

COUNTRY Preferred Insurance Company®
1701 Towanda Ave.
PO Box 2100
Bloomington, IL 61702-2100

866-COUNTRY
countryfinancial.com



June 18, 2024

Peter Cat
3414 S Marissa Dr
Tucson, AZ 85730-3103

Dear Peter Cat:

Thank you for choosing COUNTRY Preferred Insurance Company® for your insurance needs. There are many choices when it comes to insurance, and we're proud you've chosen us. We want you to know that COUNTRY Financial is a group of companies committed to providing you the best insurance and financial services possible.

We've enclosed a packet of information which includes your new policy and Declarations page. You should review this packet and keep it for your records.

If you have any questions, your representative will be happy to answer them.

Kent S Kallander
1317 W Northern Lights Blvd
Ste #12
Anchorage, AK 99503
(907) 563-1492
kent.kallander-TEST@countryfinancial.com

You can also contact client service at 866-COUNTRY (866-268-6879).

Welcome to COUNTRY Financial! We look forward to working with you.

COUNTRY Preferred Insurance Company®
Bloomington, IL

Protection From the Unexpected



Hi Peter - Your home is more than an investment, it's a key part of your life. And we appreciate the trust you've placed in us to protect it. Here's a quick snapshot of your policy information to help you understand the coverage you get as our client.

3414 S Marissa Dr
Tucson, AZ 85730-3103

Coverage dates: June 18, 2024 to June 18, 2025
Annual premium: \$2,755.14

Dwelling coverage

protects your home, such as roof, walls, floor, siding and windows.

Policy limit: \$245,182

Auxiliary private structures coverage

protects structures, such as detached garages, sheds or fences.

Policy limit: \$24,518



Personal property coverage

helps replace or repair items, such as clothing, appliances, furniture and electronics.

Policy limit: \$183,887

Protection for you

Additional living expense coverage

helps pay for expenses, such as hotel stays, and food should your home become unavailable.

Policy limit: \$49,036

Medical payments coverage

helps pay medical expenses to others.

Policy limit: \$10,000

Liability coverage

provides protection for property damage and injury to others.

Policy limit: \$500,000

COUNTRY Financial® is the marketing name for the COUNTRY Financial family of affiliated companies (collectively, COUNTRY), which include COUNTRY Life Insurance Company®, COUNTRY Mutual Insurance Company®, and their respective subsidiaries, located in Bloomington, Illinois.

Home insurance policies issued by COUNTRY Preferred Insurance Company®, Bloomington, IL.

Know the Value of Your Homeowners Insurance Policy

All coverages are subject to the terms, conditions, limitations, and exclusions of your insurance policy.

What does your policy cover?

Insurance provides protection for your home from unexpected events, like fire or storm damage. These are some of the specific events covered by your policy.

- Fire or Lightning
- Removal
- Windstorm or Hail
- Explosion
- Riot or Civil Commotion
- Aircraft
- Vehicles
- Smoke
- Vandalism and Malicious Mischief
- Breakage of Glass or Safety Glazing Material
- Falling Objects
- Weight of Ice, Snow or Sleet
- Volcanic Eruption
- Sudden and Accidental Tearing Apart
- Accidental Discharge or Overflow
- Freezing
- Sudden and Accidental Damage from Artificially Generated Electrical Current
- Theft

Your unique policy

Your deductible

A deductible is the amount you're responsible for paying following a claim.

- Policy Deductible: \$2,000

Your loss settlement

This is how your property will be valued in case of a loss.

- Dwelling - Extended Replacement Cost- replacement cost which pays up to 120% of your dwelling coverage limit
- Personal Property - Actual Cash Value

What you save

With these discounts, you're saving \$1,203.75 each year!

- Age Of Roof
- Claim Free
- Good Payer
- Preferred Payment
- Safe Heat
- Welcome

Your customized protection

You selected these extra coverage options for your policy.

- Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement
- Earthquake Endorsement
- Child Care Endorsement
- Theft of Tools and Materials Endorsement

If you have any questions about your coverage, just reach out to your rep and they'll walk you through it.

Thank you for being a part of the COUNTRY Financial family!

Kent S Kallander

Phone: (907) 563-1492

Email: kent.kallander-TEST@countryfinancial.com

COUNTRY Financial® is the marketing name for the COUNTRY Financial family of affiliated companies (collectively, COUNTRY), which include COUNTRY Life Insurance Company®, COUNTRY Mutual Insurance Company®, and their respective subsidiaries, located in Bloomington, Illinois. Home insurance policies issued by COUNTRY Preferred Insurance Company®, Bloomington, IL.

0422-029PC



June 18, 2024

Peter Cat

Policy Number: P010639145

Insured Location: 3414 S Marissa Dr Tucson, AZ 85730-3103

Selected Dwelling Amount of Insurance: \$245,182

Determining an amount of insurance for your home

We know the importance of ensuring you have the right level of protection for what is likely your largest asset. Choosing an amount of coverage is an important decision and we're here to help.

First, it's important to know the difference between replacement cost and market value. Replacement cost is the amount of money required to repair or replace your home, including costs like labor, materials, and fees. Replacement cost does not include the cost of your land. Market value, on the other hand, is the price someone would pay to purchase your home, including the land, in its current condition if it were placed on the market. Market value considers things like location and the housing economy.

We use third-party software licensed to us to determine an estimated replacement cost to assist you in selecting an amount of insurance for your home. The information used in this estimating tool was provided or validated by you during the application process. The resulting replacement cost calculation from this tool is just an estimate and actual replacement cost could be significantly more or less than the estimate.

Please review the following information for accuracy. If changes are needed, please contact your representative.

Replacement cost:
Amount of money required to repair/replace home; includes costs like labor, materials, & fees; doesn't include cost of land.

Year Built: 1983	Exterior Type: Wood Framing
Square Footage: 1250	Garage Type: Attached/Built-In
Quality Grade: Standard	Number of Bathrooms: 2
Number of Stories: 1	Roof Type: Architectural Composite Shingle
Foundation Type: Concrete Slab	ZIP Code: 85730-3103

Market value:
Price someone would pay to buy home, including land, in its current condition if put on market. Considers things like location & housing economy.

Based on this information and other characteristics, your **replacement cost estimate** is: \$245,182.

You've selected Replacement Cost as your dwelling loss settlement and \$245,182 as your dwelling amount of insurance.

Keep these things in mind when reviewing your estimate

- Selecting an amount of insurance for your home is ultimately your decision.
- You shouldn't rely solely on our estimate as we make no representations as to the accuracy or reliability of it or the inputs used to calculate it.
- Our estimate isn't based on an inspection and does not guarantee an accurate or complete statement of the full replacement cost of the building.
- We also recommend reviewing and updating the inputs underlying the estimate we've calculated.
- We have no duty to make any inspections, surveys, reports, or recommendations about the value or replacement cost of your home and any such undertaking is for internal purposes.
- You shouldn't use or rely upon the information contained in this letter for any other purpose, such as for obtaining a home loan.

Questions?

Please contact your representative Kent S Kallander at (907) 563-1492 or call us at 866-COUNTRY (866-268-6879) if you'd like to make changes to your coverage or have questions about the amount of insurance on your home.

Thank you for being a part of the COUNTRY Financial® family!

Sincerely,

COUNTRY Preferred Insurance Company®
Bloomington, IL

Important: This letter is for informational purposes only. It does not provide any coverages nor may it be interpreted to replace any provision of your policy. For the exact terms of your coverage, please refer to your policy, including any applicable endorsements. If there is a conflict between your policy and the information provided in this letter, your policy will apply.

21970 (00-06/24)

Homeowners Insurance Declarations

COUNTRY Preferred Insurance Company®
1701 Towanda Ave.
PO Box 2100
Bloomington, IL 61702-2100

866-COUNTRY
countryfinancial.com



Policy Number: P010639145

Billing Account Number: 0004794310

Policy Term: 12 Months

Payment Plan: Annual

Declarations Effective Date: Jun 18, 2024

Policy State: Arizona

Policy Effective Date: Jun 18, 2024

Policy Expiration Date: Jun 18, 2025 at 12:01
a.m. standard time at your
address

Declarations Reason: New Business

Peter Cat
3414 S Marissa Dr
Tucson, AZ 85730-3103

Total Premium: \$2,755.14

This is not a bill, do not pay this amount. Any balance will
be included with your next billing notice.

Contact us. We're here to help!

Your representative

Kent S Kallander
(907) 563-1492
kent.kallander-TEST@countryfinancial.com
<http://www.countryfinancial.com/kent.kallander>

Online Client Support

View your policy, bill
payment, claims, chat and
more!
countryfinancial.com

Call 866-COUNTRY

Call 866-268-6879 anytime for
claims assistance and
customer service.

Named Insured

Contact(s)

Peter Cat

Date of Birth

06/10/1995

Farm Bureau

Policy Discounts

Age Of Roof, Claim Free, Good Payer, Preferred Payment, Safe Heat, Welcome

Savings Amount \$1,203.75

Policy Deductible

\$2,000 (Applies separately to covered property at each location listed on the declarations damaged by an occurrence. Different/additional deductibles may apply. Please refer to your policy.)

Location Insured – 3414 S Marissa Dr, Tucson, AZ, 85730-3103

Risk Characteristics

Year Built:	1983	Smart Home Equipped:	No
Building Type:	Single Family Detached	Exterior Type:	Wood Framing
Occupancy:	Owner-Occupied	Garage Type:	Attached/Built-In
Number of Family Units:	1	Number of Garage Stalls:	2.0
Number of Occupants:	2	Detached Garage:	None

Construction Type:	Siding-Cedar (Clapboard)	Number of Detached Garage Stalls:	None
Unique Construction:	No	Age of Roof:	7 years
Number of Stories:	1	Roof Shape:	Gable
Square Footage:	1250	Roof Type:	Architectural Composite Shingle
Number of Bathrooms:	2	Solar Panels:	No
Auxiliary Heat:	Wood Fireplace	Pool or Spa on Premises:	No
Protective Devices:	No		

	<u>Limit Of Liability</u>	<u>Perils Insured Against</u>	<u>Premium</u>
Liability Coverage - Personal & Premises	\$500,000		\$136.36
Additional Insured Endorsement			\$7.07
Child Care Endorsement - 2 Children			\$121.87
Medical Payments Coverage - Each Person/Each Occurrence	\$10,000/\$50,000		\$21.22
Dwelling Coverage - Homeowners	\$245,182	2-19	\$1,471.72
Loss Settlement Selection Form 4: Extended Replacement Cost			Included
Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage	\$25,000		\$66.20
Endorsement			
Earthquake Endorsement - Option 6			\$628.90
Deductibles - 15%:			
Dwelling Coverage - Homeowners - \$36,777			
Personal Property Coverage - \$27,583			
Additional Living Expense & Fair Rental Value Coverage - \$7,355			
Auxiliary Private Structures Coverage - \$3,678			
Personal Property Coverage	\$183,887	2-19	\$153.58
Loss Settlement Selection Form 5: Actual Cash Value			Included
Auxiliary Private Structures Coverage	\$24,518	2-19	Included
Loss Settlement Selection Form 4: Extended Replacement Cost			Included
Additional Living Expense & Fair Rental Value Coverage	\$49,036	2-19	Included
Additional & Special Coverages			Included
Theft of Tools and Materials Endorsement	\$30,000		\$148.22
Location Premium: \$2,755.14			

Total Premium: \$2,755.14

For a complete description of your coverages, perils insured against, and loss settlement selection(s), please refer to your policy.

Please refer to coverage forms for the perils insured against and applicable loss settlement when not specifically listed above.

We're looking out for you!

- Save more! Contact your representative to review all of our money saving discounts like the Multi-Policy Discount.
- Make a Payment! COUNTRY Financial® offers many convenient options including online payment. Go to countryfinancial.com and log in to MyCOUNTRY to learn more.
- Follow us on Facebook and Twitter! Find out what we're doing in your community, tell us what's on your mind or get tips to help you achieve your goals. We're here to talk whenever you need us.

Other Interests

Additional Insured: Simple Business Policy Case
3414 S Marissa Dr
Tucson, AZ 85730-3103

Insured Item: Primary Residence: 3414 S Marissa Dr, Tucson, AZ 85730

Your Policy Documents

Your policy is available upon request and consists of these declarations pages, policy packet (including schedules, forms, and addenda), application, and any endorsements. Please keep them together. This policy is effective at 12:01 a.m. on the date shown or the time the policy/change was purchased/requested, whichever is later. Additionally, your policy coverages and coverage limits listed above are subject to all terms, exclusions, and conditions described in your policy.

General Policy Packet	21224AZ (02-01/24)
Liability Coverage - Personal & Premises	22200 (01-11/21)
Medical Payments Coverage	22202 (00-05/19)
Section 1 Policy Packet	22217AZ (01-11/21)
Dwelling Coverage - Homeowners	22203 (00-11/21)
Personal Property Coverage	22205 (00-05/19)
Additional Living Expense & Fair Rental Value Coverage	22206 (00-05/19)
Auxiliary Private Structures Coverage	22207 (00-11/21)
Additional & Special Coverages	22209AZ (00-05/19)
Section 2 Policy Packet	22218AZ (01-11/21)
Loss Settlement Selection Form 4: Extended Replacement Cost	22213 (00-11/21)
Loss Settlement Selection Form 5: Actual Cash Value	22214 (00-05/19)
Additional Insured Endorsement	20301 (00-05/19)
Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement	20312 (02-11/21)
Child Care Endorsement	20308 (00-05/19)
Earthquake Endorsement	20314 (00-05/19)
Theft of Tools and Materials Endorsement	20335 (00-11/21)

Important Notices

Loss Settlement Selection Form 4: Extended Replacement Cost - Subject to policy terms and provisions, this coverage provides extended replacement cost coverage for an owner-occupied dwelling up to a maximum of 120% of the amount shown on the Declarations page (up to \$294,218).

Please contact your representative if you have any questions or would like further explanation regarding your policy coverages or the premium charged.



Company Representative Name

Jun 18, 2024

Date Countersigned



Homeowners

Home Insurance Policy





Thank you for choosing COUNTRY Preferred Insurance Company® for your insurance needs.

We know you have choices when it comes to insurance, and we're proud you've chosen us.

We encourage you to carefully read all parts of your policy including: the Declarations page, the **General Policy Packet**, your individual coverage forms, policy packets, loss settlement selection forms, and all endorsements. If you have any questions, your representative will be happy to answer them. You can also call our Client Service Center at 866-COUNTRY (866-268-6879). COUNTRY Preferred Insurance Company is a stock corporation with a home office located at 1701 Towanda Avenue, Bloomington, IL, 61701.

Thank you again for choosing COUNTRY Preferred Insurance Company. We truly value your business.

Table of Forms

- General Policy Packet
 - General Definitions, Policy Agreement, & General Policy Conditions
- Section 1 Coverage Forms (if purchased)
 - Liability Coverage- Personal & Premises; Liability Coverage- Premises Only;
 - Medical Payments Coverage
- Section 1 Policy Packet (if purchased)
 - Section 1 Coverage Exclusions & Section 1 Coverage Conditions
- Section 2 Coverage Forms (if purchased)
 - Dwelling Coverage- Homeowners; Dwelling Coverage- Condominium; Personal Property Coverage; Additional Living Expense & Fair Rental Value Coverage;
 - Auxiliary Private Structures Coverage; Structures Away from Residence
 - Premises Coverage; Scheduled Personal Property Coverage; Additional & Special Coverages
- Section 2 Policy Packet (if purchased)
 - Loss Settlement, Perils Insured Against, Section 2 Coverage Exclusions, & Section 2 Coverage Conditions
- Loss Settlement Selection Forms (if purchased or included)
- Endorsements (if purchased or included)



General Policy Packet

General Definitions (Includes Limitations)

The meaning given below will be applied when the word or phrase appears in *italics* anywhere in *your policy* documents.

1. *Actual cash value* means the lesser of the following as determined by us:

- a. Fair market value;
- b. For property other than buildings and structures, the estimated cost to repair or replace the damaged property using materials of like kind and quality, less depreciation; or
- c. For buildings and/or structures, the estimated cost to actually and necessarily repair or replace the damaged property using standard new construction materials of like kind and quality and standard new construction techniques, less depreciation.

In determining depreciation, we will consider wear and tear, deterioration, obsolescence, age, physical condition, and reduced market value of the property. The rate of depreciation shall be the same for both labor and materials. We will not pay any cost to repair or replace the undamaged portion of covered property for the purpose of matching the color, texture, or appearance of the replaced or repaired property. *Actual cash value* does not include increased costs due to applicable building codes, laws, or ordinances.

2. *Aircraft liability, model or hobby aircraft liability, hovercraft liability, motor vehicle liability, and watercraft liability*, subject to the provisions in b. below, means any of the following:

- a. Liability for *bodily injury* or *property damage* arising out of the:
 - i. Ownership of such vehicle or craft by an *insured*;
 - ii. Maintenance, occupancy, operation, use, loading, and/or unloading of such vehicle or craft by any person;
 - iii. Entrustment of such vehicle or craft by an *insured* to any person;
 - iv. Failure to supervise or negligent supervision by an *insured*, of any person involving such vehicle or craft; or
 - v. Vicarious liability, whether or not imposed by law, for the actions of any person, including a minor involving such vehicle or craft.
- b. For the purpose of this definition:
 - i. *Aircraft* means any contrivance used or designed for flight, except for *model or hobby aircraft*;
 - ii. *Hovercraft* means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flare craft and air cushion vehicles;
 - iii. *Watercraft* means a craft principally designed to be propelled on or in water;
 - iv. *Motor vehicle* means a *motor vehicle* as defined in 10. below; and
 - v. *Model or hobby aircraft* means a *model or hobby aircraft* as defined in 9. below.

3. *Bodily injury* means physical injury to a person. Sickness, disease, or emotional distress that is not caused by physical injury is not *bodily injury*.

4. *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 financial compensation, other compensation, or other professional purposes, except the following:
 - i. Activities for which no *insured* receives more than \$2,000 in total compensation for the 12 months before the *occurrence*;
 - ii. Providing home day care services for which no compensation is received, other than the

- mutual exchange of such services; or
 - iii. The rendering of home day care services to a relative of an *insured*.
5. *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*.
6. *Fungus* means any type or form of fungus, including but not limited to, mold, mildew, mycotoxins, spores, scents, or by-products produced or released by fungi.
7. *Insured* means:
- a. *You* and residents of *your* household who are:
 - i. *Your* relatives; or
 - ii. Other persons under the age of 21 who are in *your* care or the care of *your* relative who is a member of *your* household;
 - 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:
 - i. 24 and *your* relative; or
 - ii. 21 and in *your* care or the care of a person described in a. i. above;
 - c. Under **Liability Coverage- Personal & Premises, Liability Coverage- Premises Only, and Medical Payments Coverage**:
 - i. With respect to animals, watercraft, or *recreational motor vehicles* to which this *policy* applies, any person or organization legally responsible for these animals, watercraft, or *recreational motor vehicles* that are owned by *you* or any person included in a. or b. above. *Insured* does not mean a person or organization using or having custody of these animals, watercraft, or *recreational motor vehicles* in the course of any *business* or without consent of the owner; or
 - ii. With respect to a *motor vehicle* to which this *policy* applies:
 - 1. *Employees* or *residence employees* while engaged in *your* employ or that of any person included in a. or b. above;
 - 2. Other persons using the vehicle on an *insured location* with *your* consent; or
 - 3. A person while operating machinery with *your* permission in activities covered by this *policy*;
 - d. Under **Liability Coverage- Personal & Premises, Liability Coverage- Premises Only, and Medical Payments Coverage** of this *policy*, the person or organization named on the Declarations page as an Additional Insured. This definition of Additional Insured under paragraph d. applies only to the ownership, maintenance, and/or use of the *insured location*. Coverage does not apply to *bodily injury* to a *residence employee* arising out of or in the course of the *residence employee's* employment by the Additional Insured; or
 - e. If *your* Declarations page shows a Loss Payee payable under one or more of the coverages listed below, the definition of *insured* includes that Loss Payee with respect to that coverage. If we decide to cancel or not to renew this *policy*, that Loss Payee will be notified in writing.
 - i. **Dwelling Coverage- Homeowners**
 - ii. **Dwelling Coverage- Condominium**
 - iii. **Personal Property Coverage**
 - iv. **Additional Living Expense & Fair Rental Value Coverage**
 - v. **Auxiliary Private Structures Coverage**
 - vi. **Structures Away from Residence Premises Coverage**
 - vii. **Scheduled Personal Property Coverage**
 - viii. **Additional & Special Coverages**

Throughout this *policy*, when the word “an” or “any” immediately precedes the word *insured*, the words “an *insured*” or “any *insured*” mean one or more *insureds*.

8. *Insured location* means:
- a. The *residence premises*;
 - b. Under **Liability Coverage- Personal & Premises, Liability Coverage- Premises Only**, and **Medical Payments Coverage** only, the part of other premises, structures, and grounds used as a residence; and
 - i. Which is shown on *your* Declarations page; or
 - ii. Which is acquired by *you* during the *policy* period for use as *your* principal residence;
 - c. Any premises used by *you* in connection with a premises described in a. and, under **Liability Coverage- Personal & Premises, Liability Coverage- Premises Only**, and **Medical Payments Coverage** only, b. above;
 - d. Any part of premises not owned by an *insured* where an *insured* is temporarily residing;
 - e. Vacant land owned by or rented to an *insured*;
 - f. Land owned by or rented to an *insured* on which a one, two, or three family dwelling is being built as a residence for an *insured*;
 - g. Individual or family cemetery plots or burial vaults of an *insured*;
 - h. Any part of a premises occasionally rented to an *insured* for other than *business* use; or
 - i. Any location shown on *your* Declarations page.
9. *Model or hobby aircraft* means any unmanned contrivance used or designed for flight that:
- a. Has a gross aircraft weight of less than 55 pounds; and
 - b. Is not used or designed to carry persons or cargo.
10. *Motor vehicle* means:
- a. A self-propelled land or amphibious vehicle; or
 - b. Under **Liability Coverage- Personal & Premises, Liability Coverage- Premises Only**, and **Medical Payments Coverage** only, any trailer or semi-trailer that is being carried on, towed by, or hitched for towing by a vehicle described in a. above.
11. *Policy* means this document (titled **General Policy Packet**), coverage documents, applications for insurance, *your* Declarations page, and any forms, schedules, addenda, and endorsements provided by *us*.
12. *Pollutants* means any noise or any solid, semi-solid, liquid, gaseous, or thermal irritant or contaminant, whether indoor or outdoor, including but not limited to smoke, vapor, soot, fumes, mist, acids, alkalis, chemicals, biological and other etiological agents or materials, teratogenic, carcinogenic and mutagenic materials, sewage, methane gas, manure, odor, dust, radiation in any form including but not limited to electromagnetic or ionizing energy, and waste materials. Waste materials include, but are not limited to, materials that are intended to be or have been recycled, reconditioned, or reclaimed.
13. *Property damage* means physical injury to or destruction of tangible property, including the resulting loss of use of this property.
14. *Recreational motor vehicle* means any motorized land vehicle principally used off public roads, which is not licensed nor required to be licensed for road use, including but not limited to, all-terrain vehicles or other utility-type vehicles. A *motor vehicle* designed or used for racing is not considered a *recreational motor vehicle*.
15. *Replacement cost* means, except under **Scheduled Personal Property Coverage** and **Loss Settlement Selection Form 6**, the cost actually and necessarily incurred to repair or replace the damaged property using standard new construction materials of like kind and quality and standard new construction techniques. *We* will not pay the additional cost to repair, replace, or reproduce obsolete or antique construction. *We* will not pay any cost to repair or replace the undamaged portion of covered property for the purpose of matching the color, texture, or appearance of the replaced or repaired property. *Replacement cost* does not include any increased cost due to applicable building codes, laws,

or ordinances.

16. *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 duties similar to those described in a. above, in a different place not related to the *business* of an *insured*.

A *residence employee* does not include a relative under age 18 residing in *your* household.

17. *Residence premises* means:

- a. The one, two, or three family dwelling where *you* principally reside; or
- b. That part of any other building where *you* principally reside;

which is at a **Location Insured** listed on *your* Declarations page.

Residence premises also includes grounds and appurtenant structures at that **Location Insured**.

18. *We*, *us*, and *our* mean the company named on *your* Declarations page.

19. *You*, *your*, and *yourself* mean the person(s) shown on *your* Declarations page as **Named Insured** and the spouse(s) of the person(s) listed if a resident of the same household.

Policy Agreement

If *you* have paid the premiums and have complied with the *policy* provisions, *we* will provide the coverages that *you* have purchased through *us*, which are shown on *your* Declarations page and explained in the attached coverage forms. The coverages are subject to the exclusions, conditions, limits of liability, loss settlement selections, perils insured against, and other terms of *your policy*, that *you* have purchased, which are shown on *your* Declarations page that is in effect at the time of any loss, injury, or damage.

General Policy Conditions (Includes Limitations)

The following general conditions apply to this *policy*, including all forms and endorsements.

A. Policy Period

Policy period means the *policy* term shown on *your* Declarations page, commencing on the time and date stated on *your* Declarations page.

Under **Liability Coverage- Personal & Premises**, **Liability Coverage- Premises Only**, and **Medical Payments Coverage**, this *policy* applies only to *bodily injury* or *property damage* that occurs during the *policy* period.

Under **Dwelling Coverage- Homeowners**, **Dwelling Coverage- Condominium**, **Personal Property Coverage**, **Additional Living Expense & Fair Rental Value Coverage**, **Auxiliary Private Structures Coverage**, **Structures Away from Residence Premises Coverage**, **Scheduled Personal Property Coverage**, and **Additional & Special Coverages**, this *policy* applies only to loss that occurs during the *policy* period.

B. Liberalization Clause

If *we* revise this *policy* to provide more coverage without charging additional premium, *your policy* will automatically provide the additional coverage the day the revision is effective in *your* state.

C. 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.

D. Certificate of Insurance

Coverage provided by this *policy* when described in a certificate of insurance is not amended, altered, or

extended by that certificate. If this *policy*, when described in a certificate of insurance, is cancelled during its term, we will provide not less than 10 days' notice to the certificate holder. Notice by regular mail to the last known address will be sufficient compliance with this provision.

E. 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 the 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 the cancellation takes effect. This cancellation notice may be delivered to *you*, or mailed to *you* at *your* mailing address shown on *your* Declarations page. 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 the 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 for:
 - i. Conviction of a named *insured* of a crime arising out of acts increasing the hazard insured against;
 - ii. Acts or omissions by the *insured* constituting fraud or material misrepresentation in obtaining the *policy*, continuing the *policy*, or pursuing a claim under the *policy*;
 - iii. Discovery of grossly negligent acts or omissions by an *insured* or the *insured's* representative increasing the hazard insured against;
 - iv. Substantial change in the risk assumed by *us* if the risk has changed substantially since the *policy* was issued, except to the extent that *we* should reasonably have foreseen the change or contemplated the risk in writing the *policy*;
 - v. Determination by the director of insurance that continuation of the *policy* would place *us* in violation of Arizona insurance laws;
 - vi. Failure of any *insured* to take reasonable steps to eliminate or reduce any conditions in or on the insured premises which contributed to a loss in the past or will increase the probability of future losses; or
 - vii. Any other valid cancellation reason permitted by Arizona law.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 the *policy* anniversary by letting *you* know at least 30 days before the date the cancellation takes effect.
3. When this *policy* is cancelled, the paid premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
4. If the excess premium is not refunded with the notice of cancellation or when this *policy* is returned to *us*, *we* will refund it within a reasonable time after the date cancellation takes effect.

F. Continuous Renewal Provision

Subject to *our* premiums, rules, and forms then in effect, this *policy* may be continued in force for each successive *policy* term. The renewal premium must be paid by the due date. If the renewal premium is not paid, coverage will cease on the coverage termination date. Payment received after the due date will be considered a nonbinding application to reinstate the lapsed *policy*.

G. Nonrenewal

We may elect not to renew this *policy*. *We* may do so by mailing to *you* at *your* mailing address shown on *your* Declarations page, written notice at least 30 days before the end of the *policy* period. Proof of

mailing will be sufficient proof of notice.

If *our* nonrenewal is based on the condition of the premises, *you* will be given 30 days' notice to remedy the identified conditions. If the identified conditions are remedied, coverage will be renewed. If the identified conditions are not remedied to *our* satisfaction, *you* will be given an additional 30 days, upon payment of premium, to correct the defective conditions.

This provision will not apply and this *policy* will terminate:

1. At the end of the *policy* period, if *you* have agreed to nonrenewal and *we* have sent a notification listing this reason; or
2. On the effective date of any other insurance policy, if *you* have accepted the other policy and it was issued as a replacement for this insurance, and *we* have sent a notification listing this reason.

H. **Inspections and Surveys**

We will be permitted to inspect *your* premises and property any time during the *policy* period. *We* are not obligated to make inspections or surveys for *your* benefit. Any inspections or surveys *we* do perform are for *our* underwriting and rating purposes. *We* do not provide services relating to *your* health or safety or the health and safety of workers or the public.

I. **Assignment**

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

J. **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*. If *we* pay an *insured*, who is a victim of domestic violence, for a loss caused by an act of domestic violence, the rights of that *insured* to recover damages from the perpetrator of the violence are transferred to *us* to the extent of *our* payment. Following the loss, that *insured* may not waive such rights to recover against the perpetrator of the domestic violence.

Subrogation does not apply to 2.C. **Damage to Property of Others in Liability Coverage- Personal & Premises** and **Liability Coverage- Premises Only**.

K. **Conformity to State Statutes**

Any terms of this *policy* which are in conflict with the statutes of the state in which this *policy* is issued are amended to conform to such statutes.

L. **Death**

If any person named on *your* Declarations page or their 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.

M. **No Action Against Related Entities**

Nothing in this *policy* gives any person, organization, corporation, or other entity any rights or causes of action against any parent corporation, affiliate, or subsidiary of the company issuing this *policy*. No rights are created or implied against any parent corporation, affiliate, or subsidiary of the company described on

your Declarations page.

N. Customer Complaint Information

If *you* have a complaint regarding this *policy*, *you* may contact:

Customer Relations

P.O. Box 2100

Bloomington, Illinois 61702-2100

Telephone 1-866-268-6879

This *policy* is signed by the President and Secretary of the company, at Bloomington, Illinois and countersigned on *your* Declarations page by an authorized representative of the company.

A handwritten signature in black ink, appearing to read "Brian Duncan".

Brian Duncan

President

COUNTRY Preferred Insurance Company®

A handwritten signature in black ink, appearing to read "Jennifer L. Vance".

Jennifer L. Vance

Secretary

COUNTRY Preferred Insurance Company®



Liability Coverage – Personal & Premises

Reading this document

Words in *italics* are defined in the **General Policy Packet** or in the **Definitions** section for this coverage.

To confirm *you* have **Liability Coverage- Personal & Premises**, please refer to *your* current Declarations page. *Your* Declarations page lists the coverages *you* have purchased and may list additional coverage-specific information such as the **Loss Settlement Selection Form**, Perils Insured Against, and Limits of Liability *you* have chosen for each coverage. However, please always refer to this form for complete details.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Definitions

All **General Definitions** in the **General Policy Packet** apply to *your* **Liability Coverage- Personal & Premises** and related endorsements and forms. In addition:

1. *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*.

What is covered (includes limitations)

1. If *you* have purchased **Liability Coverage- Personal & Premises** and 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:
 - a. Pay up to *our* Limit of Liability as stated on *your* Declarations page for the damages for which an *insured* is legally liable. Damages include pre-judgment interest awarded against an *insured*; and
 - b. Provide a defense at *our* expense by counsel of *our* choice, even if the suit is groundless, false, or fraudulent. *We* may investigate and/or settle any claim or suit that *we* decide is appropriate. *Our* duty to settle and/or defend ends when *our* Limit of Liability for this *occurrence* has been exhausted by payment of judgments or settlements.
2. We cover the following in addition to the Limits of Liability:
 - a. **Claim Expenses (includes limitations)**

With respect to suits for covered damages, we pay:

 - i. Expenses we incur and costs taxed against an *insured* in any suit we defend;
 - ii. Premiums on bonds required in a suit we defend, but not for bond amounts more than the **Liability Coverage- Personal & Premises** Limit of Liability. *We* need not apply for or furnish any bond;
 - iii. 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;
 - iv. Post-judgment interest that accrues before we pay or tender, or deposit in court that part of the judgment which is covered and does not exceed *our* Limit of Liability; and
 - v. Reasonable expenses incurred, other than loss of earnings, up to \$250 per day for the cost of defending a claim brought against an *insured* under a workers' compensation law, if it is finally determined the workers' compensation law is not applicable.
 - b. **Intentionally Left Blank**
 - c. **Damage To Property Of Others (includes limitations)**

- i. We will pay, at *replacement cost*, up to \$1,500 per *occurrence* for *property damage* to property of others caused by an *insured* or animals owned by or in the care of an *insured*.
- ii. We do not cover *property damage*:
 - (a) To property covered elsewhere in this *policy*;
 - (b) Caused intentionally by an *insured* who is 13 years of age or older;
 - (c) To property owned or rented by an *insured*;
 - (d) To property owned by or rented to a tenant of an *insured* or a resident in *your* household;
 - (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, renting, loaning, entrustment, operation, use, loading, and/or unloading of aircraft, *model or hobby aircraft*, hovercraft, watercraft, or *motor vehicles*.
This exclusion, 2.c.ii.(e)(3), does not apply to a *motor vehicle* that: **(a)** is a *recreational motor vehicle*; **(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; or
 - (f) Caused by wear and tear, latent defects (a defect not immediately apparent), or inherent vice (the quality for self-deterioration or damage).

3. **Special Limits of Liability**

The special limit for each category shown below is the total limit for each *occurrence* for that category. These special limits do not increase the **Liability Coverage- Personal & Premises**.

1. **Dangerous Dogs, Aggressive Breeds, and Exotic Animals.** The most we will pay per *occurrence* for *bodily injury* or *property damage* arising out of a dangerous dog, dog of an aggressive breed, or exotic animal that *you*, any *insured*, or any member of *your* household owns or has in their care, custody, or control is \$10,000.

For the purposes of this special limit of liability, a dangerous dog is any dog:

- a. Trained or used as an attack or guard dog;
- b. Previously deemed to be vicious, aggressive, or dangerous as defined by any state or local law, regulation, or ordinance; or
- c. That has a prior history of biting or vicious act that:
 - i. Resulted in death to a person;
 - ii. Required any type of professional medical treatment; or
 - iii. Was reported to any governmental agency.

For the purposes of this special limit of liability, aggressive breeds are:

- a. Pit-bull;
- b. Chow;
- c. Rottweiler;
- d. Doberman;
- e. Akita;
- f. Wolf;
- g. Wolf-Dog;
- h. Fila Brasileiro; or
- i. Any hybrid of these breeds.

For the purposes of this special limit of liability, an exotic animal is a:

- a. Non-domesticated feline;

- b. Non-human primate;
- c. Venomous or poisonous animal;
- d. Caiman, alligator, or crocodile;
- e. Bear;
- f. Wolf;
- g. Jackal;
- h. Fox;
- i. Snake;
- j. Coyote; or
- k. Any hybrid of these animals.

Exclusions

Your Liability Coverage- Personal & Premises is subject to the following **Exclusions**:

Please refer to the **Section 1 Coverage Exclusions** in the **Section 1 Policy Packet** for exclusions that apply to *your Liability Coverage- Personal & Premises*.

The following **Special Exclusion** also applies to *your Liability Coverage- Personal & Premises*:

Additional Locations Insured

Bodily injury or property damage arising out of an *insured location* that is covered under this *policy* by **Liability Coverage- Premises Only**.

Conditions- including limits

Your Liability Coverage- Personal & Premises is subject to the following **Conditions**:

Please refer to the **General Policy Conditions** in *your General Policy Packet*, and the **Section 1 Coverage Conditions** in the **Section 1 Policy Packet**, for conditions that apply to *your Liability Coverage- Personal & Premises*.

This form does not change, alter, or extend any provision of *your policy* except as described in this form.



Medical Payments Coverage

Reading this document

Words in *italics* are defined in the **General Policy Packet** or in the **Definitions** section for this coverage.

To confirm *you* have **Medical Payments Coverage**, please refer to *your* current Declarations page. *Your* Declarations page lists the coverages *you* have purchased and may list additional coverage-specific information such as the **Loss Settlement Selection Form**, Perils Insured Against, and Limits of Liability *you* have chosen for each coverage. However, please always refer to this form for complete details.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Definitions

All **General Definitions** in the **General Policy Packet** apply to *your Medical Payments Coverage* and related endorsements and forms. In addition:

1. *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*.

What is covered (includes limitations)

1. If *you* have purchased **Medical Payments Coverage**, we will pay the necessary medical expenses up to the Limit of Liability stated on *your* Declarations page for services performed within two years from the date of an *occurrence* causing *bodily injury* and submitted to *us* within three years from the date of the *occurrence*. Medical expenses means reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, prosthetic devices, and funeral services.
2. This coverage applies only:
 - a. To a person on the *insured location* with the permission of an *insured*; or
 - b. To a person off the *insured location*, if the *bodily injury*:
 - i. Arises out of a condition on the *insured location* or the ways immediately adjoining;
 - ii. Is caused by the activities of an *insured*;
 - iii. Is caused by a *residence employee* in the course of the employment; or
 - iv. Is caused by an animal owned by or in the care of an *insured*.
3. **Special Limits of Liability**

The special limit for each category shown below is the total limit for each *occurrence* for that category. These special limits do not increase the **Medical Payments Coverage** Limits of Liability.

1. **Dangerous Dogs, Aggressive Breeds, and Exotic Animals.** The most we will pay per *occurrence* for *bodily injury* or *property damage* arising out of a dangerous dog, dog of an aggressive breed, or exotic animal that *you*, any *insured*, or any member of *your* household owns or has in their care, custody, or control is \$10,000.

For the purposes of this special limit of liability, a dangerous dog is any dog:

- a. Trained or used as an attack or guard dog;
- b. Previously deemed to be vicious, aggressive, or dangerous as defined by any state or local law, regulation, or ordinance; or
- c. That has a prior history of biting or vicious act that:
 - i. Resulted in death to a person;

- ii. Required any type of professional medical treatment; or
- iii. Was reported to any governmental agency.

For the purposes of this special limit of liability, aggressive breeds are:

- a. Pit-bull;
- b. Chow;
- c. Rottweiler;
- d. Doberman;
- e. Akita;
- f. Wolf;
- g. Wolf-Dog;
- h. Fila Brasileiro; or
- i. Any hybrid of these breeds.

For the purposes of this special limit of liability, an exotic animal is a:

- a. Non-domesticated feline;
- b. Non-human primate;
- c. Venomous or poisonous animal;
- d. Caiman, alligator, or crocodile;
- e. Bear;
- f. Wolf;
- g. Jackal;
- h. Fox;
- i. Snake;
- j. Coyote; or
- k. Any hybrid of these animals.

- 4. This coverage does not apply to *you* or residents of *your* household except *residence employees*.
- 5. If **Medical Payments Coverage** is indented under **Liability Coverage- Premises Only** on *your* Declarations page, **What is covered** item 2.b. above is deleted and **Medical Payments Coverage** does not apply to any person off the *insured location*.

Exclusions

Your **Medical Payments Coverage** is subject to the following **Exclusions**:

Please refer to the **Section 1 Coverage Exclusions** in the **Section 1 Policy Packet** for exclusions that apply to *your* **Medical Payments Coverage**.

Conditions- including limits

Your **Medical Payments Coverage** is subject to the following **Conditions**:

Please refer to the **General Policy Conditions**, and the **Section 1 Coverage Conditions** in the **Section 1 Policy Packet**, for conditions that apply to *your* **Medical Payments Coverage**.

This form does not change, alter, or extend any provision of *your policy* except as described in this form.

Section 1 Policy Packet

Section 1 Coverage Exclusions

If you have purchased **Liability Coverage- Personal & Premises**, **Liability Coverage- Premises Only**, or **Medical Payments Coverage**, the following exclusions apply to such coverages:

A. Motor Vehicle Liability

1. **Liability Coverage- Personal & Premises**, **Liability Coverage- Premises Only**, and **Medical Payments Coverage** 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*;
 - c. Is being:
 - i. Operated in, or practicing for, any prearranged, organized, or spontaneous race, speed contest, or other competition;
 - ii. Rented to others;
 - iii. Used to carry persons or cargo for a charge;
 - iv. Used for any *business* purpose except for a motorized golf cart while on a golfing facility; or
 - v. Used on a public road or public property, except this exclusion, A.1.c.v., does not apply to liability arising from the use of lawnmowers or walk-behind snow blowers by an *insured* away from the *residence premises* on public roads or public property; or
 - d. Is insured on any other policy of insurance.
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 an *insured's* residence;
 - c. A lawnmower or walk-behind snow blower used by an *insured* away from the *residence premises* and not otherwise excluded;
 - d. Designed to assist the handicapped and, at the time of an *occurrence*, it is:
 - i. Being used to assist a handicapped person;
 - ii. Parked on an *insured location*;
 - e. A *recreational motor vehicle*:
 - i. Not owned by an *insured*; or
 - ii. Owned by an *insured* provided the *occurrence* takes place on an *insured location* as defined in **General Definitions**, items 8. a., b., d., e., or h.;
 - f. A motorized golf cart that is owned by an *insured*, designed to carry up to 4 persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground, and, at the time of an *occurrence*, is within the legal boundaries of a golfing facility, and:
 - i. Is being used within the rules stated for use of a golf cart; and
 - ii. 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;
 - (c) Cross public roads at designated points to access other parts of the

- golfing facility; or
- g. A trailer or semi-trailer *you* own which is not self-propelled and is in dead storage.

B. Watercraft Liability

1. **Liability Coverage- Personal & Premises, Liability Coverage- Premises Only, and Medical Payments Coverage** do not apply to any *watercraft liability* arising from the ownership, maintenance, operation, use, loading, or unloading of any watercraft owned by or rented to an *insured* if the watercraft:
- Has inboard or inboard-outboard motor power of more than 50 horsepower;
 - Is 26 feet or more in overall length; or
 - Is powered by one or more outboard motors totaling over 25 horsepower.
- This exclusion, B.1., does not apply to *bodily injury* or *property damage* occurring on the *insured location*.
2. **Liability Coverage- Personal & Premises, Liability Coverage- Premises Only, and Medical Payments Coverage** do not apply to *watercraft liability* if at the time of an *occurrence* the involved watercraft is:
- Being operated in, or practicing for, any spontaneous, prearranged, or organized race, speed contest, or other competition;
 - Used for hire or charter; or
 - Used in any unlawful trade or transportation.

However, the exclusion, B.2.a., does not apply to sailing vessels or a predicted log cruise.

C. Aircraft Liability

Liability Coverage- Personal & Premises, Liability Coverage- Premises Only, and Medical Payments Coverage do not apply to *aircraft liability*.

D. Model or Hobby Aircraft Liability

Liability Coverage- Personal & Premises, Liability Coverage- Premises Only, and Medical Payments Coverage do not apply to *model or hobby aircraft liability* if, at the time and place of an *occurrence*, the involved *model or hobby aircraft*:

- Fails to give the right of way to manned aircraft; or
- Is operated outside of:
 - Any applicable Federal Aviation Administration regulations;
 - Any applicable state, local, or municipal regulations; or
 - The manufacturers' recommended use instructions.

E. Hovercraft Liability

Liability Coverage- Personal & Premises, Liability Coverage- Premises Only, and Medical Payments Coverage do not apply to *hovercraft liability*.

F. Liability Coverage- Personal & Premises, Liability Coverage- Premises Only, and Medical Payments Coverage do not apply to the following:

1. **Expected or Intended Injury**

Bodily injury or *property damage* that may reasonably be expected or intended to result from the intentional acts of an *insured* even if the resulting *bodily injury* or *property damage*:

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

This exclusion, F.1., applies regardless of whether any *insured* personally participated in or committed the alleged act and regardless of whether any *insured* subjectively intended the *bodily injury* or *property damage* for which a claim is made.

However, this exclusion, F.1., does not apply to *bodily injury* resulting from the use of reasonable force by an *insured* to protect persons or property;

2. **Business**

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, F.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*.

This exclusion, F.2., does not apply to:

- a. The rental of living space in the *residence premises* if such rental did not exceed 30 days in the 12 months prior to the *occurrence*;
- b. The rental of a private garage on the *residence premises*; or
- c. 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 by an *insured*;

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 that arises out of the transmission of a communicable disease by an *insured*. Communicable disease means any bacteria, parasites, viruses, or other organisms transmissible from person to person due to direct or indirect contact with an affected person or that person's discharges, fluid, or blood. This exclusion, F.6., applies regardless of whether any *insured* personally participated in or committed the alleged act and regardless of whether any *insured* subjectively intended the *bodily injury or property damage* for which a claim is made;

7. **Sexual Misconduct, Sexual Molestation, Corporal Punishment, or Physical or Mental Abuse**

Bodily injury or property damage arising out of sexual misconduct, sexual molestation, corporal punishment, or physical or mental abuse. This exclusion, F.7., applies regardless of whether any *insured* personally participated in or committed the alleged act and regardless of whether any *insured* subjectively intended the *bodily injury or property damage* for which a claim is made;

Sexual misconduct or sexual molestation means any activity, whether or not prosecuted, which is sexual in nature, whether permitted or unpermitted, including but not limited to: sexual assault; sexual abuse; sexual battery; sexual relations; sexual acts; sexual activity; sexual handling; sexual massage; sexual exploitation; sexual exhibition; photographic, video, or other reproduction of sexual activity; fondling, intimacy, indecent exposure, or undue familiarity; or lewd or lascivious behavior;

8. **Controlled Substance**

Bodily injury or property damage arising out of the use, sale, delivery, transfer, possession, growing, production, processing, warehousing, transportation, or manufacturing 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 (as amended). This exclusion, F.8., applies regardless of whether any *insured* personally participated in or committed the alleged act and regardless of whether any *insured* intended the *bodily injury* or *property damage* for which a claim is made.

This exclusion, F.8., does not apply to the legitimate use of prescription drugs by a person following the orders of that person's licensed physician; however, *bodily injury* and *property damage* arising out of the use, sale, delivery, transfer, possession, growing, production, processing, warehousing, transportation, or manufacturing of marijuana is excluded regardless of the presence of a prescription;

9. Criminal Acts

Bodily injury or *property damage* arising from any criminal act. Criminal act means any act or omission which is criminal in nature or for which a penal statute or ordinance permits or requires any term of imprisonment or sentence of public service duties. This exclusion, F.9., applies regardless of whether any *insured*:

- a. Is actually charged with or convicted of a crime, or
- b. Subjectively intended the *bodily injury* or *property damage* for which a claim is made;

10. Pollution

- a. *Bodily injury* or *property damage* arising out of the actual, alleged, or threatened discharge, dispersal, release, or escape of *pollutants*.
- b. Any loss, cost, or expense resulting from any governmental direction, order, or request that an *insured* test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of *pollutants*.

Exclusions F.10.a. and F.10.b. do not apply to *bodily injury* or *property damage* caused by heat, smoke, or fumes from a hostile fire. As used in this exclusion, a hostile fire means one that becomes uncontrollable or breaks out from where it was intended to be;

11. Fungus or Bacteria

- a. *Bodily injury* or *property damage* caused by, consisting of, or arising out of, either directly or indirectly, *fungus* or *bacteria*; or
- b. Any loss, cost, or expense resulting from any governmental direction, order, or request that an *insured* treat for, monitor, clean up, remove, contain, treat, detoxify, or neutralize *fungus* or *bacteria*;

12. Lead, Asbestos, Silica, or Radon Gas

- a. *Bodily injury* or *property damage* caused directly by, indirectly by, or arising out of lead, asbestos, silica, or radon gas; or
- b. Loss, cost, or expense resulting from any governmental direction, order, or request that an *insured* treat for, monitor, clean up, remove, contain, treat, detoxify, or neutralize substances described in F.12.a.; or

13. Horse Family Liability

Bodily injury or *property damage* caused by horses, donkeys, mules, or any other member of the Equidae family.

G. Liability Coverage- Personal & Premises and Liability Coverage- Premises Only do not apply to the following:

1. Liability:
 - a. For any loss assessment charged against an *insured* as a member of an association, corporation, or community of property owners; or
 - b. Under any contract or agreement entered into by an *insured*;
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, G.3., 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* 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;
6. *Bodily injury* to any *insured*.
 This exclusion, G.6., also applies to any claim made or suit brought against *you* or an *insured*:
 - a. To repay; or
 - b. Share damages with;
 another person who may be obligated to pay damages because of *bodily injury* to an *insured*;
7. *Property damage* to:
 - a. Goods or products, including containers, which an *insured* manufactures, sells, handles, or distributes;
 - b. Work completed by or for an *insured*; or
 - c. An *insured location* arising out of the alienation (e.g. selling, leasing, separating) of that location; or
8. Punitive or exemplary damages. These include damages that may be imposed to punish a wrongdoer or deter others from similar conduct. If a suit is brought against an *insured* seeking covered compensatory damages and punitive or exemplary damages, we will afford a defense to such action but will not pay such punitive or exemplary damages.

H. Medical Payments Coverage 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*, residing on any part of the *insured location*; or
5. To any person, caused by animals owned or kept by any *insured's* roomers, boarders, or other tenants.

The following **Section 1 Coverage Exclusions** do not apply to *bodily injury* to a *residence employee* arising out of and in the course of the *residence employee's* employment by an *insured*:

- **Motor Vehicle Liability** (Paragraph A),
- **Watercraft Liability** (Paragraph B),
- **Aircraft Liability** (Paragraph C),

- **Model or Hobby Aircraft Liability** (Paragraph D),
- **Hovercraft Liability** (Paragraph E), and
- **Insured's Premises not an Insured Location** (Paragraph F.4.).

Section 1 Coverage Conditions

In addition to the **General Policy Conditions**, if *you* have purchased **Liability Coverage- Personal & Premises**, **Liability Coverage- Premises Only**, or **Medical Payments Coverage**, the following conditions also apply to such coverages:

A. Limit of Liability

Our total liability under **Liability Coverage- Personal & Premises** and **Liability Coverage- Premises Only** for all damages resulting from any one *occurrence* will not be more than the Limit of Liability that corresponds to **Liability Coverage- Personal & Premises** or **Liability Coverage- Premises Only** on *your* Declarations page. This Limit of Liability is the same regardless of the number of *insureds*, injured persons, claims made, persons liable, claimants, or policies involved. 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 **Medical Payments Coverage** for all medical expense payable for *bodily injury* to one person as the result of one *occurrence* will not exceed the Limit of Liability specified for Each Person corresponding to **Medical Payments Coverage** on *your* Declarations page. Our total liability under **Medical Payments Coverage** for all medical expense payable for *bodily injury* to two or more persons as the result of one *occurrence* will not exceed the Limit of Liability specified for Each *Occurrence* corresponding to **Medical Payments Coverage** on *your* Declarations page.

B. Joint Obligations

The terms of this *policy* impose joint obligations on persons defined as an *insured* person. This means that responsibilities, acts, and failures to act of a person defined as an *insured* person will be binding upon another person defined as an *insured* person.

C. Duties After Occurrence

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

1. Give written notice to *us* or *our* agent as soon as is practical, which sets forth:
 - a. The *policy* number and the named *insured* shown under **Named Insured** on *your* Declarations page;
 - 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* and any retained legal counsel in the investigation, settlement, or defense of any claim or suit;
3. Promptly forward to *us* every notice, demand, summons, or other legal document relating to the *occurrence*;
4. At *our* request, help *us*:
 - a. To effect settlement;
 - b. To enforce any right of contribution or indemnity against any person or organization that may be liable for the *occurrence*;
 - 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. Promptly give notice of an *occurrence*, a claim that is made, or a suit, to any other insurer who might provide insurance for the *occurrence*;
6. Promptly identify, report, and tender the defense of any claim made or suit to any other insurer that also might have available insurance for the *occurrence*;

7. With respect to C. **Damage to Property of Others** under **Liability Coverage- Personal & Premises** and **Liability Coverage- Premises Only**, *you* must submit to *us* within 60 days after the loss, a sworn statement of loss and show the damaged property, if it is in an *insured's* control;
8. No *insured* will, 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*; and
9. Submit to examinations under oath, as often as *we* reasonably require, outside the presence of all other *insureds*, and sign the same within a reasonable amount of time of *our* request, after having been informed:
 - a. Of *your* right to counsel; and
 - b. That *your* answers may be used against *you* in later civil proceedings or criminal proceedings.

D. Duties of an Injured Person – Medical Payments Coverage

1. The injured person or someone acting for the injured person will:
 - a. Give *us* written proof of claim, under oath if *we* so request, as soon as is practical;
 - b. Authorize *us* to obtain copies of medical reports and records when and as often as *we* request.
2. The injured person will submit to a physical exam by a doctor of *our* choice when and as often as *we* reasonably require; and
3. The injured person or someone acting for the injured person will submit to examinations under oath, as often as *we* reasonably require, outside the presence of all *insureds*, and sign the same within a reasonable amount of time of *our* request, after having been informed:
 - a. Of his or her right to counsel; and
 - b. That his or her answers may be used against him or her in later civil proceedings or criminal proceedings.

E. Payment of Claim – Medical Payments Coverage

We reserve the right to make direct payment to the injured person or any individual or organization rendering medical services. That payment reduces the total amount *we* will pay for that injury. 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 **Liability Coverage- Personal & Premises**, **Liability Coverage- Premises Only**, or **Medical Payments Coverage**.
2. No one will have the right to join *us* as a party to any action against an *insured*.
3. No action with respect to **Liability Coverage- Personal & Premises** and **Liability Coverage- Premises Only** can be brought against *us* until the obligation of such *insured* has been determined by final judgment or agreement signed by *us*.
4. Under **Medical Payments Coverage**, an action to collect benefits must be taken no later than three years after the date of the *occurrence*.

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. Concealment or Fraud

We do not provide coverage to any *insured*, who, in connection with a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
 2. Made false statements of fact which, if known to *us*, would have caused *us* not to issue the *policy*;
- or

3. Engaged in fraudulent conduct relating to a claim under this *policy*.

J. **Additional Insured**

Whenever the word *insured* is used in this *policy*, the term also includes the person or organization named on *your* Declarations page as Additional Insured. This definition is limited to the following:

1. Under **Liability Coverage- Personal & Premises, Liability Coverage- Premises Only**, and **Medical Payments Coverage**, this definition of Additional Insured applies only to the ownership, maintenance, and use of the *insured location*. Coverage does not apply to *bodily injury* to a *residence employee* arising out of or in the course of the *residence employee's* employment by the Additional Insured.

K. **Our Right to Rescind this Policy**

We may rescind this *policy* when any *insured* has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Made false statements of fact which, if known to *us*, would have caused *us* not to issue the *policy*; and
3. Engaged in fraudulent conduct relating to the application for or continuation of this *policy*.



Dwelling Coverage - Homeowners

Reading this document

Words in *italics* are defined in the **General Policy Packet** or in the **Definitions** below for this coverage.

To confirm *you* have **Dwelling Coverage- Homeowners**, please refer to *your* current Declarations page. *Your* Declarations page lists the coverages *you* have purchased and may list additional coverage-specific information such as the **Loss Settlement Selection Form**, Perils Insured Against, and Limits of Liability *you* have chosen for each coverage. However, please always refer to this form for complete details.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Definitions

All **General Definitions** in the **General Policy Packet** apply to *your Dwelling Coverage- Homeowners* and related endorsements and forms. In addition:

1. *Covered loss* means sudden, accidental direct physical damage to covered property which is a direct result of a Peril Insured Against as shown on *your* Declarations page for the described coverage.
2. *Occurrence* means the happening of an event, or series of events closely related in time and nature, that give rise to a loss.

What is covered (includes limitations)

If *you* have purchased **Dwelling Coverage- Homeowners**, *we* insure covered property against a *covered loss*, up to the corresponding Limit of Liability listed on *your* Declarations page. Covered property is described below. Perils Insured Against are described and identified by number in the **Section 2 Policy Packet**. *We* insure covered property against the peril number(s) listed on *your* Declarations page corresponding to **Dwelling Coverage- Homeowners**.

1. If *you* have purchased **Dwelling Coverage- Homeowners**, *we* will pay for *covered losses* to:
 - a. The dwelling on the *residence premises*; and
 - b. Materials and supplies located on or next to the *residence premises* used to construct, alter, or repair the dwelling on the *residence premises*.
2. *We* do not cover land, including:
 - a. The land necessary to support any property insured under *your Dwelling Coverage- Homeowners*;
 - b. Any costs required to replace, rebuild, stabilize, or otherwise restore the land; or
 - c. The cost of repair techniques designed to compensate for or prevent land instability to any property, whether or not insured under *your Dwelling Coverage- Homeowners*.
3. Subject to the **Dwelling Coverage- Homeowners** Limit of Liability, *we* will pay only that part of any *covered loss* which exceeds any Policy Deductible (as stated on *your* Declarations page), unless an additional or different deductible is specified in the applicable coverage or related endorsement. If an additional or different deductible is specified in an applicable coverage or related endorsement, then *we* will pay only that part of any *covered loss* which exceeds the additional or different deductible. The Policy Deductible, or other additional or different deductible, applies to each *occurrence* to which this **Dwelling Coverage- Homeowners** applies.

4. We settle *covered losses* under **Dwelling Coverage- Homeowners** according to the **Loss Settlement Selection Form** you purchased, as listed on *your* Declarations page corresponding to **Dwelling Coverage- Homeowners**.

Exclusions

Your Dwelling Coverage- Homeowners is subject to the following **Exclusions**:

Please refer to the **Section 2 Coverage Exclusions** in the **Section 2 Policy Packet** for exclusions that apply to *your Dwelling Coverage- Homeowners*.

Conditions- including limits

Your Dwelling Coverage- Homeowners is subject to the following **Conditions**:

Please refer to the **General Policy Conditions**, and the **Section 2 Coverage Conditions** in the **Section 2 Policy Packet**, for conditions that apply to *your Dwelling Coverage- Homeowners*.

The following **Special Conditions** also apply to *your Dwelling Coverage- Homeowners*:

1. When a **Location Insured** is not *your* principal residence for more than 60 consecutive days immediately before the loss, coverage under **Dwelling Coverage- Homeowners** still applies unless the **Location Insured** has been rented to others. Additionally, coverage under this Special Condition shall not be increased by item 3. in **Loss Settlement Selection Form 3** or **Loss Settlement Selection Form 4**, if purchased.

This form does not change, alter, or extend any provision of *your policy* except as described in this form.



Personal Property Coverage

Reading this document

Words in *italics* are defined in the **General Policy Packet** or in the **Definitions** below for this coverage.

To confirm *you* have **Personal Property Coverage**, please refer to *your* current Declarations page. *Your* Declarations page lists the coverages *you* have purchased and may list additional coverage-specific information such as the **Loss Settlement Selection Form**, Perils Insured Against, and Limits of Liability *you* have chosen for each coverage. However, please always refer to this form for complete details.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Definitions

All **General Definitions** in the **General Policy Packet** apply to *your Personal Property Coverage* and related endorsements and forms. In addition:

1. *Covered loss* means sudden, accidental direct physical damage to covered property which is a direct result of a Peril Insured Against as shown on *your* Declarations page for the described coverage.
2. *Occurrence* means the happening of an event, or series of events closely related in time and nature, that give rise to a loss.

What is covered (includes limitations)

If *you* have purchased **Personal Property Coverage**, we insure covered property against a *covered loss*, up to the corresponding Limit of Liability listed on *your* Declarations page. Covered property is described below. Perils Insured Against are described and identified by number in the **Section 2 Policy Packet**. We insure covered property against the peril number(s) listed on *your* Declarations page corresponding to **Personal Property Coverage**.

1. Covered Property (includes limitations)

a. Insured's Property

We cover personal property owned by or used by an *insured* while it is anywhere in the world.

b. Property of Others

After a loss and at *your* request, we will cover personal property owned by:

- i. Others while the property is on the part of the *residence premises* occupied by an *insured*; or
- ii. A guest or *residence employee* while the property is in any residence occupied by an *insured*.

If *you* ask *us* to cover property under b. i. or ii. above, the owner of the property is bound by all of the terms and conditions of this *policy*.

2. Limit of Liability for Property at 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 **Personal Property Coverage** or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- a. Moved from the *residence premises* because the *residence premises* is being repaired, renovated, or rebuilt and is not fit to live in or store property in; or
- b. In a newly acquired principal residence for 30 days from the time *you* begin to move the property there.

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 **Personal Property Coverage** Limit of Liability.

- a. \$200 on money, checks, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, casino chips, gift certificates, 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 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. *We do not cover loss by windstorm or hail to this property unless the property is inside a fully enclosed building. Canoes and rowboats, however, are covered outside against loss by windstorm or hail if this property is on the *insured location*.*
- d. \$1,500 on trailers of all types except camping trailers and those used with watercraft.
- e. \$2,500 on jewelry, watches, furs, and precious and semi-precious stones. This special limit does not apply to losses caused by Perils Insured Against 2 through 18 if those perils are purchased on this *policy* for **Personal Property Coverage**.
- f. \$2,500 on firearms and related equipment. This special limit does not apply to losses caused by Perils Insured Against 2 through 18 if those perils are purchased on this *policy* for **Personal Property Coverage**.
- g. \$2,500 on silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware, and pewter ware. This includes flatware, hollowware, tea sets, trays, and trophies made of or including silver, gold, or pewter. This special limit does not apply to losses caused by Perils Insured Against 2 through 18 if those perils are purchased on this *policy* for **Personal Property Coverage**.
- h. \$2,500 on property on the *residence premises* used or intended for use in a *business*.
- i. \$500 on property away from the *residence premises* used or intended for use in a *business*.
- j. \$1,500 on electronic apparatus and accessories, while in or upon a *motor vehicle*, but only if the apparatus is equipped to be operated by power from the *motor vehicle*'s electrical system while still capable of being operated by other power sources. Accessories include antennas, tapes, wires, records, discs, or other media that can be used with any apparatus described in this category, j.
- k. \$1,000 for electronic apparatus designed to be operated solely by power from the electrical system of a *motor vehicle* while such property is not in or upon a *motor vehicle*.
- l. \$500 on *recreational motor vehicles*, their accessories, equipment, and parts.
- m. \$2,500 for trading cards and comic books, including any of these that are part of a collection.
- n. \$5,000 on any one article and \$10,000 in the aggregate for loss of any rug, carpet (except wall to wall carpet), tapestry, wall-hanging, or other similar articles. This special limit does not apply to losses caused by Perils Insured Against 2 through 18 if those perils are purchased on this *policy* for **Personal Property Coverage**.
- o. \$1,500 on camping trailers, slide-in campers, and campers of any type.
- p. \$5,000 on *motor vehicles* not required to be registered for use on public roads, used solely to service an *insured's* residence, including their accessories, equipment, and parts.

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. This includes articles insured under **Scheduled Personal Property Coverage**;
- b. Animals, birds, or fish;
- c. *Motor vehicles*.
 - i. This includes:

- (a) Their accessories, equipment, and parts; or
- (b) Electronic apparatus and accessories designed to be operated solely by power from the electrical system of the *motor vehicle*. Accessories include antennas, tapes, wires, records, discs, or other media that can be used with any apparatus described above.

This exclusion, 4.c.i.(b), applies only while such property is in or upon a *motor vehicle*. When not in or upon a *motor vehicle*, an electronic apparatus is limited to

3. **Special Limits of Liability**, item k.;

- ii. We do cover *motor vehicles* not required to be registered for use on public roads which are:

- (a) Used solely to service an *insured's* residence, subject to 3. **Special Limits of Liability**, item p.;
- (b) Lawnmowers used on or away from the *insured's* residence;
- (c) Designed to assist the handicapped; or
- (d) *Recreational motor vehicles* subject to 3. **Special Limits of Liability**, item l.;

- d. Semi-trailers;
- e. Mobile homes;
- f. Aircraft, meaning any contrivance used or designed for flight, including any parts whether or not attached to the aircraft, except as provided for in *your Additional & Special Coverages* for **Model or Hobby Aircraft Coverage**;
- g. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flare craft and air cushion vehicles;
- h. Property of roomers, boarders, and other tenants, except property of roomers and boarders related to an *insured*;
- i. Property in a living space on the *residence premises* regularly rented or held for rental to others, for more than the amount provided by 3. **Special Limits of Liability**, item h.;
- j. Property rented or held for rental to others off the *residence premises*;
- k. *Business* data, including such data stored in:
 - i. Books of account, drawings, or other paper records; or
 - ii. Computers and related equipment.
- l. Credit cards, electronic fund transfer cards, or access devices used solely for deposit, withdrawal or transfer of funds, except as provided for in *your Additional & Special Coverages* for **Credit Card and Forgery Coverage**;
- m. Water or steam, except for water contained in a swimming pool;
- n. Radar detectors;
- o. Controlled substances as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812 (as amended). This provision does not apply to prescription drugs prescribed by the *insured's* licensed physician. Marijuana, however, is not covered property, regardless of the presence of a prescription;
- p. Trees, shrubs, plants, and lawns, except as provided for in *your Additional & Special Coverages* for **Trees, Shrubs, Plants, and Lawns Coverage**; or
- q. Electronic, digital, or crypto-currency, including any electronic data processing equipment or storage equipment used in conjunction with any electronic, digital, or crypto-currency.

5. **Additional Perils for Refrigerated Personal Property**

We will pay up to \$500, unless a greater amount is listed on *your* Declarations page, for **Refrigerated Personal Property Coverage** for loss or damage to contents of all freezers and refrigerated units on the *residence premises* if the loss is caused by a change in temperature resulting from:

- a. Interruption of electrical service to refrigeration equipment caused by damage to generating or transmission equipment;
- b. Interruption of electrical service by any other cause, unless resulting from human error of an *insured*; or
- c. Mechanical or electrical breakdown of the refrigeration system.

Under this coverage, we will pay up to *our* Limit of Liability provided that the refrigerated property:

- a. Is owned by an *insured*; and
- b. Is not *business* personal property.

The *insured* must exercise diligence in inspecting and maintaining refrigeration equipment in proper working condition. If interruption of electrical service, or mechanical or electrical breakdown is known, all reasonable means must be used to protect the covered property from further damage or this coverage is void.

6. Subject to the **Personal Property Coverage** Limit of Liability and **Special Limits of Liability** stated above, we will pay only that part of any *covered loss* which exceeds any Policy Deductible (as stated on *your* Declarations page), unless an additional or different deductible is specified in the applicable coverage or related endorsement. If an additional or different deductible is specified in an applicable coverage or related endorsement, then we will pay only that part of any *covered loss* which exceeds the additional or different deductible. The Policy Deductible, or other additional or different deductible, applies to each *occurrence* to which this **Personal Property Coverage** applies.
7. We settle *covered losses* under **Personal Property Coverage** according to the **Loss Settlement Selection Form** you purchased, as listed on *your* Declarations page corresponding to **Personal Property Coverage**.

Exclusions

Your Personal Property Coverage is subject to the following **Exclusions**:

Please refer to the **Section 2 Coverage Exclusions** in the **Section 2 Policy Packet** for exclusions that apply to *your Personal Property Coverage*.

Conditions- including limits

Your Personal Property Coverage is subject to the following **Conditions**:

Please refer to the **General Policy Conditions**, and the **Section 2 Coverage Conditions** in the **Section 2 Policy Packet**, for conditions that apply to *your Personal Property Coverage*.

The following **Special Conditions** also apply to *your Personal Property Coverage*:

1. **Loss to a Pair or Set**

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

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

This form does not change, alter, or extend any provision of *your policy* except as described in this form.



Additional Living Expense & Fair Rental Value Coverage

Reading this document

Words in *italics* are defined in the **General Policy Packet** or in the **Definitions** below for this coverage.

To confirm *you* have **Additional Living Expense & Fair Rental Value Coverage**, please refer to *your* current Declarations page. *Your* Declarations page lists the coverages *you* have purchased and may list additional coverage-specific information such as the **Loss Settlement Selection Form**, Perils Insured Against, and Limits of Liability *you* have chosen for each coverage. However, please always refer to this form for complete details.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Definitions

All **General Definitions** in the **General Policy Packet** apply to *your* **Additional Living Expense & Fair Rental Value Coverage** and related endorsements and forms. In addition:

1. *Covered loss* means sudden, accidental direct physical damage to covered property which is a direct result of a Peril Insured Against as shown on *your* Declarations page for the described coverage.
2. *Occurrence* means the happening of an event, or series of events closely related in time and nature, that give rise to a loss.

What is covered (includes limitations)

If *you* have purchased **Additional Living Expense & Fair Rental Value Coverage**, we insure the additional living expense and/or fair rental value necessarily incurred after a *covered loss* caused by a Peril Insured Against, up to the Limit of Liability corresponding to **Additional Living Expense & Fair Rental Value Coverage** on *your* Declarations page. The Limit of Liability shown on *your* Declarations page corresponding to **Additional Living Expense & Fair Rental Value Coverage** is the total limit for both **1. Additional Living Expense** and **2. Fair Rental Value**. Perils Insured Against are described and identified by number in the **Section 2 Policy Packet**.

1. Additional Living Expense

If a *covered loss* to *your* property 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 only the shortest time reasonably required to repair or replace the damage or, if *you* choose not to pursue *your* replacement cost loss settlement and permanently relocate, the shortest time reasonably required for *your* household to settle elsewhere.

2. Fair Rental Value

If a *covered loss* to *your* property 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. We will not pay such fair rental value if *you* do not have a legal right to rent to others.

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

3. Civil Authority Prohibits Use

If a civil authority prohibits *you* from use of the *residence premises* as a result of direct physical damage to neighboring premises by a Peril Insured Against, as reflected on *your* Declarations page for **Additional Living Expense & Fair Rental Value Coverage**, 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.

5. The periods of time under **Additional Living Expense & Fair Rental Value Coverage** are not limited by expiration of this *policy*.

6. Subject to the Limit of Liability corresponding to **Additional Living Expense & Fair Rental Value Coverage** on *your* Declarations page, we will pay only that part of any *covered loss* which exceeds any Policy Deductible (as stated on *your* Declarations page), unless an additional or different deductible is specified in the applicable coverage or related endorsement. If an additional or different deductible is specified in an applicable coverage or related endorsement, then we will pay only that part of any *covered loss* which exceeds the additional or different deductible. The Policy Deductible, or other additional or different deductible, applies to each *occurrence* to which this **Additional Living Expense & Fair Rental Value Coverage** applies.

Exclusions

Your Additional Living Expense & Fair Rental Value Coverage is subject to the following **Exclusions**:

Please refer to the **Section 2 Coverage Exclusions** in the **Section 2 Policy Packet** for exclusions that apply to *your Additional Living Expense & Fair Rental Value Coverage*.

Conditions- including limits

Your Additional Living Expense & Fair Rental Value Coverage is subject to the following **Conditions**:

Please refer to the **General Policy Conditions**, and the **Section 2 Coverage Conditions** in the **Section 2 Policy Packet**, for conditions that apply to *your Additional Living Expense & Fair Rental Value Coverage*.

This form does not change, alter, or extend any provision of *your policy* except as described in this form.



Auxiliary Private Structures Coverage

Reading this document

Words in *italics* are defined in the **General Policy Packet** or in the **Definitions** below for this coverage.

To confirm *you* have **Auxiliary Private Structures Coverage**, please refer to *your* current Declarations page. *Your* Declarations page lists the coverages *you* have purchased and may list additional coverage-specific information such as the **Loss Settlement Selection Form**, Perils Insured Against, and Limits of Liability *you* have chosen for each coverage. However, please always refer to this form for complete details.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Definitions

All **General Definitions** in the **General Policy Packet** apply to *your Auxiliary Private Structures Coverage* and related endorsements and forms. In addition:

1. *Covered loss* means sudden, accidental direct physical damage to covered property which is a direct result of a Peril Insured Against as shown on *your* Declarations page for the described coverage.
2. *Occurrence* means the happening of an event, or series of events closely related in time and nature, that give rise to a loss.

What is covered (includes limitations)

If *you* have purchased **Auxiliary Private Structures Coverage**, we insure covered property against a *covered loss*, up to the corresponding Limit of Liability listed on *your* Declarations page. Covered property is described below. Perils Insured Against are described and identified by number in the **Section 2 Policy Packet**. We insure covered property against the peril number(s) listed on *your* Declarations page corresponding to **Auxiliary Private Structures Coverage**.

1. Under **Auxiliary Private Structures Coverage**, covered property consists of structures on the *residence premises*:
 - a. Set apart from the dwelling by clear space; or
 - b. Connected to the dwelling by only a fence, utility line, or similar connection.
2. We do not cover:
 - a. Land, including:
 - i. The land necessary to support any property insured under *your Auxiliary Private Structures Coverage*;
 - ii. Any costs required to replace, rebuild, stabilize, or otherwise restore the land; or
 - iii. The cost of repair techniques designed to compensate for or prevent land instability to any property, whether or not insured under **Auxiliary Private Structures Coverage**;
 - b. Other structures rented or held for rental unless used solely as a private garage; or
 - c. Other structures used in whole or in part for any *business*, ranching, or farming purposes unless the *business* is covered under **Liability Coverage- Personal & Premises**, **Liability Coverage- Premises Only**, or **Medical Payments Coverage** of this *policy*.
3. Subject to the **Auxiliary Private Structures Coverage** Limit of Liability, we will pay only that part of any *covered loss* which exceeds any Policy Deductible (as stated on *your* Declarations page), unless an additional or different deductible is specified in the applicable coverage or related endorsement. If an additional or different deductible is specified in an applicable coverage or related endorsement, then we will pay only that part of any *covered loss* which exceeds the additional or different deductible. The Policy

Deductible, or other additional or different deductible, applies to each *occurrence* to which this **Auxiliary Private Structures Coverage** applies.

4. We settle *covered losses* under **Auxiliary Private Structures Coverage** according to the **Loss Settlement Selection Form** you purchased, as listed on your Declarations page corresponding to **Auxiliary Private Structures Coverage**.

Exclusions

Your **Auxiliary Private Structures Coverage** is subject to the following **Exclusions**:

Please refer to the **Section 2 Coverage Exclusions** in the **Section 2 Policy Packet** for exclusions that apply to your **Auxiliary Private Structures Coverage**.

Conditions- including limits

Your **Auxiliary Private Structures Coverage** is subject to the following **Conditions**:

Please refer to the **General Policy Conditions**, and the **Section 2 Coverage Conditions** in the **Section 2 Policy Packet**, for conditions that apply to your **Auxiliary Private Structures Coverage**.

This form does not change, alter, or extend any provision of your *policy* except as described in this form.



Additional & Special Coverages

Reading this document

Words in *italics* are defined in the **General Policy Packet** or in the **Definitions** below for this coverage.

To confirm *you* have **Additional & Special Coverages**, please refer to *your* current Declarations page. *Your* Declarations page lists the coverages *you* have purchased and may list additional coverage-specific information such as the **Loss Settlement Selection Form**, Perils Insured Against, and Limits of Liability *you* have chosen for each coverage. However, please always refer to this form for complete details.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Definitions

All **General Definitions** in the **General Policy Packet** apply to *your Additional & Special Coverages* and related endorsements and forms. In addition:

1. *Covered loss* means sudden, accidental direct physical damage to covered property which is a direct result of a Peril Insured Against as shown on *your* Declarations page for the described coverage.
2. *Occurrence* means the happening of an event, or series of events closely related in time and nature, that give rise to a loss.

What is covered (includes limitations)

When **Additional & Special Coverages** are shown on *your* Declarations page, the following coverages apply to *your* property covered under this *policy*.

1. **Additional Coverages (Includes Limitations)**
 - a. **Reasonable Repairs**
 - i. If a *covered loss* occurs, we will pay the reasonable and necessary cost *you* incur for temporary repairs to covered property to protect the property from further immediate damage or loss.
 - ii. If the measures taken involve repair to other damaged property, we will only pay if the other damaged property sustained a *covered loss*.
 - iii. This coverage does not:
 - (a) Increase the Limit of Liability that applies to the covered property; or
 - (b) Relieve *you* of *your* duties, in case of a loss to covered property, described in B.5. under **Section 2 Coverage Conditions**.
 - b. **Collapse**
 - i. With respect to this **Additional Coverage**:
 - (a) Collapse means a member of a structure has actually fallen down or fallen into pieces. It does not include settling, cracking, bending, leaning, shrinking, bulging, expansion, sagging, or bowing.
 - (b) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.
 - (c) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
 - (d) A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion.

- ii. We insure for loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:
 - (a) The Perils Insured Against that apply to the covered property. However, if peril 1. **Risk of Direct Physical Loss** applies to the covered property, then only perils 2. through 19. shall apply to this **Additional Coverage**;
 - (b) Weight of contents, equipment, animals, or people;
 - (c) Weight of rain that collects on a roof or ceiling; or
 - (d) Use of defective material or methods in construction, remodeling, or renovation if the collapse occurs during the course of the construction, remodeling, or renovation.
- iii. Loss to an awning, gutter, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf, or dock is not covered under b.ii.(b) through b.ii.(d) above, unless the loss is a direct result of the collapse of a building or any part of a building.
- iv. This coverage does not increase the Limit of Liability that applies to the damaged covered property and will be settled according to the **Loss Settlement Selection Form** applicable to the covered building, as shown on *your* Declarations page.

c. **Grave Markers**

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

This coverage, **Grave Markers**, will be settled according to the **Loss Settlement Selection Form** applicable to **Personal Property Coverage**.

d. **Locks**

We will pay up to \$1,000 for the reasonable expenses *you* incur to re-key, replace, recode, program, or reprogram locks on exterior doors of the *residence premises* if the keys to those locks are stolen and theft coverage is provided. We will pay no more than the amount necessary to replace *your* locks with like kind and quality or re-key, recode, program, or reprogram the existing locks, whichever is less. The deductible does not apply to this coverage.

e. **Building Ordinance**

- i. This **Additional Coverage** applies only to parts of the dwelling covered under **Dwelling Coverage- Homeowners** or **Dwelling Coverage- Condominium**. Also, this **Additional Coverage** only applies when **Loss Settlement Selection Forms 2, 3, 4, or 7** are purchased for **Dwelling Coverage- Homeowners** or **Dwelling Coverage- Condominium**.
- ii. If a *covered loss* occurs under any **Dwelling Coverage** form, we will pay for the increased costs *you* incur due to the enforcement of any ordinance or law that requires or regulates:
 - (a) The construction, demolition, remodeling, renovation, or repair of that part of a covered dwelling damaged by a Peril Insured Against;
 - (b) The demolition and reconstruction of the undamaged part of a covered dwelling, when that dwelling must be totally demolished because of damage by a Peril Insured Against to another part of that dwelling; or
 - (c) The remodeling, removal, or replacement of the portion of the undamaged part of a covered dwelling necessary to complete the remodeling, repair, or replacement of that part of the covered dwelling damaged by a Peril Insured Against.

This coverage, 1.e.ii., provides additional insurance up to 10% of the applicable limit for *your* **Dwelling Coverage** form, unless a different percentage is shown on *your* Declarations page for **Building Ordinance**, but is not increased by **Loss Settlement Selection Form 3** or **Loss Settlement Selection Form 4**, if purchased.

- iii. You may use all or part of this **Building Ordinance** 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 e.i. above.
- iv. We do not cover:
 - (a) The loss in value to any covered dwelling due to the requirements of any ordinance or law;
 - (b) The costs to comply with any ordinance or law which requires any *insured* or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of *pollutants* or *fungus* in or on any covered dwelling; or
 - (c) The cost to comply with any ordinance or law which requires any *insured* to repair or replace the undamaged portion of covered property for the purpose of matching the color, texture, or appearance of the replaced or repaired property.

2. Special Coverages (Includes Limitations)

a. Trees, Shrubs, Plants, and Lawns Coverage

We will cover the trees, shrubs, plants, or lawns on the *residence premises*, which *you* own, within 250 feet of the *residence premises*, for loss caused by the following perils:

- i. Fire or Lightning;
- ii. Explosion;
- iii. Riot or Civil Commotion;
- iv. Aircraft;
- v. Vehicles not owned or operated by a resident of the *residence premises*;
- vi. Vandalism or Malicious Mischief; or
- vii. Theft.

This coverage, 2.a., is additional insurance. We will pay up to an additional 5% of the Limit of Liability that applies to **Dwelling Coverage- Homeowners** or **Dwelling Coverage- Condominium** for all covered trees, shrubs, plants, or lawns.

No more than \$500 of this limit will be paid for any one tree, shrub, plant, or lawn, including expenses incurred for removing debris. We do not cover property grown for *business* purposes.

Under **Trees, Shrubs, Plants, and Lawns Coverage**, we do not cover any plants used (or which can be used) to manufacture a controlled substance, as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812 (as amended), regardless of whether the controlled substance is legal under any state law (for example: marijuana).

This coverage will be settled according to *actual cash value*.

b. Debris Removal Coverage

- i. After a *covered loss* occurs, we will pay *your* reasonable expense for the removal of debris of covered property. This expense is included in the applicable 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 applicable limit is available for such expense. This additional coverage does not apply to **Trees, Shrubs, Plants, and Lawns Coverage**.
- ii. We will also pay *your* reasonable expense, up to \$500, for the removal from the *residence premises* of tree(s) within 250 feet of the dwelling felled by windstorm, hail, or weight of ice, snow, or sleet, provided the tree(s):
 - (a) Damage(s) a covered structure; or
 - (b) Do(es) not damage a covered structure, but:

- (1) Block(s) a driveway on the *residence premises* which prevent(s) a *motor vehicle*, that is registered for use on public roads or property, from entering or leaving the *residence premises*; or
- (2) Block(s) a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling building.

The \$500 limit is the most we will pay in any one *occurrence* regardless of the number of fallen trees. This coverage, 2.b., is additional insurance.

c. Credit Card and Forgery Coverage

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

- (a) The legal obligation of an *insured* to pay because of the theft or unauthorized use of credit cards issued to an *insured* or registered in an *insured's* name;
- (b) 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 an *insured* or registered in an *insured's* name;
- (c) Loss to an *insured* caused by forgery or alteration of any check or negotiable instrument; and
- (d) 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.

ii. We do not cover:

- (a) Use of a credit card, electronic fund transfer card, or access device:
 - (1) By a resident of *your* household;
 - (2) By a person who has been entrusted by an *insured* with either type of card or access device; or
 - (3) If an *insured* has not complied with all terms and conditions under which the cards are issued or the devices are accessed; or
- (b) Loss arising out of *business* use or dishonesty of an *insured*.

iii. If the coverage in i. above applies, the following defense provisions also apply:

- (a) 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.
- (b) If a suit is brought against an *insured* for liability under i.(a) or i.(b) above, we will provide a defense at *our* expense by counsel of *our* choice.
- (c) 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 i.(c) above.

iv. If a higher Limit of Liability is shown on *your* Declarations page for this **Credit Card and Forgery Coverage**, then that amount will apply.

This coverage, 2.c., is additional insurance. The deductible does not apply.

d. Intentionally Left Blank

e. Model or Hobby Aircraft Coverage

- i. We will pay up to \$2,500 per *occurrence*, subject to a \$500 deductible, for a *covered loss* to *your model or hobby aircraft*, including their equipment, parts, or accessories, caused by a peril applicable to *your* **Personal Property Coverage**. The **Loss Settlement Selection Form** you have selected for **Personal Property Coverage** applies to **Model or Hobby Aircraft Coverage**. This coverage does not increase the Limit of Liability that applies to *your* **Personal Property Coverage**.
- ii. We will not pay for loss to *model or hobby aircraft*:
 - (a) That fail to give the right of way to manned aircraft;
 - (b) That are operated outside of:

- (1) Any applicable Federal Aviation Administration regulations;
 - (2) Any applicable state, local, or municipal regulations; or
 - (3) The manufacturers' recommended use instructions;
 - (c) Caused by repair, adjusting, servicing, maintenance, or lack of repairing, adjusting, servicing, or maintenance unless fire or explosion ensues. If fire or explosion ensues, we will cover only damage caused by such fire or explosion;
 - (d) Caused by mysterious disappearance, such as fly-aways and unexplained losses;
 - (e) Arising while rented or leased to persons or corporations other than *you* or an Additional Insured; or
 - (f) Arising in conjunction with operation of a *model or hobby aircraft* for the purpose of *business* or commercial interests.
- iii. We do not cover articles separately described and specifically insured, regardless of the limit for which they are insured, in this or other insurance. This includes articles insured under **Scheduled Personal Property Coverage**.
3. Subject to the Limit of Liability that applies, we will pay only that part of any *covered loss* which exceeds any Policy Deductible (as stated on *your* Declarations page), unless an additional or different deductible is specified in the applicable coverage or related endorsement. If an additional or different deductible is specified in an applicable coverage or related endorsement, then we will pay only that part of any *covered loss* which exceeds the additional or different deductible. The Policy Deductible, or other additional or different deductible, applies to each *occurrence* to which this coverage applies.

Exclusions

Your Additional & Special Coverages is subject to the following **Exclusions**:

Please refer to the **Section 2 Coverage Exclusions** in the **Section 2 Policy Packet** for exclusions that apply to *your Additional & Special Coverages*.

Conditions- including limits

Your Additional & Special Coverages is subject to the following **Conditions**:

Please refer to the **General Policy Conditions**, and the **Section 2 Coverage Conditions** in the **Section 2 Policy Packet**, for conditions that apply to *your Additional & Special Coverages*.

This form does not change, alter, or extend any provision of *your policy* except as described in this form.



Section 2 Policy Packet

If *you* have purchased **Dwelling Coverage- Homeowners, Dwelling Coverage- Condominium, Personal Property Coverage, Additional Living Expense & Fair Rental Value Coverage, Auxiliary Private Structures Coverage, Structures Away from Residence Premises Coverage, Scheduled Personal Property Coverage,** and/or **Additional & Special Coverages**, the following limitations, exclusions, and conditions apply to such coverages, in addition to the **General Policy Conditions** stated in *your General Policy Packet* and any limitations, exclusions, and conditions specified on any coverage form and endorsement.

Loss Settlement

We settle *covered losses* according to the loss settlement selections *you* have purchased for each coverage. To confirm *your* loss settlement selections, please refer to *your* current Declarations page. *Your* Declarations page lists all of the coverages *you* have purchased, along with the loss settlement selection applicable to each coverage. Please refer to the **Loss Settlement Selection Form** applicable to each coverage for a description of loss settlement limitations.

Perils Insured Against

We insure covered property against the following peril as indicated by the corresponding peril number 1 shown on *your* Declarations page, except as excluded under any **Section 2 Coverage Exclusions** and subject to all conditions described in *your policy*;

1. **Risk of Direct Physical Loss**

This peril means sudden, accidental, direct, physical damage to covered property, unless specifically excluded under *your policy*.

We insure covered property against loss caused by the following perils as identified by the corresponding peril numbers shown on *your* Declarations page, except as excluded under any **Section 2 Coverage Exclusions** and subject to all conditions described in *your policy*.

2. **Fire or Lightning**

3. **Removal**

This peril means 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.

4. **Windstorm or Hail**

This peril does not include loss to the interior of a building or the property contained in a building caused by rain, snow, sleet, sand, or dust unless the direct force of wind or hail first damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand, or dust enters through this opening. The **Windstorm or Hail** peril also does not include loss caused directly or indirectly by frost, cold weather, ice (other than hail), snowstorm, or sleet, even if driven by wind.

5. **Explosion**

This peril means an uncontained burst of energy. This peril does not include loss or damage arising out of contained explosions, such as gunshots.

6. **Riot or Civil Commotion**

7. **Aircraft**

This peril includes self-propelled missiles and spacecraft.

8. Vehicles

This peril means impact by a vehicle.

9. Smoke

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke or soot from a boiler, furnace, or related equipment. This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

10. Vandalism and Malicious Mischief

This peril means only willful and malicious damage to or destruction of property.

11. Breakage of Glass or Safety Glazing Material

a. This peril includes:

- i. The breakage of glass or safety glazing material that is part of a covered building, storm door, or storm window; and
- ii. The direct physical loss to covered property caused solely by the pieces, fragments, or splinters of broken glass or safety glazing material that is part of a building, storm door, or storm window.

b. This peril does not include loss:

- i. To covered property which results because the glass or safety glazing material has been broken, except as provided in a. ii. above; or
- ii. On the *residence premises* if the dwelling has been unoccupied for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered unoccupied.

c. This coverage does not increase the Limit of Liability that applies to the damaged property.

12. 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.

13. Weight of Ice, Snow, or Sleet

This peril means weight of ice, snow, or sleet which causes damage to a building or property contained in the building. This peril does not include loss to a fence, patio, pavement, swimming pool, foundation, footing, retaining wall, bulkhead, *recreational motor vehicles*, watercraft, pier, wharf, or dock.

14. Volcanic Eruption

This peril does not include loss caused by earthquake, land shock waves, airborne shock waves, or tremors. *We do pay for your* reasonable expense for the removal of ash, dust, or particles from a volcanic eruption that has caused direct loss to a building or property contained in a fully enclosed building.

15. Sudden and Accidental Tearing Apart

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.

16. Accidental Discharge or Overflow

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

b. This peril does not include loss:

- i. To the system or appliance from which the water or steam escaped;
- ii. Caused by or resulting from freezing except as provided in peril 17. **Freezing**; or
- iii. On the *residence premises* caused by accidental discharge or overflow which occurs off the *residence premises*.

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

related equipment, roof drain, gutter, downspout, or similar fixtures or equipment.

17. Freezing

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

- i. Maintain heat in the building; or
 - ii. 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.

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

18. 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. This limitation, however, does not apply if there is damage to covered property on the *residence premises* caused by one of the perils 2. through 17. which results in an artificially generated electrical current.

19. Theft

- a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.
- b. This peril does not include loss caused by theft:
 - i. Committed by an *insured*;
 - ii. Of tools, materials, and supplies for use in construction until the building is finished and occupied;
 - iii. From that part of a *residence premises* rented by an *insured* to someone other than another *insured*; or
 - iv. That occurs off the *residence premises* of:
 - 1. Trailers and campers;
 - 2. Watercraft of all types and their furnishings, equipment, and outboard engines or motors; or
 - 3. Property while at any other residence owned by, rented to, or occupied by an *insured*, except while an *insured* is temporarily living there. Property of an *insured* who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 60 days immediately before the loss.

Section 2 Coverage Exclusions

If *you* have purchased **Dwelling Coverage- Homeowners, Dwelling Coverage- Condominium, Personal Property Coverage, Additional Living Expense & Fair Rental Value Coverage, Auxiliary Private Structures Coverage, Structures Away from Residence Premises Coverage, Scheduled Personal Property Coverage**, and/or **Additional & Special Coverages**, the following exclusions apply to such coverages:

- 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 or the loss arises from natural, man-made, or external forces, or occurs as a result of any combination of these.

1. Building Ordinance

Building Ordinance means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation, or repair of

- property, including removal of any resulting debris;
- 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* or *fungus*.

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

2. **Earth Movement**

- a. Earth Movement means earth movement of any type, including but not limited to:
 - i. Earthquake. This includes land shock waves or tremors before, during, or after a volcanic eruption;
 - ii. Landslide, mudslide, lava flow, or mudflow;
 - iii. Subsidence or sinkhole; or
 - iv. Any other earth movement including any sinking, rising, shifting, creeping, expanding, bulging, cracking, settling, or contracting of the earth.

Direct loss by fire or explosion resulting from earth movement is covered.

- b. This exclusion, A.2., does not apply to loss by theft or to losses under **Scheduled Personal Property Coverage**.

3. **Water Damage**

Water Damage means loss from:

- a. Flood; surface water (including but not limited to rain water, water flowing naturally on or near the surface, and water whose flow is artificially altered); waves; tidal water; overflow of a body of water; storm surge; break, breach, or leak of a levee, dam, or canal; or spray from any of these, whether or not driven by wind;
- b. Water or water-borne material, including sewage, which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump, or related equipment;
- c. Water or water-borne material, regardless of its source, below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool, or other structure; or
- d. Debris carried by water.

Direct loss by fire, explosion, or theft resulting from water damage is covered. This exclusion, A.3., does not apply to losses under **Scheduled Personal Property Coverage**.

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 *covered loss* on the *residence premises*, we will pay for the *covered loss*.

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 or when the property is in danger of 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**

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. However, direct physical loss to covered property by fire on the *residence premises* resulting from the nuclear hazard is covered.

8. **Intentional Loss**

- a. We do not provide coverage for any loss arising out of any act committed by or at the

direction of the *insured* with the intent to cause a loss.

- b. However, this exclusion will not apply to deny the *insured's* claim for an otherwise covered property loss under this *policy* if such loss is caused by an act of domestic violence by another *insured* under this *policy* and the *insured* making the claim:
 - i. Did not cooperate in or contribute to the creation of the loss; and
 - ii. Cooperates in any investigation relating to the loss.We may apply reasonable standards of proof for such claims.
- c. If we pay a claim pursuant to paragraph 8.b., *our* payment to the *insured* is limited to that *insured's* insurable interest in the property less any payments we first made to a mortgagee or other party with a secured interest in the property. In no event will we pay more than the Limit of Liability.

9. Governmental Action

Governmental Action means the destruction, confiscation, or seizure of property by any governmental or public authority.

This exclusion, A.9., does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this *policy*.

10. Collapse

Except as provided in 1.b. **Collapse** under **Additional & Special Coverages**.

11. Freezing of Plumbing

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

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

12. Freezing, Thawing, Pressure, or Weight

Freezing, thawing, pressure, or weight of water, ice, snow, and/or sleet whether driven by wind or not, to a:

- a. Swimming pool, including the filtration and circulation systems, fence, pavement, or patio;
- b. Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building, or other structure;
- c. Retaining wall or bulkhead that does not support all or part of a building or other structure;
- d. Pier, wharf, or dock; or
- e. *Recreational motor vehicles* or watercraft.

13. Theft of Tools

Theft of tools, materials, and supplies for use in construction until the building is finished and occupied. This exclusion does not apply to tools specifically insured under **Scheduled Personal Property Coverage**.

14. Unoccupied Residence

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

15. Fungus, Wet or Dry Rot, or Bacteria

The existence, growth, or dispersal of *fungus*, wet or dry rot, or bacteria. This includes, but is not

limited to:

- a. Any loss of use or delay in rebuilding, repairing, or replacing covered property, including any associated cost or expense, due to interference at the *residence premises* or location of the rebuilding, repair, or replacement, by *fungus*, wet or dry rot, or bacteria;
- b. Any remediation of *fungus*, wet or dry rot, or bacteria, including the cost to:
 - i. Remove the *fungus*, wet or dry rot, or bacteria from covered property or to repair, restore, or replace that property; or
 - ii. Tear out and replace any part of the building or other property as needed to gain access to the *fungus*, wet or dry rot, or bacteria; or
- c. The cost of any testing or monitoring of air or property to determine the type, absence, presence, or extent of *fungus*, wet or dry rot, or bacteria, whether performed prior to, during or after removal, repair, restoration, or replacement of covered property.

16. Seepage or Leakage

Continuous or repeated seepage or leakage of water or steam from a:

- a. Heating, air conditioning, automatic fire protective sprinkler system, household appliance; or
- b. Plumbing system, including from, within, or around any shower stall, shower bath, tub installation, or other plumbing fixture, including their walls, ceilings, or floors.

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

17. Controlled Substance

Loss or damage arising out of the use, sale, delivery, transfer, possession, growing, production, processing, warehousing, transportation, or manufacturing, by any *insured* or with any *insured's* knowledge, of a controlled substance, as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812 (as amended), regardless of whether the controlled substance is legal under any state law (for example: marijuana).

18. Virus

The existence, spread, or dispersal of a virus or other microorganism that includes or is capable of inducing physical distress, illness, or disease. This includes, but is not limited to:

- a. Any loss of use or delay in rebuilding, repairing, or replacing covered property, including any associated cost or expense, due to interference at the *residence premises* or location of the rebuilding, repair, or replacement, by a virus or other microorganism;
- b. Any remediation of a virus or other microorganism, including the cost to:
 - i. Remove the virus or other microorganism from covered property or to repair, restore, or replace that property; or
 - ii. Tear out and replace any part of the building or other property as needed to gain access to the virus or other microorganism; or
- c. The cost of any testing or monitoring of air or property to determine the type, absence, presence, or extent of a virus or other microorganism, whether performed prior to, during or after removal, repair, restoration, or replacement of covered property.

19. Metal Roof Coverings

We do not cover cosmetic loss or damage to metal roof coverings caused by hail. As used in this exclusion, cosmetic loss or damage means damage that alters the physical appearance of the metal roof covering but does not result in damage that allows the penetration of water through the metal roof covering, or does not result in the failure of the metal roof covering to keep out elements over an extended period of time. As used in this exclusion, metal roof coverings include the metal roofing material exposed to the weather, the underlayment applied for moisture protection, and all flashings required in the replacement of a metal roof covering.

20. Matching

The cost to repair or replace the undamaged portion of covered property for the purpose of matching the color, texture, or appearance of the replaced or repaired property.

21. Any of the following:

- a. Wear and tear, marring, deterioration. This exclusion 21.a. does not apply to ensuing direct loss by fire;
- b. Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself. This exclusion 21.b. does not apply to ensuing direct loss by fire;
- c. Smog, rust, or other corrosion. This exclusion 21.c. does not apply to ensuing direct loss by fire;
- d. Smoke from agricultural smudging or industrial operations;
- e. Discharge, dispersal, seepage, migration, release, or escape of *pollutants*, unless the discharge, dispersal, seepage, migration, release, or escape is itself caused by fire on the *residence premises*;
- f. Settling, shrinking, bulging, or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs, or ceilings;
- g. Birds, vermin, rodents, or insects. Additionally, in no event will we pay for damage caused by raccoons or bats. This exclusion 21.g. does not apply to ensuing direct loss by fire;
- h. Animals owned or kept by:
 - i. An *insured*, or
 - ii. Roomers, boarders, or other tenants.This exclusion 21.h. does not apply to ensuing direct loss by fire;
- i. Pressure from or presence of tree, shrub, or plant roots;
- j. Any property while:
 - i. Operated in any spontaneous or prearranged race, competitive speed or strength test, or preparation for a race, speed, or strength test and regardless of whether the race or test had ended before the loss occurred;
 - ii. Used for hire or charter; or
 - iii. Used in any unlawful trade or transportation; or
- k. Street creeping.

B. We do not insure for loss to covered property caused by any of the following. However, any ensuing loss to covered property 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, or siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, or 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 2 Coverage Conditions

In addition to the **General Policy Conditions**, if *you* have purchased **Dwelling Coverage- Homeowners, Dwelling Coverage- Condominium, Personal Property Coverage, Additional Living Expense & Fair Rental Value Coverage, Auxiliary Private Structures Coverage, Structures Away from Residence Premises Coverage, Scheduled Personal Property Coverage**, and/or **Additional & Special Coverages**, the following conditions also apply to such coverages:

A. Insurable Interest and Limit of Liability

Even if more than one person has an insurable interest in the property covered, we will only be liable to an *insured* in any one *occurrence* for the lesser of the following:

1. The amount of such *insured's* interest at the time of loss; or
2. The applicable Limit of Liability.

B. Duties after Loss

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

1. Give prompt notice to *us* or *our* agent;
2. Notify the police if the loss is suspected to be in violation of a law;
3. Promptly identify and give notice to any other insurer who might provide insurance for a loss;
4. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for under the **Credit Card and Forgery Coverage of your Additional & Special Coverages**;
5. Protect the property from further damage. If repairs to the property are required, *you* must:
 - a. Make reasonable and necessary temporary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
6. Cooperate with *us* in the investigation of a claim;
7. Prepare an inventory of damaged or stolen 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;
8. 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 examinations under oath, outside the presence of all other *insureds*, and sign the same within a reasonable amount of time of *our* request, after having been informed:
 - i. Of *your* right to counsel; and
 - ii. That *your* answers may be used against *you* in later civil proceedings or criminal proceedings;
9. 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 property described in 7. 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 the **Credit Card and Forgery Coverage of your Additional & Special Coverages** stating the amount and cause of loss; and
10. Notwithstanding any other provisions in *your policy*, all claims under *your policy* must be brought within one year of the date of *occurrence*.

C. Appraisal

If *you* and *we* fail to agree on the amount of loss, either may demand in writing an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving written request from the other. The two appraisers will choose an impartial umpire, who shall be competent in the trade or skill necessary to assess the loss. If they cannot agree upon an umpire within

15 days, *you* or *we* may request that the choice of an impartial umpire 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 between them to *us*, the amount agreed upon will set the amount of loss and be final. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will then set the amount of loss to each item and be final.

Each party will:

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

An impartial party may not have any direct or indirect material interest in the outcome of the matter. Before accepting appointment, *your* appraiser and the umpire must certify that they are impartial in the matter, and they also must disclose any substantial relationships they have with any other party to the appraisal. No questions of law will be determined by appraisal and no appraisal will be conducted on a class wide or class representative basis. *We* do not waive any of *our* rights under this *policy* by agreeing to an appraisal.

D. 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.

E. Suit Against Us

No action can be brought against *us* unless there has been full compliance with all of the terms of this *policy* and the action is started within one year after the date of *occurrence*.

F. Our Option

We may repair or replace any part of the damaged or stolen property with similar property. *We* may take all or any part of the property at the agreed or appraised value.

G. 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 30 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*.

H. Abandonment of Property

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

I. 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*.

J. 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.

K. Volcanic Eruption Period

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

eruption.

L. Concealment or Fraud

We provide coverage to no *insureds* under this *policy* if, in connection with a loss, any *insured* has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements of fact which, if known to *us*, would have caused *us* not to issue the *policy* relating to a claim under this *policy*.

M. Duplicate Payments

The amount we pay *you* for any *covered loss*:

1. Will not duplicate any amount *we* have already paid *you* for any previous loss or losses to the same damaged property when such property has not been repaired or replaced; and
2. Will be reduced by the amount *we* previously paid *you* that *you* have not actually spent to repair or replace such property.

N. Additional Insured

Whenever the word *insured* is used in this *policy*, the term also includes the person or organization named on *your* Declarations page as Additional Insured. This definition is limited to the following:

1. Under **Dwelling Coverage- Homeowners, Dwelling Coverage- Condominium, Auxiliary Private Structures Coverage**, and **Structures Away from Residence Premises Coverage** only, payment will be made to *you* and the Additional Insured according to the respective financial interests.

O. Standard Mortgage Clause

The word mortgagee includes trustee.

1. If a mortgagee is named in this *policy*, any loss payable under **Dwelling Coverage- Homeowners, Dwelling Coverage- Condominium, Auxiliary Private Structures Coverage**, or **Structures Away from Residence Premises Coverage** 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 C. **Appraisal**, E. **Suit Against Us** and G. **Loss Payment** under **Section 2 Coverage Conditions** for an applicable coverage 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.
6. Nothing in this **Standard Mortgage Clause** changes the Perils Insured Against or the property covered.

P. Loss Payable Clause

If *your* Declarations page shows a loss payee payable for certain listed insured property, under **Dwelling Coverage- Homeowners, Dwelling Coverage- Condominium, Personal Property Coverage, Additional Living Expense & Fair Rental Value Coverage, Auxiliary Private Structures Coverage, Structures Away from Residence Premises Coverage, Scheduled Personal Property Coverage, or Additional & Special Coverages**, the definition of *insured* is changed to include that loss payee with respect to that property. If *we* decide to cancel or not to renew this *policy*, that loss payee will be notified in writing.

Q. Builders Risk Clause

This *policy* may, if listed on *your* Declarations page as **Builders Risk**, cover a dwelling under renovation or construction. If so, until the dwelling is completed and occupied, the Limit of Liability in force shall be the lesser of the amount necessary to replace the dwelling to its condition at the time of loss, but not greater than the corresponding **Dwelling Coverage- Homeowners** or **Dwelling Coverage- Condominium** Limit of Liability shown on *your* Declarations page. **Loss Settlement Selection Form 3** and **Loss Settlement Selection Form 4** do not increase *your* coverage under this provision.

R. Our Right to Rescind this Policy

We may rescind this *policy* when any *insured* has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Made false statements of fact which, if known to *us*, would have caused *us* not to issue the *policy*;
and
3. Engaged in fraudulent conduct

relating to the application for or continuation of this *policy*.



Loss Settlement Selection Form 4: Extended Replacement Cost

Reading this document

Words in *italics* are defined in **General Definitions** or in the **Definitions** section for any applicable coverage.

To determine whether **Loss Settlement Selection Form 4** applies to *your covered loss*, please refer to *your* current Declarations page. *Your* Declarations page lists the coverages *you* have purchased and may list additional coverage-specific information such as the **Loss Settlement Selection Form**, Perils Insured Against, and Limits of Liability *you* have chosen for each coverage. However, please always refer to this form for complete details.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Effect of this loss settlement form on *your policy*

1. If *you* have purchased **Loss Settlement Selection Form 4** and when “Loss Settlement Selection Form 4: Extended Replacement Cost” is listed for a coverage on *your* Declarations page, *we* will settle *covered losses* under that coverage as described below:
 - a. *We* pay *replacement cost* unless otherwise stated below. The building or structure must be repaired or replaced with similar construction and for the same use on the *residence premises*. *You* will have one year from the date of loss to repair or replace the damaged property. Actual repair or replacement of damaged property within one year of the date of loss is a condition precedent to recovery of *replacement cost*.
 - b. *We* will not pay more than the *actual cash value* of the damage or the applicable Limit of Liability as shown in *your* Declarations page, whichever is less, until actual repair or replacement is complete, unless:
 - i. The *replacement cost* is less than \$2,500;
 - ii. The *replacement cost* is less than 5% of the applicable Limit of Liability; and
 - iii. *You* provide notice of the loss to *us* within one year of the date of the loss.

With respect to losses to buildings as a result of the peril **Windstorm or Hail**, *we* will not pay more than *actual cash value* until actual repair or replacement is complete, unless:

- i. The *replacement cost* is less than \$5,000; and
- ii. *You* provide notice of the loss to *us* within one year of the date of the loss.

You will have one year from the date of loss to repair or replace the damaged property and request the difference between *actual cash value* and *replacement cost*. Actual repair or replacement of damaged property within one year of the date of loss is a condition precedent to recovery of *replacement cost*.

- c. If a roof schedule is indicated on *your* Declarations page, then for any applicable **Windstorm or Hail** losses, *we* will only pay *actual cash value* using the appropriate percentage for depreciation, as determined by the roof schedule outlined in paragraph 4. below, for *your* roof. The age of the roof will be solely determined by *us*. If *your* roof contains more than one type of roofing material, *we* will settle the loss based on the predominant material of *your* roof.
- d. *We* will only pay *actual cash value* for damage to wood fences.
- e. *We* will only pay *actual cash value* for buildings or structures that are rebuilt at a new location.

2. Under no circumstances do we pay for:
 - a. The increased costs necessary to comply with the enforcement of any building code, ordinance, or law, except to the extent coverage is provided under 1.e. **Building Ordinance** in *your Additional & Special Coverages*;
 - b. Any actual or perceived decrease in value, however measured, resulting from loss to or repair of *your* damaged property;
 - c. Any diminution of value; or
 - d. The cost to repair or replace the undamaged portion of covered property for the purpose of matching the color, texture, or appearance of the replaced or repaired property.
3. If there is a *covered loss* to the building insured under **Dwelling Coverage- Homeowners** that exceeds the Limit of Liability shown on *your* Declarations page for **Dwelling Coverage- Homeowners**, we will increase the **Dwelling Coverage- Homeowners** Limit of Liability to equal the current *replacement cost* of the building up to a maximum of 120% of the Limit of Liability stated on *your* Declarations page. This increase in coverage does not apply to a **Location Insured** that is (1) not *your* principal residence for more than 60 consecutive days immediately before the loss and (2) a **Location Insured** that has been rented to others. This coverage does not increase any coverage provided under 1.e. **Building Ordinance** in *your Additional & Special Coverages*.

The following change applies to **Dwelling Coverage- Homeowners** only:

Under the **Section 2 Coverage Conditions** in *your Section 2 Policy Packet*, paragraph A. **Insurable Interest and Limit of Liability** is deleted and replaced by the following:

A. Insurable Interest and Limit of Liability

1. Even if more than one person has an insurable interest in the property covered, we will only be liable to an *insured* in any one *occurrence* for the lesser of the following:
 - i. The amount of such *insured's* interest at the time of loss; or
 - ii. The applicable Limit of Liability. However, we will settle *covered losses* to the building or buildings insured under **Dwelling Coverage- Homeowners** at *replacement cost* up to a maximum 120% of the Limit of Liability shown on *your* Declarations page.
2. *You* must notify *us* within 90 days of the start of:
 - i. Any improvement(s), addition(s), or remodeling of the dwelling, which immediately upon completion, will increase the *replacement cost* of the dwelling by 5% or more; and
 - ii. The continuation of any improvement(s), addition(s), or remodeling of the dwelling that began within 90 days of i. above, which immediately upon completion and when valued together with i. above will have the cumulative effect of increasing the *replacement cost* of the dwelling by 5% or more.

You must also pay any resulting additional premium. The Limit of Liability will be reduced to a maximum of 100% of the Limit of Liability shown on *your* Declarations page if *you* failed to notify *us* of any such improvement, addition, or remodeling commenced during this or any past *policy* period, and we will not be liable for more than the Limit of Liability shown on *your* Declarations page.

4. Roof Schedule

Age of Roof	Composite Shingle	Architectural Composite Shingle	Slate	Tile	Wood	Metal	Built-up/ Membrane	All Other
0	100%	100%	100%	100%	100%	100%	100%	100%
1	96.3%	97.8%	98.7%	98.0%	97.5%	98.7%	96.7%	97.0%

2	92.7%	95.5%	97.3%	96.0%	95.0%	97.3%	93.3%	94.0%
3	89.0%	93.3%	96.0%	94.0%	92.5%	96.0%	90.0%	91.0%
4	85.3%	91.0%	94.7%	92.0%	90.0%	94.7%	86.7%	88.0%
5	81.7%	88.8%	93.4%	90.0%	87.5%	93.4%	83.4%	85.0%
6	78.0%	86.5%	92.0%	88.0%	85.0%	92.0%	80.0%	82.0%
7	74.3%	84.3%	90.7%	86.0%	82.5%	90.7%	76.7%	79.0%
8	70.6%	82.0%	89.4%	84.0%	80.0%	89.4%	73.4%	76.0%
9	67.0%	79.8%	88.0%	82.0%	77.5%	88.0%	70.0%	73.0%
10	63.3%	77.5%	86.7%	80.0%	75.0%	86.7%	66.7%	70.0%
11	59.6%	75.3%	85.4%	78.0%	72.5%	85.4%	63.4%	67.0%
12	56.0%	73.0%	84.0%	76.0%	70.0%	84.0%	60.0%	64.0%
13	52.3%	70.8%	82.7%	74.0%	67.5%	82.7%	56.7%	61.0%
14	48.6%	68.5%	81.4%	72.0%	65.0%	81.4%	53.4%	58.0%
15	45.0%	66.3%	80.1%	70.0%	62.5%	80.1%	50.1%	55.0%
16	41.3%	64.0%	78.7%	68.0%	60.0%	78.7%	46.7%	52.0%
17	37.6%	61.8%	77.4%	66.0%	57.5%	77.4%	43.4%	49.0%
18	33.9%	59.5%	76.1%	64.0%	55.0%	76.1%	40.1%	46.0%
19	30.3%	57.3%	74.7%	62.0%	52.5%	74.7%	36.7%	43.0%
20	26.6%	55.0%	73.4%	60.0%	50.0%	73.4%	33.4%	40.0%
21	22.9%	52.8%	72.1%	58.0%	47.5%	72.1%	30.1%	37.0%
22	20.0%	50.5%	70.7%	56.0%	45.0%	70.7%	26.7%	34.0%
23	20.0%	48.3%	69.4%	54.0%	42.5%	69.4%	23.4%	31.0%
24	20.0%	46.0%	68.1%	52.0%	40.0%	68.1%	20.1%	28.0%
25	20.0%	43.8%	66.8%	50.0%	37.5%	66.8%	20.0%	25.0%
26	20.0%	41.5%	65.4%	48.0%	35.0%	65.4%	20.0%	22.0%
27	20.0%	39.3%	64.1%	46.0%	32.5%	64.1%	20.0%	20.0%
28	20.0%	37.0%	62.8%	44.0%	30.0%	62.8%	20.0%	20.0%
29	20.0%	34.8%	61.4%	42.0%	27.5%	61.4%	20.0%	20.0%
30+	20.0%	32.5%	60.1%	40.0%	25.0%	60.1%	20.0%	20.0%

This form does not change, alter, or extend any provision of *your policy* except as described in this form.



Loss Settlement Selection Form 5: Actual Cash Value

Reading this document

Words in *italics* are defined in the **General Policy Packet** or in the **Definitions** section for any applicable coverage.

To determine whether **Loss Settlement Selection Form 5** applies to *your* covered loss, please refer to *your* current Declarations page. *Your* Declarations page lists the coverages *you* have purchased and may list additional coverage-specific information such as the **Loss Settlement Selection Form**, Perils Insured Against, and Limits of Liability *you* have chosen for each coverage. However, please always refer to this form for complete details.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Effect of this loss settlement form on *your policy*

If *you* have purchased **Loss Settlement Selection Form 5** and when "Loss Settlement Form 5: Actual Cash Value" is listed for a coverage on *your* Declarations page, we will settle *covered losses* under that coverage according to *actual cash value*.

Under no circumstances do we pay for:

1. The increased costs necessary to comply with the enforcement of any building code, ordinance, or law;
2. Any actual or perceived decrease in value, however measured, resulting from loss to or repair of *your* damaged property;
3. The cost to repair or replace the undamaged portion of covered property for the purpose of matching the color, texture, or appearance of the replaced or repaired property; or
4. Any diminution of value.

For covered *recreational motor vehicles* and watercraft, "materials of like kind and quality" include parts from original equipment manufacturers as well as parts manufactured from other sources that are of comparable quality.

This form does not change, alter, or extend any provision of *your policy* except as described in this form.



FACTS	What does COUNTRY Financial® do with your personal information?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect from you and from outside sources and share depend on the product or service you have with us. This information can include data such as name, address, phone number, driver's license number, Social Security Number, Internet cookies, investment experience, assets and transactions.
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons COUNTRY Financial® chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Can COUNTRY Financial share?	Can you limit this sharing?
For our everyday business purposes such as to process your transactions, service your products and services, manage your accounts, or respond to court orders and legal investigations	Yes	No
For our marketing purposes to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes information about your creditworthiness	Yes	Yes
For our family of affiliates to market to you using certain financial information (see "Who we are" for affiliate listing)	Yes	Yes
For non-affiliates to market to you to offer products that may benefit you or help you manage and protect your financial security (by providing only contact information)	Yes	Yes

To limit our sharing

To limit our sharing by opting out, the following apply:

- Do not share information about my creditworthiness with your affiliates for their everyday business purposes.
- Do not allow your affiliates to use certain financial information to market to me.
- Do not share my personal information with non-affiliates to market their products and services to me.

To opt-out, please visit us online: <https://www.countryfinancial.com/PrivacyNoticeOptOut>

or
call toll-free at 1-866-COUNTRY (1-866-268-6879)

If you have previously opted out of data sharing with COUNTRY Financial®, there is no need to submit another request. Your previous opt-out will be honored at a household level.

(Continued on Page 2)

To limit our sharing *(Continued from Page 1)*

Please note: For circumstances where you can limit our sharing, if you are a new customer we may begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we may continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.

Who we are

Who is providing this notice?	<p>This privacy notice is provided by:</p> <p>COUNTRY Mutual Insurance Company® COUNTRY Casualty Insurance Company® COUNTRY Preferred Insurance Company® COUNTRY Life Insurance Company® COUNTRY Investors Life Assurance Company®</p> <p>COUNTRY® Capital Management Company COUNTRY Trust Bank® Cotton States Life Insurance CompanySM CC Services, Inc.</p>
How does COUNTRY Financial protect my personal information?	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p>
How does COUNTRY Financial collect my personal information?	<p>We collect your COUNTRY Financial® personal information, for example, when you</p> <ul style="list-style-type: none">• apply for an insurance policy or open a financial account• pay a bill <p>We also collect your personal information from others, such as credit bureaus, affiliates or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none">• sharing for affiliates' everyday business purposes - information about your creditworthiness• affiliates from using certain information, such as credit or financial information, to market to you• sharing for non-affiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	<p>Your choices will apply to everyone on your policy or account.</p>

Definitions

Affiliates	<p>Companies related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none">• <i>COUNTRY Financial's affiliates include those companies that control, are controlled by or under common control with the companies mentioned above.</i>
Non-affiliates	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none">• <i>Non-affiliates we share with may include providers of products or services that we believe may be of interest to you, or other insurance or financial services providers.</i>
Joint marketing	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none">• <i>Our joint marketing partners may include other insurance companies, banks, or financial services providers.</i>

Questions?	Call toll-free at 1-866-COUNTRY (1-866-268-6879) or visit us at www.countryfinancial.com .
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Other important information

Nevada Residents

Under state law, we are providing this notice to inform you that you have the option to be placed on our internal “do not call” list. To be placed on the list, you may submit a request using one of the following options:

- Submit a written request to: **COUNTRY Financial Do Not Call List**
Attn: Agency Promotions & Co-Op
PO Box 2020
Bloomington, IL 61702-2020
- Contact your local COUNTRY Financial representative.
- Call 1-866-COUNTRY and speak with a customer service representative.
- Visit www.countryfinancial.com, click on the Contact Us tab, and send us an email.

Please be sure to include your name, address and phone number that you would like to include on our list.

If you have questions, you may also contact the Nevada Attorney General’s office at:

Office of the Nevada Attorney General
Bureau of Consumer Protection
555 E. Washington Avenue, Suite 3900
Las Vegas, NV 89101
Phone (702) 486-3132
Email BCPINFO@ag.state.nv.us

Please note that our internal “do not call” list is limited to telephone solicitation calls. We may still contact you about your COUNTRY products, insurance claims, and other service-related matters.

California, Montana and Vermont Residents

We do not share your personal information with non-affiliated parties for their marketing purposes.

SIPC Notice to customers of COUNTRY® Capital Management Company (CCMC)

You may obtain information about the Security Investor Protection Corporation (SIPC), including the SIPC brochure regarding investor protection, by visiting SIPC’s website at www.sipc.org or calling SIPC at (202) 371-8300.

Notice to 529 College Savings Plan customers of CCMC

CCMC is registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board (MSRB). An investor brochure describing protections that may be provided by MSRB rules and how to file a complaint with an appropriate regulatory authority is available at www.msrb.org



Peter Cat
3414 S Marissa Dr
Tucson, AZ 85730-3103

Notice of Adverse Underwriting Decision

We value you as our client and appreciate your choice to insure your property with the COUNTRY Financial group.

You get more than a policy when you purchase insurance from us. You're backed by an organization with people dedicated to your financial security and committed to maintaining manageable insurance costs for valuable clients like you. You also get the freedom to choose from a variety of unique coverages many others in the industry don't offer.

We encourage you to review your policy and coverage options with your representative. This will help ensure you've selected the appropriate coverage for all your special protection needs. Your choices, along with the risk you're willing to assume, help determine your policy premium cost.

We use many factors to reflect your specific situation and determine your insurance rate. Some of these factors include:

- The insurance amount on your policy, deductible you chose and other coverage options you select,
- Credit history and claims history information obtained from consumer reporting agencies, and
- Safety devices such as smoke detectors, fire extinguishers and burglar alarms.

Like most insurance companies, we use these factors along with several others to help predict the possibility of a loss each client faces. This allows us to offer lower rates to those less likely to have future losses. We know everyone's likelihood of having a loss is different.

Your Right to a Free Report

As mentioned, information from your consumer reports, such as your credit and/or claims history helped determine your insurance rate. LexisNexis Risk Solutions, Inc. provided us with information in your consumer report(s). With the premium levels we have available, it's likely your responsible use of credit resulted in a very competitive rate. However, since you currently are receiving a rate other than our lowest available, we are required to send you this notice.

We recommend reviewing the information in your credit report periodically. Under the Fair Credit Reporting Act, this notice entitles you to obtain a free copy of the report(s) that we obtained within the next 60 days by:

- sending a written request to:
LexisNexis Risk Solutions, Inc.
P.O. Box 105108
Atlanta, GA 30348-5108
- calling LexisNexis Risk Solutions, Inc. at 800-456-6004, or
- visiting consumerdisclosure.com

When requesting your consumer report(s), you may be asked to provide personal information such as your full name, address, driver's license number and Social Security number in order to ensure you receive the correct report.

The factors on your credit report that contributed, in part, to your property insurance rate are:

- CUSTOM MODEL NOT AVAILABLE. FILE CANNOT BE SCORED.

If you disagree with the accuracy of information provided in your consumer report(s), please contact LexisNexis Risk Solutions, Inc. to initiate the dispute resolution process. While LexisNexis Risk Solutions, Inc. does provide us with your consumer report(s), they do not determine our underwriting guidelines or rates and cannot provide you with the specific reasons regarding our policy decisions.

If you write us within 90 business days from the date this notice was mailed, we will furnish, in accordance with applicable law:

- The specific items of personal and privileged information supporting our action, and
- The names and addresses of the institutions supplying this information, if applicable.

A right of access and correction exists as to personal information we may collect. We strive to keep our records of your information completely accurate. If you see any error, please call 866-COUNTRY (866-268-6879), and we will promptly address any inaccuracy that may have occurred.

We appreciate the opportunity to keep you informed about your policy and will continue to do our best at protecting your financial security.

COUNTRY Preferred Insurance Company®
Bloomington, IL



Additional Insured Endorsement

This endorsement changes *your policy* and includes limitations and restrictions. Please read it carefully.

Reading this document

Words in italics are defined in **General Definitions** in the **General Policy Packet** or in the **Definitions** section of *your coverage form(s)*.

To confirm *you* have the **Additional Insured Endorsement**, please refer to *your* current Declarations page.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Effect of endorsement on *your policy*

If *you* have purchased the **Additional Insured Endorsement**, the changes described below apply to *your policy*.

Under **General Definitions (Includes Limitations)**, paragraph d. of item 7. *Insured* is deleted and replaced with:

- d. Under **Liability Coverage- Personal & Premises, Liability Coverage- Premises Only**, and **Medical Payments Coverage** of this *policy*, the person or organization named on *your* Declarations page as an Additional Insured. The Additional Insured is only deemed an *insured* with respect to a loss or losses arising out of (1) the ownership, maintenance, and use of the *insured location* and (2) the named insured's negligence. Coverage does not apply to *bodily injury* to a *residence employee* arising out of or in the course of the *residence employee's* employment by the Additional Insured.

This endorsement does not change, alter, or extend any provision of *your policy* except as described in this endorsement.



Basic Sump Pump Failure/ Back-up of Sewer or Drain Coverage Endorsement

This endorsement changes *your policy* and includes limitations and restrictions. Please read it carefully.

Reading this document

Words in *italics* are defined in **General Definitions** in the **General Policy Packet** or in the **Definitions** section of *your coverage form(s)*.

To confirm *you* have the **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement**, please refer to *your* current Declarations page.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Effect of endorsement on *your policy* (includes limitations)

If *you* have purchased the **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** for any of *your* covered property, *we* cover direct physical loss to that property resulting from *sump pump failure* as defined below.

When listed under **Dwelling Coverage- Homeowners** or **Dwelling Coverage- Condominium**, this **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** applies to the following coverages purchased and in effect at the time of loss:

- **Dwelling Coverage- Homeowners**, for the structure described on *your* Declarations page to which this **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** specifically applies.
- **Dwelling Coverage- Condominium**, for the structure described on *your* Declarations page to which this **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** specifically applies.
- **Auxiliary Private Structures Coverage**
- Additionally, **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** only applies to the following property covered by **Personal Property Coverage**, which is at the *residence premises*:
 1. Clothes washers and dryers
 2. Refrigerators
 3. Food freezers and food in them
 4. Dehumidifiers

When listed under **Structures Away from Residence Premises Coverage**, this **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** applies to property covered by the following coverages purchased and in effect at the time of loss:

- **Structures Away from Residence Premises Coverage**, for the structure described on *your* Declarations page to which this **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** specifically applies.
- Additionally, **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** only applies to the following property covered by **Personal Property Coverage**, which is at the structure described on *your* Declarations page, to which **Structures Away from Residence Premises Coverage** and this **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** specifically applies:
 1. Clothes washers and dryers

2. Refrigerators
3. Food freezers and food in them
4. Dehumidifiers

When listed under **Personal Property Coverage**, this **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** applies to property covered by the following coverages purchased and in effect at the time of loss:

- **Personal Property Coverage**, but only to the following property covered by **Personal Property Coverage**, which is at the *residence premises*:
 1. Clothes washers and dryers
 2. Refrigerators
 3. Food freezers and food in them
 4. Dehumidifiers

Definitions

1. *Sump pump failure* means water or water-borne material, including sewage, which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump, or related equipment that is located inside the structure on the *insured location* to which this endorsement applies.

Exclusions

Your **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** is subject to the following **Exclusions**:

Please refer to the **Section 2 Coverage Exclusions** in the **Section 2 Policy Packet** for exclusions that apply. In addition, the following Exclusions apply:

- A. We will not pay for loss resulting directly or indirectly from 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. Flood, surface water (including water flowing naturally on or near the surface and water whose flow is artificially altered), waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind; or
 2. Water or water-borne material, regardless of its source, below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool, or other structure. Direct loss by fire, explosion, or theft resulting from water damage is covered.

Conditions- includes limits

Your **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement** is subject to the following **Conditions**:

Please refer to the **Section 2 Coverage Conditions** in the **Section 2 Policy Packet** for conditions that apply. In addition, the following Conditions apply:

- A. **Sump Pump Failure Limit of Liability.**
 1. This coverage does not increase the Limit of Liability that applies to covered property under **Dwelling Coverage- Homeowners, Dwelling Coverage- Condominium, Personal Property Coverage, Auxiliary Private Structures Coverage, or Structures Away from Residence Premises Coverage.**

2. Under no circumstances will *we* pay more for any one *occurrence* under this endorsement than the Limit of Liability shown on *your* Declarations page for **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement**.
 3. No Additional Coverage or Special Coverage in your **Additional & Special Coverages** increases the Limit of Liability shown on your Declarations page for **Basic Sump Pump Failure/Back-up of Sewer or Drain Coverage Endorsement**.
- B. **Moratorium Clause.** *We* will not pay for loss occurring within the first 10 days after inception of this endorsement. This limitation does not apply when this endorsement is part of the *policy* when issued as new business or when added to replace a *sump pump failure* endorsement that granted greater coverage. However, the 10 day limitation described above does apply to any increase in *our* Limit of Liability for *sump pump failure*.

This endorsement does not change, alter, or extend any provision of *your policy* except as described in this endorsement.



Child Care Endorsement

This endorsement changes *your policy* and includes limitations and restrictions. Please read it carefully.

Reading this document

Words in italics are defined in **General Definitions** in the **General Policy Packet** or in the **Definitions** section of *your coverage form(s)*.

To confirm *you* have the **Child Care Endorsement**, please refer to *your* current Declarations page.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Effect of endorsement on *your policy*

If *you* have purchased the **Child Care Endorsement**, the changes described below apply to *your policy*.

Under **Section 1 Coverage Exclusions** in *your Section 1 Policy Packet*:

The following is added to exclusion F.2. **Business**:

This exclusion, F.2., does not apply to *your* child care activities described for this endorsement on *your* Declarations page.

The additional exclusions below are added to F.:

Bodily injury or *property damage* arising out of the ownership, maintenance, occupancy, operation, use, loading or unloading of, or entrustment by an *insured* to any person involving:

- a. Draft or saddle animals or vehicles for use therewith;
- b. *Motor vehicles*;
- c. Aircraft or hovercraft; or
- d. Watercraft;

owned or operated, or hired by or for an *insured* in *your* child care activities described for this endorsement on *your* Declarations page; or

Bodily injury to any *employee* arising out of *your* child care activities described for this endorsement on *your* Declarations page.

With respect to the coverage provided by this endorsement, under **Section 1 Coverage Conditions** in *your Section 1 Policy Packet*, item A. **Limit of Liability** is deleted and replaced with:

A. **Limit of Liability**

Aggregate Limit of Liability: *Our* total Limit of Liability in an annual *policy* period for the sum of damages payable under **Liability Coverage- Personal & Premises** and **Liability Coverage- Premises Only** and medical expense payable under **Medical Payments Coverage** will be an annual aggregate Limit of Liability that corresponds to the dollar amount shown on *your* Declarations page for **Liability Coverage- Personal & Premises** and **Liability Coverage- Premises Only**. This is the most we will pay regardless of the number of *occurrences*, *insureds*, injured persons, claims made, persons liable, claimants, or policies involved.

Sub-Limit of Liability: Subject to the annual aggregate Limit of Liability described above, *our* total liability under **Medical Payments Coverage** for all medical expense payable for *bodily injury* to one person as the result of one accident will not exceed the Limit of Liability for each person as stated on *your* Declarations page for **Medical Payments Coverage**. This Sub-Limit of Liability does not increase the Aggregate Limit of Liability.

Under **Personal Property Coverage, 3. Special Limits of Liability**, item h. is deleted and replaced with:

- h. \$2,500 on property, on the *residence premises*, used or intended for use in a *business*. This limitation does not apply to furnishings, supplies, and equipment used in the child care business described on *your* Declarations page.

Under **Auxiliary Private Structures Coverage**, item 2.c. does not apply to other structures used in the child care activities described for this endorsement on *your* Declarations page.

This endorsement does not change, alter, or extend any provision of *your policy* except as described in this endorsement.



Earthquake Endorsement

This endorsement changes *your policy* and includes limitations and restrictions. Please read it carefully.

Reading this document

Words in *italics* are defined in **General Definitions** in the **General Policy Packet** or in the **Definitions** section of *your coverage form(s)*.

To confirm *you* have the **Earthquake Endorsement** and to identify the property to which the coverage applies, please refer to *your current Declarations* page.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Note: To determine whether Masonry Veneer, Masonry, and/or Detached Buildings are included or excluded in *your coverage* under this endorsement, refer to the chart below, the corresponding Option number on *your Declarations* page for the covered property, and the specific details within this endorsement.

Option	Masonry Veneer	Masonry	Detached Buildings
1	Excluded	Excluded	Excluded
2	Included	Excluded	Excluded
3	Included	Included	Excluded
4	Excluded	Excluded	Included
5	Included	Excluded	Included
6	Included	Included	Included

Effect of endorsement on *your policy*

Section 2 Coverage Exclusions in *your Section 2 Policy Packet*, exclusion **A.2.a.i.** does not apply to property covered under this endorsement:

For the property to which *your Earthquake Endorsement* applies, as shown on *your Declarations* page, we insure for direct physical loss to covered property caused by earthquake, including land shock waves, lava flow, or tremors before, during, or after a volcanic eruption. One or more earthquake shocks that occur within a seventy-two hour period constitute a single earthquake.

Under **Section 2 Coverage Exclusions** in *your Section 2 Policy Packet*, the following **Special Earthquake Exclusions** are added:

a. **Flood**

We do not cover loss resulting directly or indirectly from flood of any nature or tidal wave, whether:

- i. Caused by;
- ii. Resulting from;
- iii. Contributed to by; or
- iv. Aggravated by;

earthquake or volcanic eruption.

- b. **Filling Land**
We do not cover the cost of soil remediation or filling land.
- c. **Auxiliary Private Structures Coverage Exclusion**
Coverage under this endorsement does not apply to **Auxiliary Private Structures Coverage**. This **Special Earthquake Exclusion c.** does not apply to detached buildings not otherwise excluded by **Auxiliary Private Structures Coverage** if *you* have purchased Earthquake Option 4, 5, or 6.
- d. **Masonry Veneer**
We do not cover loss to masonry veneer caused by earthquake. The value of masonry veneer will be deducted before applying the earthquake deductible described below. For the purpose of this exclusion, stucco is not considered masonry veneer. This **Special Earthquake Exclusion d.** does not apply if *you* have purchased Earthquake Option 2, 3, 5, or 6.
- e. **Masonry**
We do not cover loss to masonry construction caused by earthquake. The value of the masonry will be deducted before applying the earthquake deductible described below. For the purpose of this exclusion, stucco is not considered masonry. This **Special Earthquake Exclusion e.** does not apply if *you* have purchased Earthquake Option 3 or 6.
- f. **Fences, Driveways, and Sidewalks**
Coverage under this endorsement does not apply to fences, driveways, or sidewalks.

The conditions below are added under A. of **Section 2 Coverage Conditions** in *your Section 2 Policy Packet*.

Earthquake Deductible

The following replaces any other deductible provision in this *policy* with respect to loss covered by this **Earthquake Endorsement**.

We will pay only that part of the total of all loss that exceeds the earthquake deductible. The dollar amount of the earthquake deductible is determined by multiplying the Limit of Liability of the applicable coverage shown on *your* Declarations page by the deductible percentage amount shown on *your* Declarations page for this endorsement. This deductible applies separately to each individual coverage at the time of loss. The total deductible amount will not be less than \$250.

Earthquake Limit of Liability

- a. This coverage does not increase the limit of liability that applies to covered property.
- b. Under this endorsement, the following special limit of liability will apply:
Dwelling Coverage – up to, but not more than, the Limit of Liability listed on *your* Declarations page. Neither **Loss Settlement Selection Form 3** nor **Loss Settlement Selection Form 4** apply to this coverage.

This endorsement does not change, alter, or extend any provision of *your policy* except as described in this endorsement.



Theft of Tools and Materials Endorsement

This endorsement changes *your policy* and includes limitations and restrictions. Please read it carefully.

Reading this document

Words in italics are defined in **General Definitions** in the **General Policy Packet** or in the **Definitions** section of *your coverage form(s)*.

To confirm *you* have the **Theft of Tools and Materials Endorsement**, please refer to *your* current Declarations page.

All of *your policy* is incorporated in this form and applies, except as expressly modified below.

Effect of endorsement on *your policy*

If *you* have purchased the **Theft of Tools and Materials Endorsement**, the changes described below apply to *your policy*.

When listed under **Additional & Special Coverages**, the following is added to **2. Special Coverages**:

For additional premium, we cover the theft of *your* tools, materials, and supplies used in construction until the building or structure is completed and occupied. This coverage is extended to materials and supplies installed in the building or structure, if not otherwise covered by this or any other policy.

When listed under **Structures Away from Residence Premises Coverage**, the following is added to **What is covered**:

For additional premium, we cover the theft of *your* tools, materials, and supplies used in construction until the building or structure is completed and occupied. This coverage is extended to materials and supplies installed in the building or structure, if not otherwise covered by this or any other policy.

Your Section 2 Policy Packet is changed as follows:

Under **Section 2 Coverage Exclusions**, exclusion 13. **Theft of Tools** does not apply to *your* tools, materials, and supplies covered under this endorsement.

Conditions and Limitations Applicable to this Endorsement

1. Coverage applies only while the tools, materials, and supplies are situated on an *insured location*.
2. Coverage is effective for 180 days beginning the first day materials to be used in the construction are situated on an *insured location*.
3. **Our Limit of Liability** under this endorsement is the amount stated on the Declarations for *your Theft of Tools and Materials Endorsement*.
4. We do not provide coverage for mysterious disappearance or inventory shortages.
5. The Policy Deductible applies to this coverage for each *occurrence*.
6. The premium for this endorsement will be considered fully earned.

This endorsement does not change, alter, or extend any provision of *your policy* except as described in this endorsement.

Home Claim Experience Rating Plan

How we customize the cost of your property insurance



COUNTRYFinancial.com

COUNTRY Preferred Insurance Company®

COUNTRY Mutual Insurance Company®

COUNTRY Casualty Insurance Company®

Bloomington, IL 61702-2100

Our use of claims history is subject to underwriting and rating rules, which may vary by state and company. Other restrictions may apply. Please contact your representative for further information about the use of claims history. Our use of claims history may be subject to change without notice.

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Managing your property insurance costs

We make every effort to help you manage your property insurance costs. Just as the deductible and coverages you choose are important factors in determining insurance premiums, so is your claims history.

By managing your chance of loss, you may be able to keep your insurance premiums lower. Some simple changes may lower your loss probability, which can help keep your premium costs lower. Changes like:

- Installing deadbolt locks
- Repairing a broken step
- Replacing an old roof
- Installing a back-up sump pump

How does COUNTRY Financial determine your property insurance costs?

Many factors are used to determine your insurance premium.

Some of these factors include:

- The amount and types of coverage you carry
- Your deductible
- Your claims history, including the number of claims you've had, the date and type of each claim

We adjust your insurance premium based on your past claims. Past claims are a valuable predictor of future claims.

As a result, your premium may increase if you submit a claim on your policy. However, only certain types of claims will affect your insurance premium.

We want to provide you with the customized service you deserve.

Your representative is always happy to work one-on-one with you to provide a plan to help you get from where you are today to where you want to be in the future.

We hope you enjoy many safe and claim-free years in your home. But, should you ever have a claim, rest assured that one of our claims representatives will handle it quickly and fairly.



Not all claims affect premium.

Claims paid under the following perils and coverages are examples of those that do not affect premium.

Perils

- Food spoilage
- Earthquake, sinkhole and mine subsidence
- Riot or civil commotion

Coverages

- Scheduled Personal Property Coverage
- Special Personal Property Increased Coverage
- Identity Theft and Advocacy Service Coverage
- Medical Payments Coverage

How long can a claim impact premium?

Claims which affect the cost of your insurance can do so for up to five years, beginning the first time your policy renews after the claim is paid.

Please Note: Not all coverages and perils are included above. For example, weather-related claims might be considered in some states, but not others. Peril and coverage availability may vary by state. In many states, claims may result in policy coverage changes or nonrenewal, regardless of type. To learn more about which peril and coverage options may apply to you, contact your representative.

What type of claims affect premium?

To determine if a claim affects your premium cost, we consider factors including:

- type of claim, and
- when the claim occurred

We review claims with your prior insurance company and with COUNTRY Financial. The length of time you have been insured with us may also determine if your claim will affect the cost of your insurance.

Some of the more common claims affecting the cost of your insurance include:

- Fire
- Damage resulting from sump pump overflow
- Smoke
- Vandalism and Malicious Mischief
- Theft
- Water damage caused by appliances
- Liability



Important Information About Damage Caused by Flooding

We want to remind you that your policy does not cover damage to your property caused by flooding. For this type of coverage, you'll need to obtain a flood insurance policy.

Flood insurance is available to communities and/or properties that participate in the National Flood Insurance Program (NFIP). Not all communities participate in the program. Flood insurance may still be available to you even if you don't live in a flood hazard area as defined by the NFIP.

If your community does not participate in the NFIP, contact your representative to determine if there is other flood insurance coverage available to you.

The above information is a general overview. For complete coverage details, including any applicable limitations, conditions and exclusions, please see your policy.

Thank you for choosing COUNTRY Financial for your insurance needs.

If you have questions, please contact your representative. You can also learn more about the National Flood Insurance Program at www.floodsmart.gov or by calling (888) 379-9531.

COUNTRY Preferred Insurance Company®
Bloomington, IL