glass windows, glassware, statuary, marble, bric-a-brac, porcelains and similar fragile articles. We cover loss by breakage if caused by:
  - (1) Fire or lightning;
  - (2) Explosion, aircraft or collision;
  - (3) Windstorm, earthquake or flood;
  - (4) Malicious damage or theft;
  - (5) Derailment or overturn of a conveyance.

We do not insure loss, from any cause, to property on exhibition at fairgrounds or premises of national or international expositions unless the premises are covered by this policy.

**6. If Postage Stamps or Rare And Current Coins collections are covered:**

- a. Fading, creasing, denting, scratching, tearing or thinning;
- b. Transfer of colors, inherent defect, dampness, extremes of temperature, or depreciation;
- c. Being handled or worked on;
- d. The disappearance of individual stamps, coins or other articles unless the item is:
  - (1) Described and scheduled with a specific amount of insurance; or
  - (2) Mounted in a volume and the page it is attached to is also lost; or
- e. Shipping by mail other than registered mail.

However, we do not insure loss, from any cause, to property in the custody of transportation companies or not part of a stamp or coin collection.

**D. Territorial Limits**

We cover the property described worldwide.

**E. Special Provisions**

1. Fine Arts: You agree that the covered property will be handled by competent packers.

2. Golfer's Equipment includes your other clothing while contained in a locker when you are playing golf. We cover golf balls for loss by fire or burglary, provided there are visible marks of forcible entry into the building, room or locker.
3. Postage Stamps includes the following owned by or in the custody or control of the "insured":
  - a. Due, envelope, official, revenue, match and medicine stamps;
  - b. Covers, locals, reprints, essays, proofs and other philatelic property; or
  - c. Books, pages and mounting of items in a. and b.
4. Rare And Current Coins includes the following owned by or in custody or control of the "insured":
  - a. Medals, paper money, bank notes;
  - b. Tokens of money and other numismatic property; or
  - c. Coin albums, containers, frames, cards and display cabinets in use with such collection.

## F. Conditions

### 1. Loss Clause

The amount of insurance under this endorsement will not be reduced except for a total loss of a scheduled article. We will refund the unearned premium applicable to such article after the loss or you may apply it to the premium due for the replacement of the scheduled article.

### 2. Loss Settlement

Covered property losses are settled as follows:

#### a. Fine Arts

- (1) We will pay, for each article designated in the Schedule, the full amount shown in the Schedule which is agreed to be the value of that article or property. At our request, you will surrender that article or property to us if not lost or stolen.
- (2) If the scheduled article or property is a pair or set, or consists of several parts when complete, we will pay the full amount shown in the Schedule for that pair, set or complete article. At our request, you will surrender that article or property to us if not lost or stolen.

(3) In the event lost or stolen property is recovered and we have paid you the full amount shown in the Schedule for that property, you will surrender that property to us.

(4) We will, at your request, sell back to you, at a price you and we agree upon, any class of property or scheduled article you surrendered to us to comply with the terms in (1), (2) or (3) above.

### b. POSTAGE STAMPS OR RARE AND CURRENT COIN COLLECTION

**IN CASE OF LOSS TO ANY SCHEDULED ITEM, THE AMOUNT TO BE PAID WILL BE DETERMINED IN ACCORDANCE WITH PARAGRAPH 2.C. OTHER PROPERTY.**

**WHEN COINS OR STAMPS ARE COVERED ON A BLANKET BASIS, WE WILL PAY THE CASH MARKET VALUE AT TIME OF LOSS BUT NOT MORE THAN \$1,000 ON ANY UNSCHEDULED COIN COLLECTION NOR MORE THAN \$250 FOR ANY ONE STAMP, COIN OR INDIVIDUAL ARTICLE OR ANY ONE PAIR, STRIP, BLOCK, SERIES SHEET, COVER, FRAME OR CARD.**

**WE WILL NOT PAY A GREATER PROPORTION OF ANY LOSS ON BLANKET PROPERTY THAN THE AMOUNT INSURED ON BLANKET PROPERTY BEARS TO THE CASH MARKET VALUE AT TIME OF LOSS.**

### c. OTHER PROPERTY

**(1) THE VALUE OF THE PROPERTY INSURED IS NOT AGREED UPON BUT WILL BE ASCERTAINED AT THE TIME OF LOSS OR DAMAGE. WE WILL NOT PAY MORE THAN THE LEAST OF THE FOLLOWING AMOUNTS:**

- (a) **THE ACTUAL CASH VALUE OF THE PROPERTY AT THE TIME OF LOSS OR DAMAGE;**
- (b) **THE AMOUNT FOR WHICH THE PROPERTY COULD REASONABLY BE EXPECTED TO BE REPAIRED TO ITS CONDITION IMMEDIATELY PRIOR TO LOSS;**

- (c) THE AMOUNT FOR WHICH THE ARTICLE COULD REASONABLY BE EXPECTED TO BE REPLACED WITH ONE SUBSTANTIALLY IDENTICAL TO THE ARTICLE LOST OR DAMAGED; OR
  - (d) THE AMOUNT OF INSURANCE.
- (2) THE ACTUAL CASH VALUE CONDITION IN PARAGRAPH (1)(a) ABOVE DOES NOT APPLY IF, AT THE TIME OF LOSS, COVERAGE C - PERSONAL PROPERTY COVERED IN THE POLICY TO WHICH THIS ENDORSEMENT IS ATTACHED IS SUBJECT TO REPLACEMENT COST LOSS SETTLEMENT.
3. PAIR, SET OR PARTS OTHER THAN FINE ARTS

- a. LOSS TO A PAIR OR SET  
IN CASE OF A LOSS TO A PAIR OR SET WE MAY ELECT TO:
  - (1) REPAIR OR REPLACE ANY PART TO RESTORE THE PAIR OR SET TO ITS VALUE BEFORE THE LOSS; OR
  - (2) PAY THE DIFFERENCE BETWEEN ACTUAL CASH VALUE OF THE PROPERTY BEFORE AND AFTER THE LOSS.
- b. PARTS  
IN CASE OF A LOSS TO ANY PART OF COVERED PROPERTY, CONSISTING OF SEVERAL PARTS WHEN COMPLETE, WE WILL PAY FOR THE VALUE OF THE PART LOST OR DAMAGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **PERSONAL UMBRELLA LIABILITY POLICY AMENDMENT OF POLICY PROVISIONS**

### **I. Section I - Definitions**

The Definitions Section is amended as follows.

Paragraph D.1.b. is replaced by:

1. b. The maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by an "insured";

Paragraph J.3. is replaced by:

3. Any person covered by the Other Members Of Your Household Endorsement - HO 04 58 included on "underlying insurance" provided by us.

Paragraph J.4. is deleted.

Paragraph J.6. is added:

6. Any person or organization covered under the Additional Insured Residence Premises endorsement - HO 04 41 included on "underlying insurance" provided by us, but only with respect to "bodily injury" or "property damage" arising out of the ownership, maintenance or use of the residence premises as defined in that policy.

### **II. Section III - Exclusions**

Section III is amended as follows:

A. Paragraphs A.3.a.(2) and (3) which follow "However, this Exclusion (A.3.) does not apply to:" are replaced by the following:

- (2) Any part of a one to four family dwelling other than the residence premises to the extent that "bodily injury", "property damage" and "personal injury" coverages are provided by "underlying insurance" and the dwelling is specifically listed on the Declarations page;
- (3) A condominium, cooperative, or apartment unit other than the residence premises to the extent that "bodily injury", "property damage" and "personal injury" coverages are provided by "underlying insurance" and the unit is specifically listed on the Declarations page;

B. Paragraph A.3.d. is deleted.

C. Exclusion 8. "Watercraft Liability" is replaced by the following:

8. "Watercraft Liability"

However, this Exclusion (A.8.) does not apply to the extent that:

- a. "Watercraft liability" is provided by "underlying insurance" at the time of the "occurrence"; and
- b. The watercraft is specifically listed on the Declarations page, unless the watercraft is covered for "watercraft liability" automatically on "underlying insurance" provided by us.

D. Exclusion 14.c. is replaced by the following:

- c. The use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this Exclusion (A.14.) does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed health care professional.

**E. The following Exclusions are added:**

- 23. "Bodily Injury", "personal injury" or "property damage" arising out of or in connection with any type of discrimination, including but not limited to, that based on race, color, sex, creed or sexual orientation;**
- 24. An award of multiple or punitive damages or any type of fine or sanction.**

**III. Section IV - Maintenance of Underlying Insurance**

This section is replaced by the following:

**IV. Maintenance of Underlying Insurance**

Each "insured" must maintain the "underlying insurance" at the full limits stated in the Declarations and with no change to more restrictive conditions during the term of this policy. If any "underlying insurance" is canceled or not renewed and not replaced, you must notify us at once.

If "underlying insurance" is not maintained, we will not be liable under this policy for more than we would have been liable if that "underlying insurance" was in effect.

**IV. Section VI - General Provisions**

**I. Severability Of Insurance** is replaced by the following:

This insurance applies separately to each "insured" except with respect to:

- 1. Our limit of liability for any one "occurrence" or offense; or**
- 2. Exclusions that apply to an "insured" or to any "insured".**

# PERSONAL UMBRELLA LIABILITY POLICY

## AGREEMENT

In return for payment of the premium and subject to all the terms of this policy, we agree with you as follows:

### I. Definitions

- A. Throughout this policy, "you" and "your" refer to:
  1. The "named insured" shown in the Declarations; and
  2. The spouse if a resident of the same household.
- B. "We", "us" and "our" refer to the Company providing this insurance.
- C. For purposes of this policy, a private passenger type auto, pickup or van shall be deemed to be owned by a person if leased:
  1. Under a written agreement to that person; and
  2. For a continuous period of at least 6 months.

Other words and phrases are defined. They are in quotation marks when used.

- D. "Aircraft Liability", "Hovercraft Liability", "Recreational Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in 2. below, mean the following:

- 1. Liability for "bodily injury" or "property damage" arising out of:
  - a. The ownership of such vehicle or craft by an "insured";
  - b. The maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
  - c. The entrustment of such vehicle or craft by an "insured" to any person;
  - d. The failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
  - e. Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.
- 2. For the purpose of this definition:
  - a. Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;

b. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;

- c. Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
- d. Recreational Motor Vehicle means a "recreational motor vehicle" as defined in Paragraph N.

### E. "Auto" means:

- 1. A private passenger motor vehicle, motorcycle, moped or motor home;
- 2. A vehicle designed to be pulled by a private passenger motor vehicle or motor home; or
- 3. A farm wagon or farm implement while towed by a private passenger motor vehicle or motor home.

F. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.

### G. "Business" means:

- 1. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
- 2. Any other activity engaged in for money or other compensation, except the following:
  - a. One or more activities, not described in b. through d. below, for which no "insured" receives more than \$2000 in total compensation for the 12 months before the beginning of the policy period;
  - b. Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
  - c. Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
  - d. The rendering of home day care services to a relative of an "insured".

H. "Family member" means a resident of your household who is:

- 1. Your relative, including a ward or foster child; or

- 2. Under the age of 21 and in the care of you or an "insured" who is age 21 or over.

**I. "Fuel System" means:**

- 1. One or more containers, tanks or vessels which have a total combined storage capacity of 100 or more U.S. gallons of liquid fuel; and:
  - a. Are, or were, located on any single location covered by "underlying insurance"; and
  - b. Are, or were, used to hold liquid fuel that is intended to be used solely for one or more of the following:
    - (1) To heat or cool a building;
    - (2) To heat water;
    - (3) To cook food; or
    - (4) To power motor vehicles, other motorized land conveyances or watercraft owned by an "insured";
- 2. Any pumping apparatus, which includes the motor, gauge, nozzle, hose or pipes that are, or were, connected to one or more containers, tanks or vessels described in Paragraph I.1.;
- 3. Filler pipes and flues connected to one or more containers, tanks or vessels described in Paragraph I.1.;
- 4. A boiler, furnace or a water heater, the liquid fuel for which is stored in a container, tank or vessel described in Paragraph I.1.;
- 5. Fittings and pipes connecting the boiler, furnace or water heater to one or more containers, tanks or vessels described in Paragraph I.1.;
- 6. A structure that is specifically designed and built to hold the liquid fuel that escapes from one or more containers, tanks or vessels described in Paragraph I.1.

**J. "Insured" means:**

- 1. You.
- 2. A "family member".
- 3. Any person using an "auto", "recreational motor vehicle", or watercraft, which is owned by you and covered under this policy. Any person using a temporary substitute for such "auto" or "recreational motor vehicle" is also an "insured".

- 4. Any other person or organization but only with respect to the legal responsibility for acts or omissions of you or any "family member" while you or any "family member" is using an "auto" or "recreational motor vehicle" covered under this policy. However, the owner or lessor of an "auto" or "recreational motor vehicle" loaned to or hired for use by an "insured" or on an "insured's" behalf, is not an "insured".

- 5. With respect to animals owned by you or any "family member", any person or organization legally responsible for such animals. However, a person or organization using or having custody of such animals in the course of any "business" or without the consent of the owner is not an "insured".

- K. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:

- 1. "Bodily injury"; or
- 2. "Property damage".

- L. "Personal injury" means injury arising out of one or more of the following offenses, but only if the offense was committed during the policy period:

- 1. False arrest, detention or imprisonment;
- 2. Malicious prosecution;
- 3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- 4. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
- 5. Oral or written publication of material that violates a person's right of privacy.

- M. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

- N. "Recreational motor vehicle" means:

- 1. All-terrain vehicle;
- 2. Dune buggy;
- 3. Golf cart;
- 4. Snowmobile; or
- 5. Any other motorized land vehicle which is designed for recreational use off public roads.

**O. "Retained limit" means:**

1. The total limits of any "underlying insurance" and any other insurance that applies to an "occurrence" or offense which:
    - a. Are available to an "insured"; or
    - b. Would have been available except for the bankruptcy or insolvency of an insurer providing "underlying insurance"; or
  2. The deductible, if any, as stated in the Declarations, if the "occurrence" or offense:
    - a. Is covered by this policy; and
    - b. Is not covered by "underlying insurance" or any other insurance.
- P. "Underlying insurance" means any policy providing the "insured" with primary liability insurance covering one or more of the types of liability listed in the Declarations and at limits no less than the retained policy limits shown for those types of liability listed in the Declarations.

**II. Coverages**

**A. Insuring Agreement**

We will pay damages, in excess of the "retained limit", for:

1. "Bodily injury" or "property damage" for which an "insured" becomes legally liable due to an "occurrence" to which this insurance applies; and
2. "Personal injury" for which an "insured" becomes legally liable due to one or more offenses listed under the definition of "personal injury" to which this insurance applies.

Damages include prejudgment interest awarded against an "insured".

**B. Defense Coverage**

1. If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" or "personal injury" caused by an offense to which this policy applies, we:

- a. Will provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. However, we are not obligated to defend any suit or settle any claim if:
    - (1) The "occurrence" or offense is covered by other "underlying insurance" available to the "insured"; or

- (2) There is no applicable "underlying insurance" in effect at the time of the "occurrence" or offense and the amount of damages claimed or incurred is less than the applicable deductible amount shown in the Declarations.

- b. May join, at our expense, with the "insured" or any insurer providing "underlying insurance" in the investigation, defense or settlement of any claim or suit which we believe may require payment under this policy.

However, we will not contribute to the costs and expenses incurred by any insurer providing "underlying insurance"; and

- c. Will pay any expense incurred for the "insured's" defense, with our written consent, in any country where we are prevented from defending an "insured" because of laws or other reasons.
2. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" or offense has been exhausted by payment of judgments or settlements.

**C. Additional Coverages**

We will pay:

1. Expenses we incur and costs taxed against an "insured" in any suit we defend;
2. Premiums on bonds required in a suit we defend, but not for bond amounts to the extent they exceed our limit of liability. We need not apply for or furnish any bond; and
3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
4. Interest on our share of the 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.

These payments will not reduce the limit of liability.

#### D. Limit Of Liability

Our total liability under this policy for all damages resulting from any one "occurrence" or offense will not be more than the limit of liability as shown in the Declarations of this policy. This limit is the most we will pay regardless of the number of "insureds", claims made, persons injured, or vehicles involved in an accident.

#### III. Exclusions

##### A. The coverages provided by this policy do not apply to:

1. "Bodily injury" or "property damage" which is expected or intended by an "insured" even if the resulting "bodily injury" or "property damage":
  - a. Is of a different kind, quality or degree than initially expected or intended; or
  - b. Is sustained by a different person, entity, real or personal property, than initially expected or intended.

However, this Exclusion (A.1.) does not apply to:

- a. "Bodily injury" resulting from the use of reasonable force by an "insured" to protect persons or property; or
- b. "Bodily injury" or "property damage" resulting from the use of reasonable force by an "insured" to prevent or eliminate danger in the operation of "autos", "recreational motor vehicles" or watercraft;

##### 2. "Personal injury":

- a. Caused by or at the direction of an "insured" with the knowledge that the act would violate the rights of another and would inflict "personal injury";
- b. Arising out of oral or written publication of material, if done by or at the direction of an "insured" with knowledge of its falsity;
- c. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- d. Arising out of a criminal act committed by or at the direction of an "insured"; or
- e. Sustained by any person as a result of an offense directly or indirectly related to the employment of this person by an "insured";

3. "Bodily injury", "personal injury" or "property damage" arising out of or in connection with a "business":
  - a. Engaged in by an "insured"; or
  - b. Conducted from:
    - (1) Any part of a premises owned by or rented to an "insured"; or
    - (2) Vacant land owned by or rented to an "insured".

This Exclusion (A.3.) applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

However, this Exclusion (A.3.) does not apply to:

- a. The rental or holding for rental of:
  - (1) The residence premises shown in the Declarations:
    - (a) On an occasional basis if used only as a residence;
    - (b) In part, for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
    - (c) In part, as an office, school, studio or private garage;
  - (2) Any part of a one to four family dwelling other than the residence premises to the extent that personal liability coverage is provided by "underlying insurance";
  - (3) A condominium, cooperative, or apartment unit other than the residence premises to the extent that personal liability coverage is provided by "underlying insurance";
- b. Civic or public activities performed by an "insured" without compensation other than reimbursement of expenses;
- c. An insured minor involved in self-employed "business" pursuits, which are occasional or part-time and customarily undertaken on that basis by minors. A minor means a person who has not attained his or her:
  - (1) 18th birthday; or
  - (2) 21st birthday if a full-time student;

- d. The use of an "auto" you own, or a temporary substitute for such "auto", by you, a "family member" or a partner, agent or employee of you or a "family member" while employed or otherwise engaged in the "business" of:
    - (1) Selling;
    - (2) Repairing;
    - (3) Servicing;
    - (4) Storing; or
    - (5) Parking;

vehicles designed for use mainly on public highways;
  - e. The use of an "auto" for "business" purposes, other than an auto business, by an "insured";
  - 4. "Bodily injury" or "property damage" arising out of the ownership or operation of an "auto" while it is being used as a public or livery conveyance. This Exclusion (A.4.) does not apply to a share-the-expense car pool;
  - 5. "Bodily injury", "personal injury" or "property damage" arising out of the rendering of or failure to render professional services;
  - 6. "Aircraft Liability";
  - 7. "Hovercraft Liability";
  - 8. "Watercraft Liability".
- However, this Exclusion (A.8) does not apply to the extent that watercraft coverage is provided by "underlying insurance" at the time of the "occurrence";
- 9. "Recreational Motor Vehicle Liability".
- However, this Exclusion (A.9.) does not apply with respect to any "recreational motor vehicle":
- a. Owned by you or a "family member" to the extent that "recreational motor vehicle" coverage is provided by "underlying insurance" at the time of the "occurrence"; or
  - b. That you or a "family member" do not own;
- 10. "Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:
- a. Undeclared war, civil war, insurrection, rebellion or revolution;
  - b. Warlike act by a military force or military personnel; or
  - c. Destruction, seizure or use for a military purpose.
- Discharge of a nuclear weapon will be deemed a warlike act even if accidental;
- 11. A person using an "auto", "recreational motor vehicle" or watercraft without a reasonable belief that that person is entitled to do so. This Exclusion (A.11.) does not apply to a "family member" using an "auto", "recreational motor vehicle" or watercraft you own;
  - 12. The use of "autos", "recreational motor vehicles" or watercraft while they are being operated in, or practicing for, any prearranged or organized race, speed contest or other similar competition. However, this Exclusion (A.12.) does not apply to:
    - a. Sailboats; or
    - b. Watercraft involved in predicted log cruises;
  - 13. "Bodily injury" or "personal injury" to you or a "family member".
- This exclusion also applies to any claim made or suit brought:
- a. To repay; or
  - b. Share damages with;
- another person who may be obligated to pay damages because of "bodily injury" or "personal injury" to you or a "family member";
- 14. "Bodily injury" or "personal injury" arising out of:
    - a. The transmission of a communicable disease by an "insured";
    - b. Sexual molestation, corporal punishment or physical or mental abuse; or
    - c. The use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this Exclusion (A.14.) does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician;

- 15. "Bodily injury", "personal injury" or "property damage" arising out of an act or omission of an "insured" as an officer or member of a board of directors of a corporation or organization. However, this Exclusion (A.15.) does not apply if the corporation or organization is not-for-profit and the "insured" receives no compensation other than reimbursement of expenses;
  - 16. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from the residence premises shown in the Declarations;
  - 17. "Property damage" to property rented to, occupied or used by, or in the care, custody or control of, an "insured" to the extent that the "insured" is obligated by contract to provide insurance for such property. However, this Exclusion (A.17.) does not apply to "property damage" caused by fire, smoke or explosion;
  - 18. "Bodily injury" to any person eligible to receive any benefits:
    - a. Voluntarily provided; or
    - b. Required to be provided;
 by an "insured" under any:
    - a. Workers' compensation law;
    - b. Non-occupational disability law; or
    - c. Occupational disease law;
  - 19. "Bodily injury" or "property damage" for which an "insured" under this policy:
    - a. Is also an insured under a nuclear energy liability policy issued by the:
      - (1) Nuclear Energy Liability Insurance Association;
      - (2) Mutual Atomic Energy Liability Underwriters; or
      - (3) Nuclear Insurance Association of Canada;
 or any of their successors; or
    - b. Would be an insured under that policy but for the exhaustion of its limit of liability;
  - 20. "Bodily injury", "personal injury" or "property damage" caused by an "occurrence" or offense involving the escape of fuel from a "fuel system";
  - 21. "Bodily injury" or "personal injury" caused by an "occurrence" or offense involving the absorption, ingestion or inhalation of lead;
  - 22. "Personal injury" or "property damage" caused by an "occurrence" or offense of lead contamination.
- B.** Liability coverage does not apply to any assessment charged against you as a member of an association, corporation or community of property owners.
- C.** We do not provide:
- 1. Automobile no-fault or any similar coverage under this policy; or
  - 2. Uninsured Motorists Coverage, Underinsured Motorists Coverage, or any similar coverage unless this policy is endorsed to provide such coverage.

#### IV. Maintenance Of Underlying Insurance

You must maintain the "underlying insurance" at the full limits stated in the Declarations and with no change to more restrictive conditions during the term of this policy. If any "underlying insurance" is canceled or not renewed and not replaced, you must notify us at once.

If you fail to maintain "underlying insurance", we will not be liable under this policy for more than we would have been liable if that "underlying insurance" was in effect.

#### V. Duties After Loss

In case of an "occurrence" or offense likely to involve the insurance under this policy, you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

**A.** Give written notice to us or our agent as soon as is practical. Such notice shall set forth:

1. The identity of the policy and named insured shown in the Declarations;
2. Reasonably available information about the time, place and circumstances of the "occurrence" or offense; and
3. The names and addresses of any claimants and witnesses.

**B.** If a claim is made or a suit is brought against an "insured", the "insured" must:

1. Notify us immediately in writing;
2. Cooperate with us in the investigation, settlement or defense of any claim or suit;

3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence" or offense;
4. At our request, help us:
  - a. To make settlement;
  - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
  - c. With the conduct of suits and attend hearings and trials; and
  - d. To secure and give evidence and obtain the attendance of witnesses.
- C. The "insured" will not, except at the "insured's" own cost, voluntarily make payment, assume obligation or incur expense to others.

## **VI. General Provisions**

### **A. Appeals**

If an "insured" or any insurer providing "underlying insurance" elects not to appeal a judgment which exceeds the "retained limit", we may do so at our own expense. We will pay all costs, taxes, expenses and interest related to our appeal. The amounts we pay will be in addition to our limit of liability.

### **B. Bankruptcy Of An Insured**

Bankruptcy or insolvency of an "insured" will neither:

1. Relieve us of our obligations under this policy; nor
2. Operate to cause this policy to become primary in the event the "insured" is unable to satisfy the "retained limit" either because of insufficient "underlying insurance" or insufficient personal assets.

### **C. Bankruptcy Of An Underlying Insurer**

In the event of bankruptcy or insolvency of any "underlying insurer", the insurance afforded by this policy shall not replace such "underlying insurance", but shall apply as if the "underlying insurance" was valid and collectible.

### **D. Fraud**

We do not provide coverage for any "insured" who has made fraudulent statements or engaged in fraudulent conduct in connection with any "occurrence" or offense for which coverage is sought under this policy.

### **E. Liberalization Clause**

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

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

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

### **F. Other Insurance**

The coverage afforded by this policy is excess over any other insurance available to an "insured", except insurance written specifically to be excess over this policy.

### **G. Our Right To Recover Payment**

If we make a payment under this policy, we are entitled to exercise the "insured's" rights of recovery against any person liable for the loss. The "insured" must do nothing after loss to prejudice those rights.

### **H. Policy Period And Territory**

The policy period is stated in the Declarations. This policy applies to an "occurrence" or offense which takes place anywhere in the world.

### **I. Severability Of Insurance**

This insurance applies separately to each "insured". However, this provision will not increase our limit of liability for any one "occurrence" or offense.

### **J. Suit Against Us**

1. No legal action can be brought against us:
  - a. Unless there has been full compliance with all of the terms of this policy; and
  - b. Until the obligation of the "insured" has been determined by final judgment or by agreement signed by us.
2. No person or organization has any right under this policy to join us as a party to any legal action against an "insured".

## K. Termination

### 1. Cancellation By You

You may cancel this policy by:

- a. Returning it to us; or
- b. Giving us advance written notice of the date cancellation is to take effect.

### 2. Cancellation By Us

We may cancel this policy as stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

- a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
- b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
- c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel by letting you know at least 30 days before the date cancellation takes effect.

### 3. Nonrenewal

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

### 4. Other Termination Provisions

- a. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

- b. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

## L. Transfer Of Your Interest In This Policy

- 1. Your rights and duties under this policy may not be assigned without our written consent. However, if you die, coverage will be provided for:
  - a. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations;
  - b. Any member of your household who is an "insured" at the time of your death, but only while a resident of the residence premises; or
  - c. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use your "autos" or the residence premises shown in the Declarations.
- 2. Coverage will only be provided until the end of the policy period.

## M. Waiver Or Change Of Policy Provisions

This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us. If a change requires a premium adjustment, we will adjust the premium as of the effective date of the change.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **PERSONAL UMBRELLA LIABILITY POLICY AUTO LIABILITY FOLLOWING FORM ENDORSEMENT**

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

### **I. Definitions**

With respect to "bodily injury" or "property damage" arising out of the ownership, maintenance, occupancy, operation, use, loading or unloading of any "auto", the definition of "retained limit" is replaced by the following:

"Retained limit" means:

1. The retained policy limits for auto liability coverage shown in the Declarations; and
2. The total limits of any other coverage provided by "underlying insurance" and any other insurance that applies to an "occurrence" which:
  - a. Are available to an "insured"; or
  - b. Would have been available except for the bankruptcy or insolvency of an insurer providing "underlying insurance".

### **III. Exclusions**

The following exclusion is added:

The coverages provided by this policy do not apply to "bodily injury" or "property damage" arising out of:

- a. The ownership of any "auto" by an "insured";

- b. The maintenance, occupancy, operation, use, loading or unloading of any "auto" by any person;
- c. The entrustment of any "auto" by an "insured" to any person;
- d. The failure to supervise or negligent supervision of any person involving any "auto" by an "insured"; or
- e. Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving any "auto".

However, this exclusion does not apply to the extent that auto liability coverage is provided by "underlying insurance" at the time of the "occurrence".

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

POLICY NUMBER:

**PERSONAL LIABILITY  
DL 99 02 (10/06)**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# **PERSONAL UMBRELLA LIABILITY POLICY EXCESS PERMITTED INCIDENTAL OCCUPANCIES LIABILITY COVERAGE ENDORSEMENT**

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

## SCHEDULE

<b>Excess Permitted Incidental Occupancies Liability Coverage Limit of Liability:</b>	
\$	<b>Each Occurrence</b>
<b>Name And Description Of "Permitted Incidental Occupancy":</b>	
<b>Underlying Policy Insurer:</b>	
<b>Policy Number Of Underlying Insurance:</b>	
<b>Retained Policy Limit - Permitted Incidental Occupancies Liability Coverage</b>	
<b>Limit Of Liability Of Underlying Permitted Incidental Occupancies Coverage:</b>	
\$	<b>Each Occurrence</b>
<p>Entries may be left blank if shown elsewhere in this policy for this coverage.</p>	

The following provisions apply with respect to the "permitted incidental occupancy" described in the Schedule or in the Declarations:

### **SECTION I - DEFINITIONS**

The Definitions section is amended as follows:

**A. The following definitions are replaced:**

1. "Retained limit" means the total limits of any "underlying insurance" that applies to an "occurrence" which:
  - a. Are available to an "insured"; or

- b. Would have been available except for the bankruptcy or insolvency of an insurer providing "underlying insurance".
2. "Underlying insurance" means any policy or endorsement listed in the Schedule or in the Declarations providing the "insured" with primary liability insurance covering "bodily injury" or "property damage" liability arising out of or in connection with the "permitted incidental occupancy" and at limits no less than the retained policy limits shown in the Schedule or in the Declarations for such liability coverage.

**B. The following definitions are added:**

1. "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".
2. "Permitted incidental occupancy" means the "business" shown in the Schedule or in the Declarations as a permitted incidental occupancy.
3. "Residence employee" means:
  - a. An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the residence premises shown in the Declarations, including household or domestic services; or
  - b. One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

## **SECTION II - COVERAGES**

The **Limits Of Liability** provision is replaced by the following:

Our total liability for all damages resulting from any one "occurrence" because of "bodily injury" and "property damage" will not be more than the limit of liability as shown in the Schedule or in the Declarations of this policy for Excess Permitted Incidental Occupancies Liability Coverage. This limit is the most we will pay regardless of the number of "insureds", claims made or persons injured.

## **SECTION III - EXCLUSIONS**

**A. The following exclusion is replaced:**

Exclusion A.3. is replaced by the following:

The coverages provided by this policy do not apply to:

3. "Bodily injury", "personal injury" or "property damage" arising out of or in connection with a "business":
  - a. Engaged in by an "insured"; or
  - b. Conducted from:
    - (1) Any part of a premises owned by or rented to an "insured"; or

- (2) Vacant land owned by or rented to an "insured".

This Exclusion (A.3.) applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

However, this Exclusion (A.3.) does not apply to "bodily injury" or "property damage" arising out of the necessary or incidental use of the residence premises shown in the Declarations to conduct the "permitted incidental occupancy" to the extent that coverage is provided by "underlying insurance" at the time of the "occurrence".

**B. The following exclusions are added:**

The coverages provided by this endorsement do not apply to:

1. "Bodily injury" or "property damage" arising out of:
  - a. The ownership of any "auto", "recreational motor vehicle" or watercraft by an "insured";
  - b. The maintenance, occupancy, operation, use, loading or unloading of any "auto", "recreational motor vehicle" or watercraft by any person;
  - c. The entrustment of any "auto", "recreational motor vehicle" or watercraft by an "insured" to any person;
  - d. The failure to supervise or negligent supervision of any person involving any "auto", "recreational motor vehicle" or watercraft by an "insured"; or
  - e. Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving any "auto", "recreational motor vehicle" or watercraft.
2. "Bodily injury" to any "employee" arising out of the "permitted incidental occupancy".

## **SECTION IV - MAINTENANCE OF UNDERLYING INSURANCE**

The **Maintenance Of Underlying Insurance** provision is replaced by the following:

**A. You must maintain the "underlying insurance":**

1. At the full limits stated in the Schedule or in the Declarations; and
2. With no change to more restrictive conditions during the term of this policy.

B. If any "underlying insurance" is canceled or not renewed and not replaced, you must notify us at once. If you fail to maintain "underlying insurance", we will not be liable under this policy for more than we would have been liable if that "underlying insurance" was in effect.

#### **SECTION VI - GENERAL PROVISIONS**

The following General Provision is added:

#### **EXAMINATION OF YOUR BOOKS AND RECORDS**

We may examine and audit your books and records as they relate to this coverage at any time during the policy period and up to three years afterward.

The following section is added:

#### **SECTION VII - CHANGES**

Except as provided in Paragraph B. of Section IV - Maintenance Of Underlying Insurance, we must be notified of any change to the "underlying insurance" shown in the Schedule or in the Declarations within 30 days of the effective date of the change.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

## HOMEOWNERS ADDITIONAL COVERAGE ENDORSEMENT

**Unless otherwise noted, the policy deductibles apply. This includes a Hurricane deductible if applicable.**

### **SECTION I - PROPERTY COVERAGES**

**Under C. Coverage C - Personal Property; section 3. Special Limits of Liability is replaced by the following:**

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

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

- a. \$1000 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, medals, scrip, stored value cards and smart cards.
- b. \$5,000 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

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

- c. \$3,000 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.
- d. \$3,000 on trailers or semitrailers not used with watercraft of all types.
- e. \$5,000 for loss by theft, misplacing or losing of jewelry, watches, furs, precious and semiprecious stones.
- f. \$3,000 for loss by theft of firearms and related equipment.
- g. \$5,000 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
- h. \$10,000 on property, on the "residence premises", used primarily for "business" purposes.
- i. \$2,500 on property, away from the "residence premises", used primarily for "business" purposes. However, this limit does not apply to antennas, tapes, wires, records, disks or other media that are:
  - (1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and
  - (2) In or upon a "motor vehicle".
- j. \$2,000 on portable electronic equipment that:
  - (1) Reproduces, receives or transmits audio, visual or data signals;
  - (2) Is designed to be operated by more than one power source, one of which is a "motor vehicle's" electrical system; and
  - (3) Is in or upon a "motor vehicle".
- k. \$250 for antennas, tapes, wires, records, disks or other media that are:
  - (1) Used with electronic equipment that reproduces, receives or transmits audio visual or data signals; and
  - (2) In or upon a "motor vehicle".

Under **E. Additional Coverages** the following coverages are revised:

**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:

- a. Fire or Lightning;
- b. Explosion;
- c. Riot or Civil Commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by a resident of the "residence premises";
- f. Vandalism or Malicious Mischief; or
- g. Theft.

We will pay up to 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants or lawns. No more than \$1,000 of this limit will be paid for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

**4. Fire Department Service Charge**

The limit is increased from \$500 to \$1,000. All other provisions apply.

**6. Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money**

The limit is increased from \$500 to \$10,000. All other provisions apply.

**10. Landlord's Furnishings**

The limit is increased from \$2,500 to \$5,000. All other provisions apply.

Under **E. Additional Coverages** the following coverages are added:

**13. Theft of Certain Property from Bank Vault**

We will pay up to \$50,000 for loss by theft of jewelry, watches, precious and semi-precious stones, silverware, goldware, silver-plated, gold-plated, pewterware, securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, passports, tickets and stamps while on the premises of any bank, trust company or safe deposit company in which the property has been placed for safekeeping.

#### **14. Refrigerated Products Coverage**

We insure, for up to \$500, covered property stored in freezers or refrigerators on the "residence premises" for direct loss caused by:

a. "Loss of power" to the refrigeration unit. "Loss of power" must be caused by damage to:

(1) Generating equipment; or

(2) Transmitting equipment; or

b. Mechanical failure of the unit which stores the property.

Coverage will apply only if you have maintained the refrigeration unit in proper working condition immediately prior to the loss.

The **Section I - Exclusion, Power Failure**, does not apply to this coverage.

With respect to the provisions of this additional coverage only, the following definition is added:

"Loss of power" means the complete or partial interruption of electric power due to conditions beyond an "insured's" control.

#### **15. Lock Replacement Coverage**

If the keys to the "residence premises" are lost or stolen, we will pay up to \$500 to replace the locks on all entrances.

#### **16. Reward Coverage**

We will pay up to \$1,000 for information leading to the arrest and conviction of any person(s) who robs, steals, or burglarizes covered personal property from any "insured". No deductible applies to this coverage.

### **SECTION II - LIABILITY COVERAGES**

The following is added to **Coverage E - Personal Liability**

#### **Personal Injury Coverage**

If a claim is made or suit is brought against an "insured" for damages resulting from an offense, defined under "personal injury", to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the offense has been exhausted by payment of a judgment or settlement.

The following definitions are added:

"Personal injury" means injury arising out of one or more of the following offenses, but only if the offense was committed during the policy period:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
5. Oral or written publication, in any manner, of material that violates a person's right of privacy.

"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.

However, this does not include any fungi that are, are on, or are contained in, a good or product intended for consumption.

## **SECTION II - EXCLUSIONS**

With respect to the coverage provided by this endorsement for "Personal Injury", **SECTION II - Exclusions** is replaced by the following:

This insurance does not apply to:

1. "Personal injury":
  - a. Caused by or at the direction of an "insured" with the knowledge that the act would violate the rights of another and would inflict "personal injury";
  - b. Arising out of oral or written publication of material, if done by or at the direction of an "insured" with knowledge of its falsity;
  - c. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
  - d. Arising out of a criminal act committed by or at the direction of an "insured";
  - e. Arising out of liability assumed by an "insured" under any contract or agreement except any indemnity obligation assumed by an "insured" under a written contract directly relating to the ownership, maintenance or use of the premises;
  - f. Sustained by any person as a result of an offense directly or indirectly related to the employment of this person by an "insured";
  - g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

This exclusion does not apply to:

- (1) The rental or holding for rental of an "insured location":
  - (a) On an occasional basis if used only as a residence;
  - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
  - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

- h. Arising out of civic or public activities performed for pay by an "insured";
- i. To you or an "insured" as defined under Definition 5.a. or 5.b.;

This exclusion also applies to any claim made or suit brought against you or an "insured" to:

(1) Repay; or

(2) Share damages with;

another person who may be obligated to pay damages because of "personal injury" to an "insured";

- J. Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time. 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; or
- k. Arising directly or indirectly, in whole or in part, out of the 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.

## 2. Any loss, cost or expense arising out of any:

- a. Request, demand or order that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants, "fungi", wet or dry rot, or bacteria; or
- b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, clean up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, pollutants, "fungi", wet or dry rot, or bacteria.

## SECTION II - ADDITIONAL COVERAGES

With respect to the coverage provided by this endorsement for "Personal Injury", Paragraph D. Loss Assessment is replaced by the following:

### D. Loss Assessment

We will pay up to \$1,000 for your share of loss assessment charged against you, as an owner or tenant of the "residence premises", during the policy period by a corporation or association of property owners, when the assessment is made as a result of "personal injury" not excluded under this endorsement.

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

Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of "personal injury".

## SECTION II - CONDITIONS

With respect to the coverage provided by this endorsement for "Personal Injury", Section II - Condition I. Policy Period does not apply and Conditions A. Limit Of Liability, B. Severability Of Insurance and C. Duties After "Occurrence" are replaced by the following:

## A. Limit Of Liability

Our total liability under Personal Injury Coverage for all damages resulting from any one offense will not be more than the Limit Of Liability shown in the Declarations for Coverage E. This limit is the same regardless of the number of "insureds", claims made or suits brought.

## B. Severability Of Insurance

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

## C. Duties After Offense

In the event of a covered offense, you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:
  - a. The identity of the policy and "named insured";
  - b. Reasonably available information on the time, place and circumstances of the offense; and
  - c. Names and addresses of any claimants and witnesses;
2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
3. Promptly forward to us every notice, demand, summons or other process relating to the offense;
4. At our request, help us:
  - a. To make settlement;
  - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
  - c. With the conduct of suits and attend hearings and trials; and
  - d. To secure and give evidence and obtain the attendance of witnesses;
5. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "personal injury".

The following is added to **Coverage E - Personal Liability**

Part-Time "Business" Pursuits of an "Insured" under 18 years of Age.

This insurance does not apply in three instances:

1. It does not apply to liability as a result of a "business" owned by or controlled by an "insured" or by a partnership or joint venture of which an "insured" is a partner or member.
2. It does not apply to liability as a result of rendering or the failure to render professional services of any nature (other than teaching).
3. It does not apply to "bodily injury" to a fellow employee of the "insured" injured in the course of work.

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PERMITTED INCIDENTAL OCCUPANCIES

### RESIDENCE PREMISES

#### SCHEDULE\*

We cover your "business" described in this Schedule, conducted at or from the "residence premises", subject to the provisions of this endorsement.

**Description Of Business:**

**Business Location (Check 1. and/or 2. that follows):**

- 1. In the dwelling building or unit in which the "insured" resides and shown as the "residence premises"
- 2. In an other structure on or at the location of the "residence premises"  
(Enter the Limit of Liability and Description of the Structure(s) below.)

**Limit Of Liability**

**Description Of Other Structure(s)**

\*Entries may be left blank if shown elsewhere in this policy for this coverage.

#### SECTION I - PROPERTY COVERAGES

1. Coverage B - Other Structures (or coverage for other structures under Form HO 00 06) does not apply to the other structure described in the Schedule above.

We cover the other structure described in the Schedule for direct physical loss by a Peril Insured Against for not more than the limit shown in the Schedule.

2. **Coverage C - Personal Property, Special Limit of Liability** 3.h. is deleted and replaced by the following:

h. \$2,500 on property, on the "residence premises", used primarily for "business" purposes, other than furnishings, supplies and equipment of the "business" described in the Schedule.

The Coverage C limit of liability applies to property of the "business" described in the Schedule.

#### SECTION II - EXCLUSIONS

1. Exclusion E.2. "Business" does not apply to the necessary or incidental use of the "residence premises" to conduct the "business" described in the Schedule.
2. Coverage E - Personal Liability and Coverage F - Medical Payments To Others do not apply to "bodily injury" to any "employee" arising out of the "business" described in the Schedule.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT**

### **A. Eligible Property**

1. Covered losses to the following property are settled at replacement cost at the time of the loss:
  - a. Coverage C; and
  - b. If covered in this policy:
    - (1) Awnings, outdoor antennas and outdoor equipment; and
    - (2) Carpeting and household appliances; whether or not attached to buildings.
2. This method of loss settlement will also apply to the following articles or classes of property if they are separately described and specifically insured in this policy and not subject to agreed value loss settlement:
  - a. Jewelry;
  - b. Furs and garments:
    - (1) Trimmed with fur; or
    - (2) Consisting principally of fur;
  - c. Cameras, projection machines, films and related articles of equipment;
  - d. Musical equipment and related articles of equipment;
  - e. Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding:
    - (1) Pens or pencils;
    - (2) Flasks;
    - (3) Smoking implements; or
    - (4) Jewelry; and
  - f. Golfer's equipment meaning golf clubs, golf clothing and golf equipment.

Personal Property Replacement Cost loss settlement will not apply to other classes of property separately described and specifically insured.

### **B. Ineligible Property**

Property listed below is not eligible for replacement cost loss settlement. Any loss will be settled at actual cash value at the time of loss but not more than the amount required to repair or replace.

1. Antiques, fine arts, paintings and similar articles of rarity or antiquity, which cannot be replaced.
2. Memorabilia, souvenirs, collectors items and similar articles, whose age or history contribute to their value.
3. Articles not maintained in good or workable condition.
4. Articles that are outdated or obsolete and are stored or not being used.

### **C. Replacement Cost Loss Settlement Condition**

The following loss settlement condition applies to all property described in A. above:

1. We will pay no more than the least of the following amounts:
  - a. Replacement cost at the time of loss without deduction for depreciation;
  - b. The full cost of repair at the time of loss;
  - c. The limit of liability that applies to Coverage C, if applicable;
  - d. Any applicable special limits of liability stated in this policy; or
  - e. For loss to any item described in A.2.a. - f. above, the limit of liability that applies to the item.
2. If the cost to repair or replace the property described in A. above is more than \$500, we will pay no more than the actual cash value for the loss until the actual repair or replacement is complete.
3. You may make a claim for loss on an actual cash value basis and then make claim for any additional liability in accordance with this endorsement provided you notify us, within 180 days after the date of the loss, of your intent to repair or replace the damaged property.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL LIMITS OF LIABILITY FOR COVERAGES A, B, C AND D - MASSACHUSETTS

To the extent that coverage is provided, we agree to amend the present coverage amounts in accordance with the following provisions:

**A. If you have:**

1. Allowed us to adjust the Coverage A limit of liability and the premium in accordance with:
  - a. The property evaluations we make; and
  - b. Any increases in inflation; and
2. Notified us, within 30 days of completion, of any improvements, alterations or additions to the building insured under Coverage A which increase the replacement cost of the building by 5% or more;

the provisions of this endorsement will apply after a loss, provided you elect to repair or replace the damaged building.

**B. If there is a loss to the building insured under Coverage A that exceeds the Coverage A Limit Of Liability shown in the Declarations:**

1. We will increase the Coverage A limit of liability to equal the current replacement cost of the building;
2. We will increase, by the same percentage applied to Coverage A, the limits of liability for Coverages B, C and D. However, we will do this only if the Coverage A limit of liability is increased under Paragraph B.1. as a result of Coverage A loss;
3. We will adjust the policy premium from the time of loss for the remainder of the policy term based on the increased limits of liability; and

4. For the purpose of settling that loss only, **Section I - Condition D. Loss Settlement**, Paragraph 2. is deleted from the policy forms and Paragraph 2.a. is deleted from Endorsement HO 01 20, Special Provisions - Massachusetts, and replaced by Paragraphs 2., 3. and 4. as follows:

2. Buildings covered under Coverage A or B at replacement cost without deduction for depreciation. We will pay replacement cost if the damaged building is repaired or replaced by you on the "residence premises" or some other location within the Commonwealth of Massachusetts within a reasonable time but not more than two years from the date of loss.

We will pay no more than the smallest of the following amounts:

- a. The replacement cost of that part of the building damaged with material of like kind and quality and for like use;
- b. The necessary amount actually spent to repair or replace the damaged building; or
- c. The limit of liability under this policy that applies to the building, increased in accordance with Paragraphs B.1. and B.2. of this endorsement.

If the building is rebuilt at a new premises, the cost described in a. above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

3. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete.
4. You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability on a replacement cost basis, provided you notify us, within 180 days after the date of loss, of your intent to repair or replace the damaged building.

All other provisions of this policy apply.

**THE ANDOVER COMPANIES**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**HOME SYSTEMS PROTECTION**

The following additional coverages are added to Section I of the Homeowners 3 Special Form, Homeowner 5 - Comprehensive Form or the Homeowners 6 Unit-Owners Form, whichever is applicable.

**PART A. - HOME SYSTEMS PROTECTION COVERAGE****AGREEMENT**

We will provide the insurance described in PART A. of this endorsement in compliance with all applicable provisions (including but not limited to, Conditions, Definitions and Exclusions) of your Homeowners policy. The most we will pay for loss, damage or expense under PART A. of this endorsement arising from any "one home system breakdown" is \$50,000. Coverage provided under PART A. of this endorsement does not increase any limit of liability under Section I.

**DEFINITIONS**

The following definitions are added:

1. "Computer equipment" means electronic data processing hardware and related peripheral equipment. This includes, but is not limited to, laptops, monitors and display screens, "media," keyboards, printers, modems and permanently installed wiring associated with such equipment.
2. "Covered home equipment"
  - a. "Covered home equipment" means property covered under Coverage A - Dwelling or Coverage B - Other Structures:
    - (1) That generates, transmits or utilizes energy; or
    - (2) Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents."Covered home equipment" may utilize conventional design and technology or new or newly commercialized design and technology.
  - b. None of the following is "covered home equipment":
    - (1) Supporting structure, cabinet or compartment;
    - (2) Insulating material associated with "covered home equipment";
    - (3) Water piping other than boiler feedwater piping, boiler condensate return piping or water piping connected to a heating or air conditioning system;
    - (4) Wastewater piping or piping forming a part of a fire protective sprinkler or irrigation system;
    - (5) Buried or encased piping or buried vessels, however, interior buried or encased piping connected to a heating or air conditioning system is "covered home equipment";
    - (6) Software or electronic data;
    - (7) Kitchen or laundry appliances, other than those permanently installed, including but not limited to, refrigerator, dishwasher, oven, stove, clothes washer or clothes dryer;
    - (8) "Computer equipment" or any electronic component used with such "computer equipment" unless it is used to operate "covered equipment" or is permanently installed as part of the dwelling; or
    - (9) Electronic entertainment equipment, including but not limited to, television or stereo equipment, or any electronic component used with such electronic entertainment equipment.

3. "Home system breakdown"
  - a. "Home system breakdown" means a sudden and accidental:
    - (1) Mechanical breakdown;
    - (2) Electrical breakdown; or
    - (3) Bursting, cracking or splittingof "covered home equipment" that results in direct physical damage and requires repair or replacement of all or part of the damaged "covered home equipment."
  - b. None of the following is a "home system breakdown":
    - (1) Rust, corrosion, erosion, deterioration or gradual loss of efficiency or functionality of "covered home equipment";
    - (2) Leakage or seepage at or from any connection, valve, fitting, shaft or seal;
    - (3) Any programming error, programming limitation, computer virus, malicious code, loss of data, loss of access, loss of use, loss of functionality or other condition within or involving data or media of any kind;
    - (4) Complete or partial interruption of electrical power, fuel or water supply, whether deliberate or accidental;
    - (5) Any condition which can be corrected by resetting, recalibrating or by the performance of maintenance; or
    - (6) Cosmetic or other damage that does not impair functionality.
4. "Media" means material on which data is recorded. This includes, but is not limited to, magnetic tapes, hard drives, optical storage drives or CD/DVD drives.
5. "One home system breakdown" means: If an initial "home system breakdown" causes other "home system breakdowns," all will be considered "one home system breakdown." All "home system breakdowns" that are the result of the same event will be considered "one home system breakdown."

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## PROPERTY COVERAGES

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The following coverages are added, subject to the limit provided under the Agreement section of PART A. of this endorsement, unless otherwise specified below:

### 1. Damage to "Covered home equipment"

We will pay for direct physical damage to "covered home equipment" that is the result of a "home system breakdown" that occurs on or off the "residence premises."

### 2. Loss of Use

Coverage for Additional Living Expense and Fair Rental Value, as defined under Coverage D - Loss of Use, is extended to the coverage provided by PART A. of this endorsement.

### 3. Expediting Expenses

With respect to your "covered home equipment" that is damaged as the result of a "home system breakdown," we will pay the reasonable extra cost to:

- a. make temporary repairs; and
- b. expedite permanent repairs or permanent replacement.

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## EXCLUSIONS

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Any exclusions in your policy for mechanical breakdown and electrical breakdown do not apply to this endorsement.

The following exclusions are added:

1. We will not pay under PART A. of this endorsement for loss, damage or expense caused by or resulting from:
  - a. Electrical power surge or brown out caused by lightning or any other naturally occurring event. We will, however, pay for loss, damage or expense caused by or resulting from artificially generated electrical power surge or brown out, originating on or off the "residence premises."
  - b. Loss, damage or expense caused by or resulting from any of the following, whether the excluded peril occurs on or off the "residence premises":
    - (1) Explosion;
    - (2) Lightning; smoke; aircraft or vehicles; riot or civil commotion; breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse. However, this exclusion does not apply if:
      - (a) The excluded peril occurs off the "residence premises" and causes an electrical surge or other electrical disturbance;
      - (b) Such surge or disturbance is transmitted through utility service transmission lines to the "residence premises" and results in a "home system breakdown"; and
      - (c) The loss, damage or expense caused by such surge or disturbance is not covered elsewhere under the Homeowners policy;
    - (3) Vandalism, malicious mischief or theft;
    - (4) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; mudslide or mudflow; or water that backs up or overflows from a sewer, drain or sump, and any other water damage including water damage resulting from a "home system breakdown"; or
    - (5) Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, earth sinking, tsunami or volcanic action.
2. We will not pay for any property that is not "covered home equipment."

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## **DEDUCTIBLE**

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We will pay only that part of the loss that exceeds \$1,000. No other deductible applies to PART A. of this endorsement.

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## **CONDITIONS**

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The following conditions are added:

1. **Environmental, Safety and Efficiency Improvements**  
If "covered home equipment" requires replacement due to a "home system breakdown," we will pay your additional cost to replace with equipment that is better for the environment, safer for people, or more energy or water efficient than the equipment being replaced.  
However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not apply to the replacement of component parts or to any property to which actual cash value applies and does not increase any of the applicable limits.
2. **Loss Settlement**  
Losses under PART A. of this endorsement will be settled as follows:

- a. Our payment for damaged covered property will be the smallest of:
  - (1) the applicable limit of liability;
  - (2) the cost to repair the damaged property;
  - (3) the cost to replace the damaged property with like kind, quality and capacity on the same "residence premises"; or
  - (4) the necessary amount actually spent to repair or replace the damaged property.
- b. Except as described in Environmental, Safety and Efficiency Improvements above, you are responsible for the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
- c. If you do not repair or replace the damaged property within 24 months after the date of the "home system breakdown," then we will pay only the smaller of:
  - (1) the cost it would have taken to repair or replace at the time of the "home system breakdown"; or
  - (2) the actual cash value at the time of the "home system breakdown."

## PART B. - SERVICE LINE COVERAGE

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### AGREEMENT

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We will provide the insurance described in PART B. of this endorsement in compliance with all applicable provisions (including but not limited to Conditions, Definitions and Exclusions) of your Homeowners policy. The most we will pay for loss, damage or expense under PART B. of this endorsement arising from any "one service line failure" is \$10,000.

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### DEFINITIONS

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The following definitions are added:

- 1. "Covered service line" means underground piping and wiring, including permanent connections, valves or attached devices, as described and limited below.
  - a. A "covered service line" must be one of the following:
    - (1) Water piping that connects from the dwelling or other structure to a:
      - (a) Public water supply system;
      - (b) Private well system;
      - (c) Cistern or retention pond; or
      - (d) Heating system located outside the dwelling or other structure;
    - (2) Steam piping that connects from the dwelling or other structure to a heating system located outside the dwelling or other structure;
    - (3) Ground loop piping that connects to a heat pump;
    - (4) Sewer piping that connects from the dwelling or other structure to a:
      - (a) Public sewer system; or
      - (b) Private septic system;
    - (5) Drain piping that drains water away from the dwelling or other structure;
    - (6) Power line or electrical wiring; or
    - (7) Communication or data transmission wiring, including but not limited to telephone, cable, internet and fiber optic wiring.

- b. The "covered service line" must be:
    - (1) Located on the "residence premises"; and
    - (2) Owned by you or you must be legally liable for its repair or replacement.
  - c. "Covered service line" does not include:
    - (1) That part of piping or wiring that runs through or under a body of water, including but not limited to a swimming pool, pond or lake;
    - (2) That part of piping or wiring that runs through or under the dwelling or other structure;
    - (3) Piping that is connected to outdoor property, including but not limited to sprinklers, irrigation systems, swimming pools, hot tubs and decorative ponds; or
    - (4) Piping or wiring that is not connected and ready for use.
2. "Earth movement" means:
- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
  - b. Landslide, mudslide or mudflow;
  - c. Subsidence or sinkhole collapse;
  - d. Tsunami or volcanic action; or
  - e. Any other naturally occurring earth movement including earth sinking, rising or shifting.
3. "One service line failure" means: If an initial "service line failure" causes other "service line failures," all will be considered "one service line failure." All "service line failures" that are the result of the same event will be considered "one service line failure."
4. "Service line failure" means a leak, break, tear, rupture, collapse or arcing of a "covered service line." "Service line failure" does not include blockage or low pressure of a "covered service line."

## **COVERAGES**

The following coverages are added, subject to the limit provided under the Agreement section of PART B. of this endorsement:

**1. Damages to "Covered Service Line"**

We will pay for physical damage to your "covered service line" that is the direct result of a "service line failure."

**2. Excavation Costs**

With respect to your "covered service line" that is damaged as the result of a "service line failure," we will pay the necessary and reasonable excavation costs that are required to repair or replace the damaged "covered service line."

**3. Expediting Expenses**

With respect to your "covered service line" that is damaged as the result of a "service line failure," we will pay the reasonable extra cost to:

a. Make temporary repairs; and

b. Expedite permanent repairs or permanent replacement.

**4. Loss of Use**

Coverage for Additional Living Expense and Fair Rental Value, as described under Coverage D - Loss of Use, is extended to the coverage provided by PART B. of this endorsement.

**5. Outdoor Property**

We will pay for your outdoor property, including but not limited to trees, shrubs, plants, lawns, walkways and driveways, that is damaged as a result of a "service line failure" or that is damaged during the excavation of your "covered service line" following a "service line failure."

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## **EXCLUSIONS**

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1. If any of the following causes of loss are excluded by your policy, then those exclusions do not apply to PART B. of this endorsement:
  - a. Wear and tear, marring, deterioration or hidden decay;
  - b. Rust or other corrosion;
  - c. Mechanical breakdown, latent defect or inherent vice;
  - d. Weight of equipment, animals or people;
  - e. Artificially generated electrical current; or
  - f. Freezing.
2. With respect to PART B. of this endorsement, the following exclusions are added:
  - a. We will not pay for loss or damage to:
    - (1) Septic systems, including leach fields, septic tanks, pumps, motors or piping that runs from the septic tank to the leach fields;
    - (2) Water wells, including well pumps or motors;
    - (3) Heating and cooling systems, including heat pumps; or
    - (4) Irrigation or sprinkler systems.
  - b. We will not pay for loss or damage to a "covered service line" that is damaged while it is being installed, dismantled or repaired. However, this exclusion shall not apply if a covered "service line failure" necessitated such installation, dismantling or repair.
  - c. We will not pay to clean up or remove pollutants, hazardous waste or sewage.
  - d. We will not pay under PART B. of this endorsement for loss or damage caused by or resulting from any of the following causes of loss:
    - (1) Explosion;
    - (2) Lightning; smoke; aircraft; riot or civil commotion; theft; breakage of glass;
    - (3) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; or water that backs up or overflows from a sewer, drain or sump; or
    - (4) "Earth movement," except for "earth movement" that results from the ground thawing after a freeze.

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## **DEDUCTIBLE**

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We will pay only that part of the loss that exceeds \$500. No other deductible applies to PART B. of this endorsement.

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## **CONDITIONS**

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The following conditions are added:

- 1. Environmental, Safety and Efficiency Improvements**

If a "covered service line" requires replacement due to a "service line failure," we will pay your additional cost to replace with materials that are better for the environment, safer for people or more energy or water efficient than the materials being replaced.

However, we will not pay to increase the size or capacity of the materials and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not increase the limit that applies to this endorsement.

**2. Loss Settlement**

- Losses under PART B. of this endorsement will be settled as follows:
  - a. Our payment for damaged covered property will be the smallest of:
    - (1) The limit of liability that applies to PART B. of this endorsement;
    - (2) The cost to repair the damaged property;
    - (3) The cost to replace the damaged property on the same premises; or
    - (4) The necessary amount actually spent to repair or replace the damaged property.
  - b. Except as described in Environmental, Safety and Efficiency Improvements above, you are responsible for the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
  - c. You are responsible for the extra cost to alter or relocate "covered service lines," unless such alteration or relocation is required by law or ordinance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**IDENTITY RECOVERY COVERAGE**

**CASE MANAGEMENT SERVICE AND COSTS COVERAGE**

Service and coverage under this endorsement applies to any "insured" as defined in this policy.

**DEFINITIONS**

The following definitions are added with respect to this endorsement only.

1. "ID Recovery Case Manager" means a person assigned by us to help an "insured" to recover control over his or her personal identity. This help may include contacting authorities, credit bureaus, creditors and businesses. Such contacts will take place with the permission and cooperation of the "insured."
2. "ID Theft" means the fraudulent use of the Social Security number or other method of identifying an "insured." This includes fraudulently using the personal identity of an "ID insured" to do any of the following:
  - a. Establish credit accounts.
  - b. Secure loans.
  - c. Enter into contracts.
  - d. Commit crimes."ID theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.
3. "ID Theft Costs" means any of the following when they are reasonable and necessary costs that are incurred as a direct result of an "ID theft."
  - a. Costs for re-filing applications for loans, grants or credit accounts.
  - b. Costs for long distance telephone calls, postage and notarizing documents.
  - c. Costs for credit reports from established credit bureaus.
  - d. Costs for an attorney approved by us for the following:
    - (1) The defense of any civil suit brought against an "insured."
    - (2) The removal of any civil judgment wrongfully entered against an "insured."

- (3) Legal assistance for an "insured" at an audit or hearing by a governmental agency.
- (4) Legal assistance in challenging the accuracy of the "insured's" consumer credit report.
- (5) The defense of any criminal charges brought against an "insured" arising from the actions of a third party using the personal identity of the "insured."
- e. Actual lost wages of the "insured" for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. This may include payment for the following:
  - (1) Vacation days.
  - (2) Discretionary days.
  - (3) Floating holidays.
  - (4) Paid personal days.This does not include sick days or any loss arising from time taken away from self employment. This does not include time off to do tasks that could reasonably have been done during non-work hours.
- f. Costs for supervision of children or elderly or infirm relatives or dependants of the "insured" during time taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the "insured."
- g. Costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the "insured."
- h. Any other reasonable costs necessarily incurred by an "insured" as a direct result of the "ID theft." Such costs include:
  - (1) Costs by the "insured" to recover control over his or her personal identity.
  - (2) Deductibles or service fees from financial institutions.

- Such costs do not include:
- (3) Costs to avoid, prevent or detect "ID theft" or other loss.
- (4) Monies lost or stolen.
- (5) Costs that are restricted or excluded elsewhere in this endorsement or policy.

The following Additional Coverage is added under **Section I:**

### **IDENTITY RECOVERY COVERAGE**

We will provide the Case Management Service and Costs Coverage indicated below if all of the following requirements are met.

1. There has been an "ID theft" involving the personal identity of an "insured" under this policy.
2. Such "ID theft" is first discovered by the "insured" during the policy period for which this Identity Recovery coverage is applicable.
3. Such "ID theft" is reported to us within a reasonable period of time after it is first discovered by you.

If all three of the requirements listed above have been met, then we will provide the following to the "insured":

#### **1. Case Management Service**

Services of an "ID recovery case manager" as needed to respond to the "ID theft."

#### **2. Costs Coverage**

Reimbursement of actual "ID theft costs" incurred as a direct result of the "ID theft."

This coverage is additional insurance.

### **LIMITS**

Case Management Service is available as needed for any one "ID theft" for up to 12 months in a row from the inception of the service. Costs we incur to provide Case Management Service do not reduce the amount of limit available for Costs Coverage.

Costs Coverage is subject to a limit of \$15,000 annual aggregate per "insured." This limit is the most we will pay for the total of all loss or expense arising out of the following:

All "ID thefts" to any one "insured" which are first discovered by the "insured" during the present annual policy period.

This limit applies regardless of the number of claims during that period.

An "ID theft" may be first discovered by the "insured" in one policy period and continue into other policy periods. If so, all loss and expense arising from such "ID theft" will be subject to the aggregate limit applicable to the policy period when the "ID theft" was first discovered by the "insured."

Coverage for legal costs is found under item d. of the definition of "ID theft costs." Such legal costs are part of, and not in addition to, the Costs Coverage limit.

Item e. (Lost Wages) and item f. (Child and Elder Care Expenses) of the definition of "ID theft costs" are jointly subject to a sublimit of \$5,000. This sublimit is part of, and not in addition to, the Costs Coverage limit. Coverage is limited to wages lost and costs incurred within 12 months after the first discovery of the "ID theft" by the "insured."

Item g. (Mental Health Counseling) of the definition of "ID theft costs" is subject to a sublimit of \$1,000. This sublimit is part of, and not in addition to, the Costs Coverage limit. Coverage is limited to costs incurred within 12 months after the first discovery of the "ID theft" by the "insured."

Item h. (Miscellaneous Unnamed Costs) of the definition of "ID theft costs" is subject to a sublimit of \$1,000. This sublimit is part of, and not in addition to, the Costs Coverage limit. Coverage is limited to costs incurred within 12 months after the first discovery of the "ID theft" by the "insured."

### **DEDUCTIBLE**

Case Management Service is not subject to a deductible.

Costs Coverage is subject to a deductible of \$250. You shall be responsible for only one deductible under this endorsement during any one policy period.

### **EXCLUSIONS**

The following additional exclusions apply to this coverage. These exclusions apply to both Case Management Service and Costs Coverage.

We do not cover loss or expense arising from any of the following.

1. The theft of a professional or business identity.
2. Any fraudulent, dishonest or criminal act by an "insured." This includes any such act by a person aiding or abetting an "insured." This also includes any such act by an authorized representative of an "insured." In all these cases, it does not matter whether the individual is acting alone or in collusion

with others. However, this exclusion shall not apply to the interests of an "insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act.

3. An "ID theft" that is not reported in writing to the police.

## CONDITIONS

The following additional Conditions apply to this coverage.

### A. Help Line

If you have questions or need help, please call the **ID Recovery Help Line at 1-800-422-1866.**

The **ID Recovery Help Line** is available to provide you with the following.

1. Information about "ID theft."
2. Help to request Case Management Service.
3. Help to make a claim for Costs Coverage.

Our provision Case Management Service is not an admission of liability. We reserve the right to deny further coverage or service.

As respects Costs Coverage, you must send to us receipts, bills or other records that support your claim for "ID theft costs." Such records must be sent to us within 60 days after our request.

### B. Services

The following conditions apply as respects any services provided by us or our designees to you or any "insured" under this endorsement.

1. Our ability to provide helpful services in the event of an "ID theft" depends on your cooperation, permission and assistance.
2. All services may not be available or applicable to all individuals. For example, "insureds" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.
3. We do not warrant that our services will end or solve all problems associated with an "ID theft." We do not warrant that our services will prevent future "ID thefts."

All other provisions of this policy apply.

POLICY NUMBER:

HOMEOWNERS  
HO 05 38 05 11

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE - MASSACHUSETTS

### SCHEDULE

These limits of liability apply to the total of all loss or costs payable under this endorsement, regardless of the number of "occurrences", the number of claims made or the number of locations insured under this endorsement and listed in this Schedule.

<b>1. Section I - Property Coverage Limit Of Liability For The Additional Coverage "Fungi", Wet Or Dry Rot, Or Bacteria</b>	\$
<b>2. Section II - Coverage E Aggregate Sublimit Of Liability For "Fungi", Wet Or Dry Rot, Or Bacteria</b>	\$

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

### DEFINITIONS

The following definition is added:

#### "Fungi"

- a. "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, are on, or are contained in, a good or product intended for consumption.

### SECTION I - PROPERTY COVERAGES

#### E. Additional Coverages

Paragraph 10.k.(2)(d) is deleted in Form HO 00 05 only.

The following Additional Coverage is added:

#### 13. "Fungi", Wet Or Dry Rot, Or Bacteria

- a. The amount shown in the Schedule above is the most we will pay for:
  - (1) The total of all loss payable under Section I - Property Coverages caused by "fungi", wet or dry rot, or bacteria;
  - (2) The cost to remove "fungi", wet or dry rot, or bacteria from property covered under Section I - Property Coverages;
  - (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi", wet or dry rot, or bacteria; and

- (4) The cost of testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot, or bacteria performed before, during and after removal, repair, restoration or replacement and only to the extent that there is a reason to believe that there is the presence of "fungi", wet or dry rot, or bacteria.
- b. The coverage described in 13.a. only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.
- c. The amount shown in the Schedule for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage regardless of the:
  - (1) Number of locations insured under this endorsement; or
  - (2) Number of claims made.
- d. If there is covered loss or damage to covered property, not caused, in whole or in part, by "fungi", wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Additional Coverage, except to the extent that "fungi", wet or dry rot, or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.

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

## SECTION I - PERILS INSURED AGAINST

In Form HO 00 03:

### A. Coverage A - Dwelling And Coverage B - Other Structures

Paragraph 2.c.(5) is replaced by the following:

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

Paragraph 2.c.(6)(c) is replaced by the following:

- (c) Smog, rust or other corrosion;

### B. Coverage C - Personal Property

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

Paragraph b.(4) is replaced by the following:

- (4) 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 structure.

In Form HO 00 05:

### A. Under Coverages A, B and C:

Paragraph 2.d. is replaced by the following:

- d. 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 structure.

Paragraph 2.e.(3) is replaced by the following:

- (3) Smog, rust or other corrosion;

## SECTION I - EXCLUSIONS

Exclusion A.10. is added:

### 10. "Fungi", Wet Or Dry Rot, Or Bacteria

"Fungi", Wet Or Dry Rot, Or Bacteria meaning the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot, or bacteria.

This exclusion does not apply:

- When "fungi", wet or dry rot, or bacteria results from fire or lightning; or
- To the extent coverage is provided for in the "Fungi", Wet Or Dry Rot, Or Bacteria Additional Coverage under Section I - Property Coverages with respect to loss caused by a Peril Insured Against other than fire or lightning.

Direct loss by a Peril Insured Against resulting from "fungi", wet or dry rot, or bacteria is covered.

## SECTION I - CONDITIONS

Condition Q. Policy Period is replaced by the following:

### Q. Policy Period

This policy applies to loss or costs which occur during the policy period.

## SECTION II - CONDITIONS

Condition A. Limit Of Liability is replaced by the following:

### A. Limit Of Liability

Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the Coverage E Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions will be considered to be the result of one "occurrence".

Our total liability under Coverage F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage F Limit Of Liability shown in the Declarations.

However, our total liability under Coverage E for the total of all damages arising directly or indirectly, in whole or in part, out of the 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 will not be more than the Section II - Coverage E Aggregate Sublimit Of Liability for "Fungi", Wet Or Dry Rot, Or Bacteria. That sublimit is the amount shown in the Schedule. This is the most we will pay regardless of the:

1. Number of locations insured under the policy to which this endorsement is attached;
2. Number of persons injured;
3. Number of persons whose property is damaged;
4. Number of "insureds"; or
5. Number of "occurrences" or claims made.

This sublimit is within, but does not increase, the Coverage E limit of liability. It applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.

With respect to damages arising out of "fungi", wet or dry rot, or bacteria described in Condition A. Limit Of Liability of this endorsement, Condition B. **Severability Of Insurance** is replaced by the following:

#### **B. Severability Of Insurance**

This insurance applies separately to each "insured" except with respect to the Aggregate Sublimit of Liability described in this endorsement under Section II - Conditions, A. Limit Of Liability. This condition will not increase the limit of liability for this coverage.

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AMENDATORY NONRENEWAL ENDORSEMENT

### SECTIONS I AND II - CONDITIONS

Paragraph D. Nonrenewal is deleted in all policy forms and in Special Provisions Endorsement HO 01 20 and is replaced by the following:

#### D. Nonrenewal

1. Ordinarily we will renew this policy automatically and send you the renewal notice. Our notice will explain what you should do if you do not want to continue this policy.

2. We may elect not to renew this policy. We may do so by delivering to you or mailing to you at your last mailing address shown in the Declarations, written notice at least 45 days before the expiration date of this policy. However, if your policy was executed on behalf of us, in whole or in part, by or on behalf of your insurance agent or our insurance broker we will send written notice only to the agent or broker. Every insurance agent or broker receiving this notice will, within 15 days of its receipt, send a copy to you unless the agent or broker has replaced the insurance.

All other provisions of this policy apply.

HO 05 23 09 01  
Page 1 of 1

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### PERSONAL LIABILITY DL 98 17 (04/02)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PERSONAL UMBRELLA LIABILITY POLICY EXCLUSION - FUNGI, WET OR DRY ROT, OR BACTERIA ENDORSEMENT

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

### I. Definitions

The following definition is added:

"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.

However, this does not include any fungi that are, are on, or are contained in, a good or product intended for consumption.

### III. Exclusions

The following exclusion is added:

The coverages provided by this policy do not apply to "bodily injury", "personal injury" or "property damage" arising directly or indirectly, in whole or in part, out of the 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.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

DL 98 17 (04/02)  
Page 1 of 1

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**HOMEOWNERS**  
**HO 04 16 (10/00)**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **PREMISES ALARM OR FIRE PROTECTION SYSTEM**

We acknowledge the installation of an alarm system and/or automatic sprinkler system approved by us on the "residence premises". You agree to maintain this system or systems, for which we have granted a credit, in working order and to let us know promptly of any change, including removal, made to the system(s).

**HO 04 16 (10/00)**  
Page 1 of 1

POLICY NUMBER:

**HOMEOWNERS**  
**HO 04 77 (10/00)**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE**

### **SCHEDULE\***

New Total Percentage Amount:

\*Entry may be left blank if shown elsewhere in this policy for this coverage.

### **SECTION I - PROPERTY COVERAGES**

#### **ADDITIONAL COVERAGES**

##### **11. Ordinance Or Law**

The total limit of liability that applies:

a. To Coverage A, or

b. For Form HO 00 04, to Building Additions And Alterations;

is increased from 10% to the percentage amount shown in the Schedule above.

This is Additional Coverage 10. in Form HO 00 06.

All other provisions of this policy apply.

**HO 04 77 (10/00)**  
Page 1 of 1

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**ANDOVER ADVANTAGE  
ACCOUNT CREDIT ENDORSEMENT**

**In consideration of one or more of the following coverages being written in one of our Companies, this policy has received a special discount:**

- **Personal Umbrella Endorsement**
- **Dwelling Fire Policy**
- **Home Business Endorsement (H-912)**
- **Boat Endorsement or Policy**
- **Businessowners Policy (BOP)**
- **Secondary (Seasonal) Location Policy**

**H-925 (05/97)**

**HOMEOWNERS/AUTO SPECIAL DISCOUNT**

Your Homeowners policy has received a special discount. You qualify for this discount because both your Home and Auto policy are written by the same agent.

**MERRIMACK MUTUAL FIRE**

**BAY STATE**

**CAMBRIDGE MUTUAL FIRE**

**H-938 MA (04/08)**

**CUSTOMER LOYALTY CREDIT**

The premium has been reduced because you have been insured with us for at least 3 consecutive years.

**MERRIMACK MUTUAL FIRE**

**CAMBRIDGE MUTUAL FIRE**

**HF-982 (04/08)**

**THE ANDOVER COMPANIES****H-943 04 18****NOTICE OF OUR PRIVACY POLICY**

**Cambridge Mutual Fire Insurance Company  
Merrimack Mutual Fire Insurance Company  
Bay State Insurance Company**

**Customer Privacy Is Our Concern**

We at The Andover Companies - a group of affiliated, jointly managed insurance companies named above - are committed to protecting the privacy of our customers and the confidentiality of their personal information. This Notice of Our Privacy Policy describes our privacy practices regarding information about applicants who seek, and customers who obtain, insurance products and services from us for personal, family, or household use. Our collection, use and disclosure of non-public personal information about such applicants and customers are governed by this Notice of Privacy Policy and regulated by law.

We maintain physical, electronic and procedural safeguards that comply with state and federal regulations to guard the personal information in our records. We also limit employee access to personally identifiable information to those with a business reason for knowing such information. Employees are required to know and comply with our privacy and confidentiality rules and we take measures to enforce employee privacy responsibilities.

We do not disclose any non-public personal information about our applicants, customers or former customers to anyone except as permitted or required by law. We make no disclosures of personal information to other companies for their direct marketing activities; for example, we will not sell customer names to catalog companies.

**The Types And Sources Of Personal Information We Collect**

We obtain most of our personal information directly from applicants and customers, directly or through independent insurance agents, on application or other forms, by phone, mail, via online submissions, or in person. Such information may include identifying and biographical information, e.g., social security number; driver's license number; information about employment status and history; marital status; residency and home ownership; insurance coverage, premium, and claim history; and investigative information related to claims such as witness statements and police reports. We may also use information about customers from their other transactions with us and our independent insurance agents.

Depending on the nature of an insurance transaction, we may need additional information about an applicant or a customer. As an example, for Personal Umbrella Coverage, we may need information from motor vehicle records; for property coverages, we may send someone to inspect the property and verify information about its value and condition. A photo of any property to be insured might be taken. We may review claim and loss histories, such as insurance claims information and other loss information reports, and we may also obtain financial information to adjust some claims.

We may obtain the additional information we need from third parties, such as other insurance companies, government agencies, insurance support services, information clearinghouses, courts and other public records. We may receive consumer credit information from a consumer reporting agency. The agency that prepares a consumer report for us may retain that report and disclose it to other persons as permitted by law. We do not gather information through investigative consumer reports, i.e.,

a consumer report in which information about a natural person's character, general reputation, personal characteristics or mode of living is obtained through personal interviews with the person's neighbors, friends, associates, acquaintances or others who may have knowledge concerning such items of information.

### **Our Uses Of Personal Information**

We collect and use personal information for business purposes in connection with our insurance relationship with our customers and prospective customers. These business purposes include evaluating applications for our insurance products or services, administering our products or services, responding to claims for coverage and benefits, and processing other transactions requested by our customers. We review such personal information in acting on applications for insurance coverage and in determining premium rates, issuing and servicing insurance policies and settling claims.

If coverage is declined or the charge for coverage is increased because of information contained in a consumer report we obtained, we will inform the applicant as required by state law and the federal Fair Credit Reporting Act. We also will give the applicant the name and address of the consumer reporting agency making the report.

The personal information we collect may be retained both in our records and in the customers' agents' files. We may retain information about our former customers and may disclose that information as described in this Policy.

### **Disclosure Of Personal Information**

We will disclose personal information to others only when it is necessary to conduct our business or is required by law. We may disclose all information we collect, as described above, to the following types of third parties for the following purposes:

- Providers of various business services, to enable them to perform such services for us or on our customers' and/or on our behalf, such as assisting us in evaluating and processing requests for insurance or benefits and other transactions requested by prospective and actual customers, and performing general administrative tasks for us. Such recipients may include, though would not necessarily be limited to, insurance agents and brokers; claim adjusters, appraisers, investigators and attorneys who need the information to investigate, defend or settle claims involving our customers; our auditors, data processors, and reinsurance companies; consumer reporting agencies; and insurance support organizations established to collect information for the purpose of detecting and preventing insurance crimes and fraudulent claims;
- Certificate holders or policyholders, to inform them about the status of an insurance transaction;
- Lienholders, mortgagees, lessors or other persons shown on our records as having a legal or beneficial interest in a customer's policy;
- Insurance regulatory agencies in connection with the regulation of our business;
- Law enforcement or other governmental authorities to protect our legal interests or in cases of suspected fraud or illegal activities;
- Authorized persons as ordered by a subpoena, warrant or other court order or as required by law; or
- To other third parties as permitted by law.

## **Access To And Correction Of Information**

Customers have the right to be informed whether we have certain types of personal information in our files about them, to have reasonable access to it, and to receive a copy. However, we may elect not to disclose certain types of information collected in connection with evaluation of claims or possible lawsuits.

To exercise the right to access described above, a customer must submit a written inquiry to our Chief Information Security Officer at the contact address provided below. Such inquiry must state the customer's name, address, date of birth, type of policy held or applied for, and the number(s) of all policies issued by us to the customer. The inquiry must also provide a copy of personal identification of the customer, such as a driver's license, as well as a reasonable description of the information to which the customer wishes to have access.

If such information is in our possession and is reasonably locatable, retrievable and available, we will, within thirty days of our receipt of the customer's request, inform the customer in writing of the nature and substance of such information and, upon the customer's request, will send him or her a copy of such information. In addition, we will disclose to the customer the identity, if recorded, of persons to whom we have disclosed the customer's personal information within two (2) years prior to the customer's request or, if such identity is not recorded, the names of organizations and persons to whom we normally disclose such information. We will also inform the customer of the name and address of any consumer credit reporting agency that prepared a report about the customer so that he or she may contact the agency for a copy of that report.

If, after reviewing such information, a customer notifies us that any of it is incorrect and should be corrected, amended or deleted, we will consider the request and within thirty business days either change our files, or inform the customer that we did not change our files, and the reason for that determination. If we do not make changes, the customer will have the right to insert in our file a concise statement containing what he/she believes to be the correct, relevant or fair information and explaining why he/she believes the information on file to be improper. We will notify persons designated by the customer to whom we have previously disclosed the information of the change or the customer's statement. Subsequent disclosures we make also will include the customer's statement.

## **Contact Information**

We may be contacted in writing at:

Chief Information Security Officer  
The Andover Companies  
95 Old River Road  
Andover, MA 01810 - 1078

त्रिवेदी विजयनाथ नायक के बाप तथा उनकी पत्नी राधाकृष्णन की जीवनी।

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