



High Value Homeowners Policy

Renewal Declarations

Your Agent

Undercode
100 Main Street North
St. Augustine, FL 32080
(123) 123-1234
800391600

Your Declarations summarizes your coverage and premium. Please read your policy, any attached forms and endorsements and your Declarations for a full description of your coverage.

NAME & ADDRESS OF INSURED

Igor Higin
1928 Trotter Court
Fort Wayne, IN 46815

Policy Number	HO247307801
Policy Period	12/21/2019 To 12/21/2020 at 12:01 AM Standard Time
Issuing Company	Privilege Underwriters Reciprocal Exchange 800 Corporate Drive, Suite 420 Fort Lauderdale, FL 33334 888-813-7873

INSURED LOCATION

1928 Trotter Court
Fort Wayne, IN 46815

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Policy Number

HO247307801

1928 Trotter Court
Fort Wayne, IN 46815

COVERAGE

COVERAGE LIMIT

Dwelling	\$2,100,000
Other Structures	\$420,000
Contents	\$1,050,000
Loss of Use	Reasonable Expenses
Liability	\$500,000
Medical Payments	\$10,000
Location Premium	\$7,686

DEDUCTIBLE

All Other Peril Deductible	\$2,500 per covered loss
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FORMS & ENDORSEMENTS

The following forms and endorsements are attached for the location.

NAME	FORM NUMBER	EDITION DATE
Declarations Page	PHVH-DEC-IN-001	07/01/2018
OFAC Notice	PURE-DSC-GEN-001	08/01/2015
Indiana Fraud Statement	PURE-001-IN	03/01/2011
Indiana Consumer Complaint Notice	PURE-002-IN	03/01/2011
High Value Homeowners Policy	PHVH-998-GEN	07/01/2010
Special Provisions	PHVH-END-IN-001	07/01/2018
Fraud and Cyber Defense Coverage	PHVH-END-GEN-029	06/01/2017
Roof Covering Payment Schedule	PHVH-END-GEN-031	06/01/2017
Endorsement		
Privacy Notice	PURE-038-GEN	03/01/2014

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Policy Number

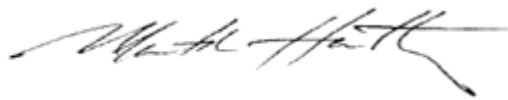
HO247307801

CREDITS & SURCHARGES

Year Built	2010
Year Renovated	
Protection Class	3
Construction Type	Brick
Flood Zone	PRP - B/C/X
Seasonal Surcharge	No
Rented to Others Surcharge	No
Vacancy Surcharge	No
Size of Home (Heated)	3,000
Central Reporting Burglar Alarm Credit	Yes
Central Reporting Fire Alarm Credit	Yes
Guard Gated Community Credit	No
Residential Sprinkler System Credit	No
External Perimeter Security Protection Credit	No
Gas Leak Detector Credit	No
Lightning Protection System Credit	No
Full Time Live-in Caretaker Credit	No
24 Hour Signal Continuity Protection Credit	No
Sprinkler System with Water Flow Alarm Credit	No
Permanently Installed Generator Credit	No
External Perimeter Gate Credit	No
Water Leak Detection System with Master Shut Off	None
Mortgage Free Credit	Yes
LEED Certified Home Credit	No
Excess Companion Credit	No
Jewelry and Art Companion Credit	No
Auto Companion Credit	No
PURE Marketing Group Credit	N/A
Low Temperature Monitoring Device Credit	No

Total Premium	\$7,686
Surplus Contribution	\$769
Grand Total	\$8,455

YOU WILL BE BILLED SEPARATELY FOR ANY PREMIUM DUE.



Authorized Company Representative



U.S Treasury Department's Office of Foreign Assets Control ("OFAC")

Advisory Notice to Policyholders

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

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

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

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

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

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



Indiana Fraud Statement

Any person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.



Indiana Notice to Policyholders Regarding Filing Complaints With The Department of Insurance

Questions regarding your policy or coverage should be directed to:

Company Name:	Privilege Underwriters Reciprocal Exchange
Contact Number:	888-813-PURE

If you:

- (a) Need the assistance of the governmental agency that regulates insurance; or
- (b) Have a complaint you have been unable to resolve with your insurer;

you may contact the Department of Insurance by mail, telephone or E-mail:

State of Indiana Department of Insurance
Consumer Services Division
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204

Consumer Hotline: (800) 622-4461; (317) 232-2395

Complaints can be filed electronically at www.in.gov/idoi.

Your High Value Homeowners Policy - Quick Reference

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This policy is issued by Privilege Underwriters Reciprocal Exchange (PURE), a reciprocal insurance company. By purchasing this policy, you are a Subscriber to PURE. You are subject to the Subscriber's Agreement and Power of Attorney. This is a non-assessable policy consistent with section 629.261, Florida Statutes. The liability of the Subscriber to PURE is limited to the costs associated with the insurance policies only. This is a participating policy and you are entitled to dividends as may be declared by PURE. PURE may annually allocate a portion of surplus to subscriber savings accounts. Amounts allocated to subscriber savings accounts remain a part of PURE's surplus. They may be used to support the operations of PURE. Your right to the balance in the subscriber savings account is limited as set forth in the Subscriber's Agreement.

Insuring Agreement

Privilege Underwriters Reciprocal Exchange will provide the insurance described in this policy in return for payment of the premium and compliance with all applicable provisions of the policy.

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SECTION I - DEFINITIONS

In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and if the "named insured" is an individual, the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.

In addition, certain words and phrases are defined below. When used throughout the policy the defined words will be bolded.

Aircraft

Aircraft means any device used or designed for flight. **Aircraft** does not include model or hobby craft not used or designed to carry people or cargo.

Bodily Injury

Bodily Injury means physical bodily harm, sickness or disease. This includes required care, loss of services and resulting death.

Business

Business means a trade, occupation or profession engaged in on a full-time, part-time or occasional basis. **Business** also means any activity engaged in for money or other compensation. This does not include **incidental business**.

Contents

Contents means personal property you or a **family member** own or possess. For any **residence premises** listed on your Declarations that is a condominium or cooperative, **contents** means;

- a. Personal property you or a **family member** possess;
- b. Improvements, betterments, installations or fixtures that you paid for or acquired along with the **residence premises**; and
- c. All property located within the boundaries of your unit which is your insurance responsibility under a corporation or association of property owners agreement.

Deductible

Deductible means the amount you are responsible to pay for any covered loss we pay.

Dwelling

Dwelling means the owned one or two family house at each location named on your Declarations. **Dwelling** is not a condominium or a cooperative.

Family Member

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Family Member means a person that lives in your household and is related to you by blood, marriage, domestic partnership registered under State law, or adoption.

Fungi

Fungi means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products, produced or released by **fungi**.

Hurricane

Hurricane means a storm system that has been declared a hurricane by the National Weather Service. The National Weather Service currently uses the Saffir/Simpson Hurricane Scale to categorize **hurricanes**. This scale specifies that a **hurricane** is a storm that originates in the tropics and results in either a sustained wind speed of at least 74 miles per hour or a storm surge of at least four feet above normal.

The duration of the **hurricane** includes the time period:

1. Beginning 24 hours before a declared **hurricane** makes landfall;
2. While that declared **hurricane** remains; and
3. Ending 24 hours after the declared **hurricane** is no longer present;

anywhere in the state where your **residence premises** is located.

Incidental Business

The definition of **Incidental Business** depends upon where the **incidental business** is conducted.

- a. Away from your **residence premises**.

Incidental Business means a self-employed business activity normally undertaken by persons under the age of 18 such as newspaper delivery, babysitting, caddying, and lawn care. Any of these activities must:

1. Not yield gross revenues in excess of \$10,000 in any year;
2. Have no employees subject to any workers' compensation, disability benefits, unemployment compensation or other similar laws; and
3. Conform to local, state, and federal laws; or

- b. At your **residence premises**.

Incidental Business means a business activity, other than farming, conducted in whole or in part on your **residence premises** which must:

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1. Not yield gross revenues in excess of \$10,000 in any year, except for the business activity of managing one's own personal investments, regardless of where the revenues are produced;
2. Have no employees subject to any workers' compensation, disability benefits, unemployment compensation or other similar laws; and
3. Conform to local, state, and federal laws.

Incidental Business includes the **business** of renting to others the **residence premises** listed on your Declarations.

Insured

Insured means you or a **family member**. As respects SECTION III Liability, an **insured** also includes any individual or other legal entity given permission by you or a **family member** to use a vehicle or **watercraft** covered under this policy with respect to their legal responsibility arising out of its use.

Landscaping

Landscaping means trees, shrubs or other plants on the grounds of your **residence premises**.

Medical Expenses

Medical Expenses includes reasonable charges for:

- a. medical;
- b. surgical;
- c. X-ray;
- d. dental;
- e. ambulance;
- f. hospital;
- g. professional nursing;
- h. prosthetic devices; and
- i. funeral services.

Occurrence

Occurrence means an accident or offense, including continuous or repeated exposure to substantially the same general harmful conditions, which results in **bodily injury** or **property damage** during the policy period.

Other Structures

Other Structures means outdoor structures on the grounds of your **residence premises** set apart from the **dwelling** by clear space. This includes structures connected to the **dwelling** by only a fence, utility line or similar connection.

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Personal Injury

Personal Injury means injury or death arising out of one or more of the following:

- a. **Bodily injury**;
- b. Unlawful detention, false imprisonment or false arrest;
- c. Shock or emotional distress;
- d. Invasion of privacy;
- e. Defamation, libel or slander;
- f. Malicious prosecution;
- g. Wrongful entry or eviction; or
- h. Assault and battery when committed with the intent of protecting persons.

Property Damage

Property Damage means physical injury to, destruction of, or loss of use of tangible property.

Reconstruction Cost

Reconstruction Cost means the lesser of the amount required at the time of the loss to repair or replace a structure at the same location with materials and workmanship of like kind and quality. **Reconstruction cost** does not include deduction for depreciation or any amount required to comply with the enforcement of any ordinance or law. It also does not include any amount required for the excavation, replacement or stabilization of land under or around a structure.

Recreational Motor Vehicle

Recreational Motor Vehicle means a motorized land vehicle designed for use off public roads, not subject to motor vehicle registration or operator licensing, and which is used solely on your **residence premises**. **Recreational Motor Vehicle** includes a golf cart used as a means of travel about your residence, your residence community or a golf course for golfing purposes or community or other private activities. **Recreational Motor Vehicle** also includes vehicles used to assist the handicapped that are not designed for or required to be registered for use on public roads.

Residence Premises

Residence Premises means any **dwelling, other structures** and grounds or any condominium unit, cooperative, or apartment which is listed on your Declarations and that you own or live in.

Watercraft

Watercraft means a boat or craft principally designed to be propelled on, over or under water. A model boat or hobby craft not used or designed to carry people is not considered a **watercraft**.

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SECTION II – PROPERTY COVERAGE

A. Perils Insured Against

We insure against all risks of sudden and accidental direct physical loss or damage to your **dwelling, contents and other structures** unless an exclusion applies.

B. Coverage and Loss Settlement

1. Dwelling

For a covered loss we will pay the **reconstruction cost** for your **dwelling**, even if this amount is greater than the coverage limit shown for that location on your Declarations. However, the most we will pay is the coverage limit shown for that location on your Declarations if:

- a. you do not begin to repair or rebuild your **dwelling** within two (2) years from the date of loss;
- b. if you do not maintain at least the amount of coverage for your **dwelling** as previously agreed to, including any adjustments we make based on appraisals or revaluations; or
- c. you do not repair or rebuild your **dwelling** at the same location.

2. Other Structures

For a covered loss we will pay the **reconstruction cost** for your **other structures**, even if this amount is greater than the coverage limit shown for that location on your Declarations. However, the most we will pay is the coverage limit shown for that location on your Declarations if:

- a. the coverage limit shown for this location on your Declarations for your **other structures** is less than 20% of the coverage limit for your **dwelling**;
- b. you do not begin to repair or rebuild your **other structures** within two years from the date of loss;
- c. you do not maintain at least the amount of coverage for your **other structures** as previously agreed to, including any adjustments we make based on appraisals or revaluations; or
- d. you do not repair or rebuild your **other structures** at the same location.

3. Dwelling or Other Structures under Construction

If at anytime during the policy period:

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- a. You are newly constructing your **dwelling** or **other structures**;
- b. You are constructing additions, alterations or renovations to the **dwelling** or **other structures** and as a result have temporarily vacated the **residence premises**; or
- c. You are constructing additions, alterations or renovations to the **dwelling** or **other structures** and the cost will exceed 10% of the coverage amount for your **dwelling** or **other structures**;

then the most we will pay for a covered loss is the **reconstruction cost** less depreciation, but not to exceed the coverage limit shown on your Declarations. We will pay this amount whether or not you actually repair or rebuild. You must still maintain at least the amount of coverage for your **dwelling** and **other structures** as previously agreed to, including any adjustments we make based on appraisals or revaluations. This will remain the loss settlement provision until all construction is completed, and you and we agree on the amount of coverage for your **dwelling** and **other structures**.

4. Contents

The most we will pay for a covered loss to **contents** is the lesser of the amount required to repair or replace the **contents** without application of depreciation up to the amount of coverage for **contents**. However, if the **contents** are obsolete or unusable as a result of their age or condition, depreciation will be applied.

The amount of coverage for **contents** depends on where the loss occurs. For a covered loss to **contents** that occurs;

- a. At a **residence premises** listed on your Declarations, we will pay up to the coverage limit for **contents** at that location for each covered loss. If after a covered loss to your **dwelling** and **contents** we pay more than the coverage limit for your **dwelling** because the **reconstruction cost** is higher than the insured limit, we will increase the **contents** coverage for the purposes of settling the loss, by the same percentage. This extension of coverage only applies if the **contents** limit on your Declarations is 50% of the **dwelling** limit or greater;
- b. At a **residence premises** insured under another policy, we will not pay any amount under this policy;
- c. At a **residence premises** that is not listed on your Declarations or insured under another policy, we will pay up to 10% of the **contents** limit shown on your Declarations for a loss caused by a peril other than a **hurricane**. We do not cover any loss caused by a **hurricane** in the state where the **contents** are located.

However, if the **residence premises** has been acquired within the last sixty (60) days, we will pay up to the highest **contents** limit of any single **residence premises** listed on your Declarations.

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- d. Away from a **residence premises**, we will pay up to the highest **contents** limit of any single **residence premises** listed on your Declarations.

5. Deductible

Unless otherwise noted in this policy, the base **deductible** or one of the special **deductibles** shown on your Declarations or by endorsement is the amount of a covered loss you will pay.

Hurricane Deductible

In the event of direct physical loss to property covered under this policy caused directly or indirectly by a **hurricane**, the Hurricane Deductible listed on your Declarations is the amount of the covered loss for **dwelling, other structures** and **contents** that you will pay. The Hurricane Deductible does not apply to coverage provided under **7. Loss of Use**. The Hurricane Deductible applies regardless of any other cause or event contributing concurrently or in any sequence to the loss.

Waiver of Deductible

For a covered loss caused by a peril other than a **hurricane** or earthquake that is greater than \$50,000, we will waive the base **deductible**. This waiver of **deductible** only applies if the base **deductible** shown on your Declarations is \$25,000 or less.

This waiver of **deductible** does not apply to special **deductibles** for **hurricane** or earthquake. This waiver of **deductible** also does not apply to a special construction **deductible**.

Construction Deductible

If at anytime during the policy period:

- a. You are newly constructing your **dwelling** or **other structures**;
- b. You are constructing additions, alterations or renovations to the **dwelling** or **other structures** and as a result have temporarily vacated the **residence premises**; or
- c. You are constructing additions, alterations or renovations to the **dwelling** or **other structures** and the cost will exceed 10% of the coverage amount for your **dwelling** or **other structures**;

then a special construction **deductible** of 5% of **dwelling** coverage will apply to each covered loss in lieu of a base **deductible**. This **deductible** applies to your **dwelling, other structures, contents**, and additional coverages. The dollar amount of this **deductible** is based on the **dwelling** coverage limit shown on your Declarations for that location at the time of the loss. This **deductible** does not eliminate any other

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special **deductibles** that may apply. If we otherwise give our prior written consent, the special construction **deductible** will not apply.

6. Special Limits of Liability for Contents

These limits do not increase the amount of coverage for your **contents**. The special limit shown for each category below is the most we will pay for each covered loss to **contents** in that category.

- a. Money, bank notes, bullion, gold other than gold ware, silver other than silver ware, platinum - \$2,500.
This limit is increased to \$10,000 for bank notes, bullion, gold other than gold ware, silver other than silver ware, platinum that are stored in a locked home safe located on the **residence premises** or in a bank vault or bank safe deposit box.
- b. **Watercraft**, including their trailers, furnishings, equipment and outboard engines or motors - \$5,000.
- c. Trailers not used with **watercraft** - \$5,000.
- d. Grave markers - \$10,000.
- e. Securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, negotiable papers, passports, tickets - \$5,000.
- f. Jewelry, watches, precious stones or semi precious stones, whether set or unset, that are lost, misplaced or stolen - \$5,000.

If your **residence premises** is a:

Dwelling, this special limit is increased to \$50,000 if your Declarations show a limit for **contents** coverage that is 50% or more of the coverage for your **dwelling**. However, the most we will pay for any one article is \$25,000.

Condominium unit, cooperative, or apartment, this special limit is \$50,000. However, the most we will pay for any one article is \$25,000.

The limits described under f. do not apply if the items are stored in a bank vault or bank safe deposit box.

- g. Furs that are lost, misplaced or stolen - \$5,000.
- h. Guns that are lost, misplaced or stolen - \$5,000.
- i. Silverware, goldware, pewterware or trophies that are lost, misplaced or stolen - \$10,000.

7. Loss of Use

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If a covered loss to your **dwelling** or **contents** makes the **residence premises** not fit to live in, we cover the following:

a. Additional Living Expense:

- (1) If the **residence premises** is your primary residence, we will pay the necessary reasonable increase in living expenses incurred by you so that your household can maintain its normal standard of living; or
- (2) If the **residence premises** is not your primary residence, we will pay the necessary reasonable increase in living expenses incurred by you so that your household can maintain its normal standard of living for those periods of time that you had planned to use, or customarily use, the residence.

We cover this increase for the shortest reasonable amount of time required to restore your **residence premises** to a habitable condition, or if you permanently relocate, the shortest reasonable amount of time required for your household to settle elsewhere. This time period is not limited by the expiration of this policy.

b. Fair Rental Value

The amount of rent shown on a signed lease agreement less any expenses that do not continue while the **residence premises** is not fit to live in.

Payment will be for the shortest reasonable time required to restore your **residence premises** to a habitable condition. This time period is not limited by the expiration of this policy.

Civil Authority

If you are forced to evacuate your **residence premises** or a civil authority prohibits you from use of the **residence premises**, we will reimburse you for the reasonable increase in living expenses incurred by you so that your household can maintain its normal standard of living for up to 30 days. The most we will pay for this coverage is \$50,000.

C. Additional Coverages

The coverages shown below are in addition to the coverage amount shown for that location on your Declarations unless otherwise indicated. Your **deductible** applies to these coverages unless otherwise indicated. These coverages are subject to Special Limits of Liability and Exclusions. Exclusions are defined in Section D.

1. Loss Assessment

We will pay up to \$50,000 for your share of a loss assessment charged against you during the Policy Period by a corporation or association of property owners. This coverage applies to loss assessments charged against you during the policy period, regardless of when the loss to the corporation or association of property owners occurred. This

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coverage only applies when the assessment is made as a result of a covered loss to the property owned by all members collectively. We will not pay for assessments made as a result of loss caused by or resulting from earthquake. We will pay your portion of an assessment charged as a result of an ensuing covered loss due to theft, explosion, fire or glass breakage, unless another exclusion applies. A **deductible** does not apply to this coverage.

We will not pay more than \$5,000 for any assessment that results from a **deductible** in your Association's insurance coverage.

2. Back Up of Sewers and Drains

We will pay up to the coverage limits shown on your Declarations for physical loss or damage to property caused by:

- (1) Water which backs up through sewers or drains; or
- (2) Water which overflows from a sump even if such overflow results from the mechanical breakdown of the sump pump.

These payments do not increase your coverage amount.

3. Construction Materials

We will pay for a covered loss to materials and supplies owned by you at each location shown on your Declarations for use in the repair, alteration, or construction of your **residence premises**. These payments do not increase your coverage amount.

4. Data Replacement

We will pay up to \$5,000 for expenses you incur to replace your personal data stored on a personal computer or portable computing device lost as a result of a covered loss.

5. Debris Removal

We will pay the reasonable expenses you incur to remove debris of covered property resulting from a covered loss from the **residence premises**.

If the **residence premises** is a house, these payments increase the amount of your coverage by 10% of the **dwelling** limit shown on your Declarations. If the **residence premises** is a condominium, cooperative or apartment, these payments increase the amount of your coverage by 10% of the **contents** limit shown on your Declarations.

6. Ensuing Fungi or Bacteria

For a covered loss we will not pay more than \$20,000 for each occurrence for all increased costs that are **fungi** or bacteria remediation expenses described below. This **fungi** or bacteria remediation expense limit does not increase your coverage amount.

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This **fungi** or bacteria remediation expense limit does not apply to **fungi** or bacteria resulting from a covered loss caused by fire or lightning.

Fungi or bacteria remediation means the reasonable and necessary costs for:

- a. Testing and monitoring the air or property to confirm the absence, presence or level of **fungi** or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be paid only to the extent that there is a reason to believe that there is the presence of **fungi** or bacteria;
- b. Developing a **fungi** or bacteria remediation plan; and implementing that **fungi** or bacteria remediation plan including the clean up, removal, containment, treatment, or disposal of **fungi** or bacteria;
- c. Tearing out and replacing any part of the building or other covered property as needed to gain access to the **fungi** or bacteria beyond that which is required to gain access to covered property physically damaged by a covered loss;
- d. Removing debris of covered property containing **fungi** or bacteria beyond that which is required to remove debris of the covered property physically damaged by a covered loss; and
- e. Repairing or replacing covered property containing **fungi** or bacteria beyond that which is required to repair or replace the covered property physically damaged by a covered loss.

Fungi or bacteria remediation expenses also includes up to a maximum of \$5,000 for coverage for loss of use of your **residence premises** resulting from **fungi** or bacteria.

Loss of use means:

- a. The necessary reasonable increase in living expenses incurred by you so that your household can maintain its normal standard of living while your **residence premises** is uninhabitable; and
- b. For a **residence premises** that is rented out, the amount of rent shown on a signed lease agreement, less any expenses that do not continue, while the **residence premises** is uninhabitable.

\$20,000 is the most we will pay regardless of the number of locations insured, or the number of claims. We will not make any additional payments for ensuing **fungi** or bacteria under any other part of this policy.

7. Fire Department Service Charge

We will pay the charges imposed by law or assumed in writing for fire department charges. This coverage applies when the fire department is called to save or protect

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a **residence premises** listed on your Declarations. Your **deductible** does not apply to this coverage.

8. Food Spoilage

We will cover food that is contained or stored in a refrigerator or freezer at your **residence premises** which spoils due to:

- a. Changes or extremes in temperature caused by an interruption of the power supply;
or
- b. Caused by the mechanical or electrical breakdown of refrigeration equipment.

Food Spoilage does not include any loss to wine. These payments do not increase your coverage amount.

9. Incidental Business Property

We will pay up to \$10,000 for a covered loss to property owned or leased by you and used for an **incidental business** conducted at a **residence premises** listed on your Declarations.

10. Land

We will pay up to 10% of the amount of a covered loss to your **dwelling** or **other structures** for the required stabilization, excavation, or replacement of land under or around your **dwelling** or **other structures**.

These payments do not increase your coverage amount for losses caused by or resulting from a **hurricane**.

11. Landscaping

We will pay for loss or damage to **landscaping** caused by:

- a. fire or lightning;
- b. explosion;
- c. riot or civil commotion;
- d. aircraft;
- e. vehicles not owned or operated by a person who lives at the **residence premises**;
- f. vandalism or malicious mischief; or
- g. theft.

We will pay up to the greater of 5% of the coverage limit for **dwellings** or **contents** shown on your Declarations for the **residence premises** at which the covered loss occurs. The most we will pay for any one tree, shrub or plant is \$5,000.

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This additional coverage is only applicable if you begin to repair or replace the damaged **landscaping** within one hundred eighty (180) days of the date of loss.

12. Lock Replacement

If the keys to the **residence premises** listed on your Declarations are lost or stolen, we will pay for the cost to replace the locks to that **residence premises**. Your **deductible** does not apply to this coverage.

13. Loss by Domestic Animals

We will pay for loss to your **dwelling**, **other structures**, and **contents** caused by domestic animals.

14. Loss to a Pair or Set or Parts

For a covered loss to a pair or set, we will pay the lesser of:

- a. The cost to replace any part to restore the pair or set to its value before the loss;
- b. The cost to repair any part to restore the pair or set to its value before the loss; or
- c. The difference between the market value of the pair or set before and after the loss.

However, if you agree to give us the remaining article(s) of the pair or set we will pay the full replacement cost of the entire pair or set.

These payments do not increase your coverage amount.

15. Mine Subsidence

We will pay for direct physical loss to your **dwelling** and **other structures** caused by mine subsidence. Mine subsidence means the lateral or vertical movement of a man-made underground mine or mine-related excavations.

16. Precautionary Repairs

We will pay the reasonable expenses incurred by you for the necessary measures taken to protect covered property that is damaged by a covered peril, from further damage.

These payments do not increase your coverage amount.

17. Property Removal

We will pay the reasonable expenses you incur to move **contents** from a **residence premises** to protect the **contents** from damage from a covered loss.

18. Property of Domestic Staff and Guests

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We cover the personal property of your domestic staff and your guests located at the **residence premises** listed on your Declarations. These payments do not increase your coverage amount.

19. Rebuilding to Code

We will pay the necessary cost for you to comply with any law or ordinance requiring or regulating the:

- a. Construction;
- b. Demolition;
- c. Remodeling;
- d. Renovation; or
- e. Repair;

of a covered property damaged by a covered loss, including removal of any resulting debris. These payments do not increase your coverage amount.

This coverage only applies if you choose to repair, rebuild or replace your **dwelling, other structure**, or improvements and betterments at the loss location.

20. Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money

We will pay up to \$10,000 for:

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

We may investigate and settle any claim or suit. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability. If a suit is brought against an **insured** for liability for **20.a.** and **20.b.** above, we will provide a defense at our expense by counsel of our choice. 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 **20.c.** above.

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21. Identity Fraud Expense Coverage

- a. If you are a victim of “identity fraud” we will, with your consent, appoint and pay the full cost of, an identity fraud restoration specialist to restore your credit record and identity. Provided that we select the identity fraud restoration specialist we will pay the full cost of the specialist. If you choose a different method of restoring your credit record and identity, we will pay your “identity fraud expenses” up to a maximum of \$25,000, for each individual identity fraud perpetrated. No **deductible** applies to this coverage.

“Identity Fraud” means the act of knowingly transferring or using, without lawful authority, a means of identification of an **insured**. This must be done with the intent to commit, or to aid or abet another to commit, an unlawful activity that constitutes a violation of federal law or a crime under any applicable state or local law.

- b. “Identity Fraud Expense” means:

- (1) Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
- (2) Costs for sending certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors;
- (3) Lost wages as a result of time off from work to meet with law enforcement agencies, credit agencies, merchants or legal counsel or to complete fraud affidavits, up to \$500 per week for a maximum of 2 weeks;
- (4) Loan application fees for reapplying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information;
- (5) Reasonable attorney fees incurred with our prior consent, as a result of "identity fraud" to:
 - i. Defend lawsuits brought against an insured by merchants, financial institutions, or their collection agencies;
 - ii. Remove any criminal or civil judgments wrongly entered against an **insured**; and
 - iii. Challenge the accuracy or completeness of any information in an **insured's** consumer credit report.

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- (6) Charges incurred for long distance telephone calls to merchants, law enforcement agencies, financial institutions or similar credit grantors or credit agencies to report or discuss an actual "identity fraud".

This coverage does not apply to losses covered under Credit Card, Electronic Fund Transfer Card or Access Device, Forgery, and Counterfeit Money. This coverage does not apply where an **insured** or someone acting at the direction of an **insured** commits a fraudulent, dishonest or criminal act, whether acting alone or in concert with others.

22. Loss Mitigation Measures

In the event of a covered loss, for which we pay \$10,000 or more, we will also pay for the reasonable costs you incur up to \$2,500 for the installation of an approved loss mitigation measure or loss prevention device to protect your **residence premises** against a subsequent and similar loss in the future. This additional coverage does not apply to losses that result from a **hurricane**.

Examples of approved loss prevention devices include, but are not limited to, fire alarm systems, fire suppression systems, security systems, sump pumps, automatic water shut-off devices, lightning suppression systems and back-up power systems.

These payments do not increase your coverage amount.

23. Environmentally Friendly Upgrades

In the event of a covered loss that exceeds your **deductible** we will pay up to \$50,000 for additional costs incurred to use approved environmentally friendly materials, fixtures, appliances or methods in the necessary rebuilding, repairing or replacing of your **dwelling, other structures** or **contents**.

Examples of approved environmentally friendly materials, fixtures, appliances and methods include, but are not limited to, appliances and lighting, heating and cooling systems that meet Energy Star or equivalent levels of efficiency and building materials that are sustainably produced, responsibly harvested or composed of recycled content.

These payments do not increase your coverage amount.

24. Tree Removal

Unless covered elsewhere under this policy, we will pay up to a total of \$1,500 for each occurrence to remove trees fallen due to wind, hail, sleet or the weight of ice or snow when the tree does not damage your **residence premises**.

Your **deductible** does not apply to this coverage. This waiver of **deductible** does not apply to special **deductibles** for **hurricane** or earthquake. This waiver of **deductible** also does not apply to a special construction **deductible**.

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25. Pet Injury

We will pay up to \$5,000 for each occurrence for any necessary **medical expenses** to domestic animals owned by, or in the care, custody and control of an **insured** that arises due to a covered loss. Your **deductible** does not apply to this coverage.

D. Exclusions

The following exclusions apply to **SECTION II – PROPERTY COVERAGE**.

1. Aircraft

We do not cover any loss to an **aircraft** or its parts, whether or not attached to the **aircraft**.

2. Buildings Scheduled for Demolition

We do not cover loss to **dwellings** or **other structures** that are scheduled for demolition, deconstruction or destruction. However, we will pay the cost of debris removal. A building is considered scheduled for demolition, deconstruction or destruction if a contract has been entered into, whether written or verbal, or plans have been drawn up to demolish the building within the next one hundred eighty (180) days.

3. Business Property

We do not cover any loss to **business** property, except **incidental business** property as defined in **C. Additional Coverages**.

4. Governmental Action

We do not cover any loss caused by governmental action. Governmental action means the destruction, confiscation or seizure by order of any government or public authority. This exclusion does not apply to such acts ordered by any governmental or public authority that are taken to prevent the spread of fire.

5. Dishonest Acts

We do not cover any loss caused by any dishonest or criminal act by you or a **family member**, or by a person directed by you or a **family member**.

6. Earth Movement

We do not cover any loss to your **dwelling** or **other structures** caused by earth movement. Earth movement means:

- a. Earthquake, including land shock waves or tremors, before, during or after a volcanic eruption;
- b. Landslides;
- c. Mudflows;

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- d. Mudslides; and
- e. the sinking, rising or shifting of land.

However, we do insure ensuing covered loss due to theft, fire, glass breakage or explosion unless another exclusion applies.

7. Faulty, Inadequate or Defective Planning

We do not cover any loss caused by faulty, inadequate or defective:

- a. Planning, zoning, development, surveying, siting;
- b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- c. Materials used in repair, construction, renovation or remodeling; or
- d. Maintenance;

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

8. Fungi, Wet or Dry Rot or Bacteria

We do not cover any loss caused by the presence, growth, proliferation, spread or any activity of **fungi**, wet or dry rot, or bacteria. This includes the cost to test for, monitor, clean up, move, remediate, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of **fungi**, wet or dry rot, or bacteria.

This exclusion does not apply to:

- a. Coverage provided under **SECTION II – PROPERTY COVERAGE, C. Additional Coverages, 6. Ensuing Fungi or Bacteria**;
- b. **Fungi** or bacteria resulting from fire or lightning unless another exclusion applies; or
- c. Ensuing covered loss unless another exclusion applies.

9. Wear and Tear, Deterioration or Mechanical Breakdown

We do not cover any loss caused by:

- a. wear and tear, marring, deterioration;
- b. warping, rust or, other corrosion;
- c. wet or dry rot;
- d. mechanical breakdown;
- e. latent defect;
- f. inherent vice; or

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g. any quality in property that causes it to damage or destroy itself.

However, we do insure ensuing covered loss unless another exclusion applies.

10. Intentional Loss

We do not cover intentional loss. An intentional loss means any loss arising out of any act an **insured** commits or conspires to commit with the intent to cause a loss. This exclusion only applies to an **insured** who commits or conspires to commit an act with the intent to cause a loss.

11. Loss by Birds, Vermin, Rodents or Insects

We do not cover any loss caused by birds, vermin, rodents or insects. However, we do insure ensuing covered loss unless another exclusion applies.

12. Loss to Fish, Birds or Animals

We do not cover any loss to fish, birds or other animals.

This exclusion does not apply to the extent coverage is provided under **SECTION II – PROPERTY COVERAGE, C. Additional Coverages, 25. Pet Injury**.

13. Motorized Land Vehicles

We do not cover any loss to a motorized land vehicle, other than a **recreational motor vehicle**.

14. Nuclear Hazard

We do not cover any loss caused directly or indirectly by 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, we do cover ensuing covered loss due to fire resulting from a nuclear hazard unless another exclusion applies.

15. Pollution or Contamination

We do not cover any loss caused directly or indirectly, regardless of cause or event, whether contributing concurrently or in any sequence to the loss, caused by the:

- a. Discharge;
- b. Dispersal;
- c. Seepage
- d. Migration;
- e. Release; or
- f. Escape

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

16. Property of Others

We do not cover any loss to property of roomers, boarders, or other tenants. This exclusion does not apply to property of roomers or boarders related to an **insured**.

17. Renovations and Repairs

We do not cover any loss caused by renovating, refinishing or repairing any kind of **contents**. This exclusion does not apply to jewelry, watches, and furs.

18. Structural Movement

We do not cover any loss caused by the settling, shrinking, bulging or expansion, including resultant cracking, of the following:

- a. Bulkheads;
- b. Pavements, patios;
- c. Footings, foundations; or
- d. Walls, floors, roofs or ceilings.

However, we do insure ensuing covered loss unless another exclusion applies.

19. War

We do not cover any loss caused directly or indirectly by war. War includes the following and any consequence(s) 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.

20. Watercraft

We do not cover any loss caused by the stranding, swamping or sinking of a **watercraft** or its trailer, or outboard motor. We also do not cover any loss caused by collision of a **watercraft** other than collision with a land vehicle unless another exclusion applies. We also do not cover any loss that results from a **hurricane** damaging a **watercraft**.

21. Surface and Ground Water

We do not cover any loss by surface or ground water. Surface or ground water means:

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- a. Flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind; or
- b. Water or water-borne material below the surface of the ground. This includes water which exerts pressure on, or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or **other structure**.

This exclusion does not apply to **contents** away from any **residence premises** or ensuing covered loss unless another exclusion applies.

22. Temperature, Dampness or Humidity

We do not cover any loss caused by extremes of temperature, dampness, humidity or dryness of atmosphere, or water vapor to your **dwelling, other structures** or **contents**. This exclusion does not apply to:

- a. Loss caused directly by rain, sleet, snow or hail; or
- b. Coverage provided under **SECTION II – PROPERTY COVERAGE, C. Additional Coverages, 8. Food Spoilage**.

23. Water Damage to Specific Other Structures

We do not cover loss to specific **other structures** caused by:

- a. Freezing;
- b. Thawing;
- c. Pressure or weight of water or ice, whether driven by wind or not.

This exclusion applies to:

- a. fences, pavements, patios or tennis courts;
- b. swimming pools, hot tubs or septic systems;
- c. footings, foundations, bulkheads, retaining walls, or any structure or device that supports all or part of a building, or **other structure**; or
- d. piers, wharves, docks or bridges.

However, we do insure ensuing covered loss unless another exclusion applies.

24. Water Damage as a Result of Failure to Maintain Heat

We do not cover any loss caused by water freezing in plumbing, heating or air conditioning system or household appliance if you have not used reasonable care to maintain heat in your residence. This includes closing and draining the water system or appliances if the home is vacant, unoccupied or being constructed.

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SECTION III – LIABILITY COVERAGE

A. Personal Liability

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

1. Pay up to the liability coverage limit shown on your Declarations for damages for which an **insured** is legally liable. We will not pay more than the liability coverage limit shown on your Declarations for any single **occurrence** regardless of the number of **insureds**, claims made or persons injured. Damages include prejudgment interest awarded against an **insured**; and
2. Provide a defense at our expense even if the suit is groundless, false or fraudulent. You may choose counsel from a panel of firms that we have selected. We reserve the right to assign counsel if a panel has not been selected in the jurisdiction that the suit is brought or the claim is made. We may investigate and settle any claim or suit at our discretion. Our duty to settle or defend ends when our liability coverage limit for the occurrence has been exhausted by payment of a judgment or settlement. Costs of providing a defense, other than settlement payments, are in addition to the liability coverage limit.

B. Medical Payments to Others

We will pay the necessary **medical expenses** that are incurred or medically ascertained within three (3) years from the date of an accident causing **bodily injury**. The most we will pay is \$10,000 per person. This coverage does not apply to you or a **family member**. This coverage applies only:

1. To a person on a **residence premises** with liability coverage listed on your Declarations with the permission of you or a **family member**; or
2. To a person off the **residence premises** if the **bodily injury**:
 - a. Arises out of a condition at a **residence premises**, or the ways immediately adjoining a **residence premises**, listed on your Declarations with liability coverage;
 - b. Is caused by the activities of an **insured**;
 - c. Is caused by a domestic worker in the course of his or her employment by an **insured**; or
 - d. Is caused by an animal owned by or in the care of an **insured**.

C. Additional Coverages

We cover the following in addition to the liability coverage limit, unless stated otherwise:

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1. Claims Expenses

We will pay:

- a. Expenses we incur and court costs taxed against an **insured** in any suit we defend;
- b. Reasonable expenses incurred by an **insured** at our request. This includes actual loss of earnings (but not loss of other income) up to a total of \$10,000, for assisting us in the investigation or defense of a claim or suit;
- c. Premiums on bonds required in a suit we defend. This does not apply to bond amounts more than the liability coverage limit shown on your Declarations. We need not apply for or furnish any bond; and
- d. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court, that part of the judgment which does not exceed the liability coverage limit.

2. Damage to Property of Others

We will pay up to \$10,000 per **occurrence** to repair or replace the property of others damaged by an **insured**. If your **residence premises** is a condominium, cooperative or apartment unit we will pay up to \$25,000 per **occurrence** to repair or replace the property of others damaged by an **insured**.

D. Exclusions

We do not provide coverage for damages, defense costs or any other cost or expense for:

1. Motorized Land Vehicles

Personal injury or property damage arising out of the:

- a. ownership;
- b. maintenance;
- c. operation;
- d. loading or unloading

of any motorized land vehicle. This exclusion does not apply to **recreational motor vehicles** except when they are used for participation in or practice for competitive racing.

2. Aircraft

Personal injury or property damage arising out of the:

- a. ownership;
- b. maintenance;
- c. operation;

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- d. use;
- e. loading;
- f. unloading; or
- g. towing

of any **aircraft**.

3. Watercraft

Personal injury or **property damage** arising out of the ownership, maintenance, operation, use, loading or unloading, or towing of any **watercraft**:

- a. That is over 26 feet in length or has more than 50 horsepower, other than **watercraft** furnished or rented to an **insured** for less than 30 days;
- b. Used for any **business** or commercial purpose; or
- c. Used for participation in or practice for competitive racing (this does not apply to sailing vessels less than 26 feet in length).

4. Workers' Compensation or Disability

Any damages or benefits an **insured** is legally obligated to provide under any:

- a. workers' compensation;
- b. disability benefits;
- c. Jones Act or General Maritime Law;
- d. unemployment compensation;
- e. occupational disease; or
- f. similar law.

5. Directors Errors or Omissions

Personal injury or **property damage** arising out of an **insured's** actions, errors or omissions as a director or officer of any corporation or organization. This exclusion does not apply to **personal injury** or **property damage** arising out of an **insured's** activities;

- a. For a Condominium or Cooperative Association; or
- b. For a not for profit corporation or organization.

6. Property in Your Care

Property damage to property owned by, or in the custody, care or control of, an **insured**. This exclusion does not apply to **property damage**:

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- a. Caused by fire, smoke or explosion; or
- b. To a residence that you rent to live in.

7. Insured

Personal injury to you or an **insured** under this policy.

8. Discrimination

Personal injury or **property damage** arising out of actual, alleged or threatened discrimination or harassment due to:

- a. Age;
- b. race;
- c. national origin;
- d. color;
- e. sex;
- f. creed;
- g. handicapped status;
- h. sexual preference; or
- i. any other discrimination.

9. Sexual Molestation, Corporal Punishment or Physical or Mental Abuse

Personal injury or **property damage** arising out of sexual molestation, corporal punishment or physical or mental abuse.

10. Communicable Disease

Personal injury or **property damage** which arises out of the transmission of a communicable disease by an **insured**.

11. Business

Personal injury or **property damage** arising out of or in connection with an **insured's business** property or **business** pursuits. However, this exclusion does not apply to:

Incidental business property or **incidental business** pursuits; or

- a. **Personal injury** or **property damage** arising out of the physical condition of your **residence premises** when **business** or professional activities are legally conducted by any **insured** at that **residence premises** and;
- b. There are no employees conducting **business** activities at your **residence premises** who are subject to workers' compensation or other similar disability laws;

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- c. You are not a home day care provider; and
- d. There is no other valid collectible insurance.

12. Professional Services

Personal Injury or **property damage** arising out of the rendering of or failure to render professional services.

13. War

Personal injury or **property damage** caused directly or indirectly by war, including 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.

14. Claims Settled Without Our Consent

Any claim settled with a third party without our written consent regardless of the cause of loss, or any related expenses such as:

- a. court costs;
- b. legal expense; or
- c. judgment,

when such settlement prejudices our rights to recovery.

15. Nuclear Hazard

Personal Injury or **property damage** caused directly or indirectly by nuclear hazard. Nuclear hazard means:

- a. any nuclear reaction;
- b. radiation; or
- c. radioactive contamination

all whether controlled or uncontrolled or however caused. We do cover subsequent loss due to fire resulting from a nuclear hazard unless another exclusion applies.

16. Expected or Intended Injury

Personal injury or **property damage** resulting from any criminal, willful, intentional, or malicious act or omission by any **insured** which is intended to result in, or would be expected by a reasonable person to cause **personal injury** or **property damage**. This exclusion applies even if the injury or damage is of a different kind or degree,

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or is sustained by a different person than expected or intended. This exclusion does not apply to **bodily injury** if the **insured** acted with reasonable force to protect any person or property.

17. Wrongful Employment Act

Personal injury arising out of wrongful termination of employment.

18. Controlled Substances

Personal injury or **property damage** arising out of the:

- a. Use;
- b. Sale;
- c. Manufacture;
- d. Delivery; or
- e. Transfer or possession

by any person of a controlled substance as defined under federal law.

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

However, this exclusion does not apply to:

- a. The legitimate use of prescription drugs by a person following the order of a licensed physician; or
- b. The **insured(s)** who have no knowledge of the involvement with a controlled substance(s). An **insured's** knowledge of such involvement must be shown by us by competent evidence of such knowledge.

19. Contract or Agreement

Personal Injury or **property damage** arising from any contract or agreement entered into by an **insured**. However, this exclusion does not apply to any contracts:

- a. That directly relate to the ownership, maintenance, or use of an insured location; or
- b. Where the liability of others is assumed by you prior to an **occurrence**.

20. Assessments

Any assessment charged against an **insured** as a member of an association, corporation or community of property owners.

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SECTION IV– GENERAL PROVISIONS

A. Insurable Interest

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

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

B. Your Duties After a Loss

In the event of a loss for which coverage may be provided under this policy, you or an **insured** or someone acting for an **insured** must:

1. Give prompt notice to us, any of our agents in this state or your agent. Any written notice given by any claimant to us or any of our agents in this state, containing particulars sufficient to identify the **insured**, will be deemed notice to us;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss under Credit Card, Electronic Fund Transfer Card or Access Device, Forgery, and Counterfeit Money coverage;
4. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
5. Cooperate with us in the investigation of a claim, settlement or the defense of any claim or suit;
6. Prepare an inventory of damaged property. Show the quantity, description and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
7. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies; and

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- c. Submit to separate examination under oath;
- 8. Send to us, within sixty (60) days of our request, your signed, sworn proof of loss. The proof of loss must set forth, to the best of your knowledge and belief:
 - a. The time and cause of loss;
 - b. The interest of all **insureds** and all others in the property involved and all 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 **contents** described in 6. above;
 - g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
 - h. Evidence or affidavit that supports a claim under Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money coverage, stating the amount and cause of loss;
- 9. Provide us with the names and addresses of any claimants and witnesses;
- 10. Promptly forward to us every notice, demand, summons or other process relating to the loss.
- 11. At our request, assist us:
 - a. To make settlement;
 - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an **insured**;
 - c. With the conduct of suits and attend hearings and trials; and
 - d. To secure and give evidence and obtain the attendance of witnesses; and
- 12. No **insured** shall, except as such **insured's** own cost, voluntarily make payment, assume obligation or expense other than for first aid to others at the time of an loss.

C. Policy Term

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

D. Recovered Property

In the event we pay for a covered loss to property and the property is recovered, we will offer you an opportunity to buy it back.

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E. Assignment

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

F. 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.

G. Concealment or Fraud

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

- a. Intentionally concealed or misrepresented any material fact or circumstance;
- b. Engaged in fraudulent conduct; or
- c. Made false statements;

relating to this insurance.

H. Conformity to Law

If any part of this policy conflicts with state or local law, this policy is amended to conform to those laws.

I. Liberalization Clause

If a change is made which broadens coverage under this edition of our policy without any premium charge, the change will automatically apply to your policy as of the date we made the change in your state.

J. Bankruptcy

Bankruptcy or insolvency of an **insured** will not relieve us of our duties under this policy.

K. Death of an Insured

In the event of the death of an **insured**, this policy will cover the legal representative of the deceased for the remainder of the Policy Period unless cancelled. We will cover the legal representative of the deceased only with respect to the premises and property of the deceased covered under this policy at the time of death.

L. Suit Against Us

No action can be brought against us unless there has been full compliance with all of the terms of this policy. The action must be brought against us within five years after the date of loss. You may not bring any action until thirty days after proof of loss has been filed and the amount of loss has been determined.

M. Mediation or Appraisal

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If you and we fail to agree on the amount of loss, either may:

1. Demand mediation of the claim, prior to taking legal action. The request must state:
 - a. Why mediation is being requested; and
 - b. The issues in dispute which are to be mediated.

Only one mediation may be requested for each claim, unless all parties agree to further mediation. A party demanding mediation shall not be entitled to demand or request mediation after a suit is filed relating to the same facts already mediated.

The parties must jointly appoint a mutually acceptable mediator. If the parties are unable to agree upon the appointment of a mediator within seven (7) days after a party has given notice of a demand to mediate the dispute, any party may apply to the JAMS Mediation Service, or such other organization or person agreed to by the parties in writing, for appointment of a mediator.

The mediator will notify the parties of the date, time and place of the mediation conference. This conference will be held within forty-five (45) days of the mediation request. If feasible, the conference may be held by telephone.

The mediation shall be conducted as an informal process and formal rules of evidence and procedure need not be observed. Participants must:

- (1) Have authority to make a binding decision; and
- (2) Mediate in good faith.

If the mediator determines that both parties have mediated in good faith, the costs of the mediation shall be shared equally by both parties.

2. Demand an appraisal of the loss. In this event, each party will choose a competent impartial appraiser with no financial interest in the outcome of the decision within twenty (20) days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within fifteen (15) days, you or we may request that the choice be made by a judge of a court of record in the state where the **residence premises** is located. The appraisers will separately set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of the loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of the loss.

Each party will:

- a. Pay its own appraiser; and

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- b. Bear the other expenses of the appraisal and umpire equally.

If, however, we demanded the mediation and either party rejects the mediation results, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss.

N. 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 by insurance.

If your **residence premises** is a condominium or cooperative and there is other insurance in the name of the condominium or cooperative association covering the same property we insure, the coverage afforded by this policy will be excess over the amount recoverable from that other insurance.

We will not pay for any loss for an item of jewelry, watch, or precious stone that is specifically scheduled and insured under another policy.

O. Mortgage Clause

1. If a mortgagee is named in this policy, any covered loss under **dwelling** or **other structures** coverages will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named in this policy, 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

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- c. Submits a signed, sworn statement of loss within sixty (60) days after receiving notice from us of your failure to do so.
3. If we decide to cancel or not renew this policy, we will notify the mortgagee at least thirty (30) days before the date cancellation or non-renewal 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.

P. Cancellation

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

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

- d. When this policy is written for a period of more than one (1) year, we may cancel for any reason at anniversary by letting you know at least thirty (30) days before the date cancellation takes effect.
3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

Q. Nonrenewal

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

R. 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 in this policy.

S. Subrogation

1. We may require an assignment of rights of recovery for a loss to the extent that payment is made by us.
2. If an assignment is sought, an **insured** must sign and deliver all related papers and cooperate with us.
3. Subrogation does not apply to **SECTION III - LIABILITY COVERAGE, B. Medical Payments to Others**, or to **SECTION III - LIABILITY COVERAGE, C. 2. Damage to Property of Others**.
4. If the **residence premises** is a condominium, we will waive any rights of recovery against the condominium association that operates the community in which the **residence premises** is located.

T. Abandonment of Property

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

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Privilege Underwriters Reciprocal Exchange

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



Ross Buchmueller
President and CEO

If you would like to obtain information about your coverage or if you need assistance in resolving an issue relating to your insurance policies with us, please contact us at:

Privilege Underwriters Reciprocal Exchange
44 South Broadway, Suite 301
White Plains, NY 10601
(888) 813-PURE

Please include your name and policy number in any correspondence.



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This endorsement changes the policy. Please read it carefully.

SECTION I – DEFINITIONS

The following Definition is added:

Roof Covering

Roof covering means:

- a. Shingles or tiles;
- b. Cladding; and
- c. Metal or synthetic sheeting or similar materials covering the roof.

This includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, including flashing.

SECTION II – PROPERTY COVERAGE

B. Coverage and Loss Settlement, 1. Dwelling, and 2. Other Structures are revised by adding the following:

1. For a covered loss to your **dwelling** or **other structures** caused by or resulting from hail, we will settle the loss as described in **1. Dwelling, and 2. Other Structures**, but deduct for depreciation, applicable overhead, profit, labor, taxes and fees. Once we verify that the repair or replacement of the damaged property has been completed, we will pay you any remaining agreed to amount in order to settle the loss on a **reconstruction cost** basis.
2. These Loss Settlement provisions do not apply to loss to **roof covering** caused by or resulting from hail.

B. Coverage and Loss Settlement, is revised by adding the following:

Loss to Roof Covering Due to Hail

- a. For a covered loss to the **roof covering** of your **dwelling** or **other structures** caused by or resulting from hail, we will pay the lesser of the following:
 - (1) The cost to repair or replace that portion of the **roof covering** damaged with material of like kind and quality and for like use without deduction for depreciation,
 - (2) The percentage of the **reconstruction cost** shown in the Roof Covering Payment Schedule found in the Roof Covering Payment Schedule Endorsement attached to

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this Policy, based on the age and type of **roof covering** on your **residence premises**;
or

- (3) The limit of liability under this Policy that applies to the building.
- b. We will settle the loss as described in a. above, but we will deduct for depreciation, applicable overhead, profit, labor, taxes and fees. Once we verify that the repair or replacement of the **roof covering** has been completed, we will pay you any remaining agreed to amount in order to settle the loss as described in a. above.
- c. For a covered loss to the **roof covering** of your **dwelling** or **other structures**, we will pay any additional amount to repair or replace undamaged property in order to achieve a reasonably uniform appearance. However, we will not pay this additional amount if:
- (1) a reasonably uniform appearance will be achieved over time;
 - (2) the repaired or replaced property or the existing undamaged property can be made to achieve a reasonably uniform appearance;
 - (3) a reasonably uniform appearance was not present at the time of loss;
 - (4) a reasonably uniform appearance has been achieved within the same line of sight; or
 - (5) you do not actually repair or replace the damaged **roof covering**.

This additional benefit does not increase the amount payable under a. above.

- d. If all the **roof covering** on your **dwelling** or **other structures** must be replaced due to a covered loss caused by hail we will pay up to \$2,500 for any additional cost necessarily incurred to replace your **roof covering** with hail resistant **roof covering**. Hail resistant **roof covering** is **roof covering** that is Certified UL Standard 2218, Class 4.

This additional benefit only applies if:

1. The age of your **roof covering** is ten (10) years old or less; and
2. You actually replace the damaged **roof covering**.

B. Coverage and Loss Settlement, 5. Deductible is replaced by the following:

5. Deductible

Unless otherwise noted in this policy, the base **deductible** or one of the special **deductibles** shown on your Declarations is the amount of a covered loss you will pay.

Windstorm or Hail Deductible

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In the event of direct physical loss to property covered under this policy caused directly or indirectly by windstorm or hail, the Windstorm or Hail **deductible** listed on your Declarations is the amount of the covered loss for **dwelling, other structures and contents** that you will pay. The Windstorm or Hail **deductible** does not apply to coverage provided under 7. Loss of Use. The Windstorm or Hail **deductible** applies regardless of any other cause or event contributing concurrently or in any sequence.

Waiver of Deductible

For a covered loss caused by a peril other than windstorm or hail or earthquake that is greater than \$50,000, we will waive the base **deductible**. This waiver of **deductible** only applies if the base **deductible** shown on your Declarations is \$25,000 or less.

This waiver of **deductible** does not apply to special **deductibles** for windstorm or hail or earthquake. This waiver of **deductible** also does not apply to a special construction **deductible**.

Construction Deductible

If at anytime during the policy period:

- a. You are newly constructing your **dwelling or other structures**;
- b. You are constructing additions, alterations or renovations to the **dwelling or other structures** and as a result have temporarily vacated the **residence premises**; or
- c. You are constructing additions, alterations or renovations to the **dwelling or other structures** and the cost will exceed 10% of the coverage amount for your **dwelling or other structures**;

C. Additional Coverages, 14. Loss to a Pair or Set or Parts is revised by adding the following:

This Additional Coverage 14. only applies to **contents**.

C. Additional Coverages, 15. Mine Subsidence is deleted and does not apply.

C. Additional Coverages, 22. Loss Mitigation Measures is revised by adding the following:

This Additional Coverage 22. does not apply to loss caused by or resulting from hail.

D. Exclusions, 10. Intentional Loss is replaced by the following:

10. Intentional Loss

- a. We do not cover **intentional loss**. **Intentional loss** means any loss arising out of any act an **insured** commits or conspires to commit with the intent to cause a loss. In the event of such loss, no **insured** is entitled to coverage, even **insureds** who did not commit or conspire to commit the act causing the loss.

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- b. However, this exclusion will not apply to deny payment to an "innocent coinsured" provided:
 - (1) The property loss or damage occurs to the primary residence of the "innocent coinsured" as covered under **B. Coverage and Loss Settlement, 1. Dwelling, and 2. Other Structures**; and
 - (2) The "final settlement" for the loss or damage is at least 60% of available insurance proceeds under the policy.
- c. The following is added and supersedes any provision to the contrary:
 - (1) Any payment made pursuant to Paragraph **10.b.** will be for:
 - (a) The actual cost of repair or replacement of the property that is the subject of the claim if the actual cost of repair or replacement is less than or equal to the maximum limit of coverage under the policy; or
 - (b) The maximum limit of coverage under the policy if the actual cost of repair or replacement of the property that is the subject of the claim is greater than the maximum limit of coverage under the policy.
 - (2) Any payment made pursuant to Paragraph 10.b. is limited to the following:
 - (a) Any "innocent coinsured's" ownership interest in the property, less any payments we make to a mortgagee or other lienholder with a secured interest in the property.
 - (b) We will not pay another coinsured for any part of the claim for which we have already paid to an "innocent coinsured".
 - (c) We will not pay an amount that is greater than the amount an "innocent coinsured" is entitled to under a decree of dissolution of marriage between the "innocent coinsured" and an individual described in Paragraphs d.(1)(a) or (b).
- d. As used in this endorsement, an "innocent coinsured" is an **insured** who:
 - (1) Did not have knowledge of, cooperate in, or intentionally contribute to a property loss or damage that was caused or arranged by another individual who is an **insured**; and:
 - (a) Died in connection with the circumstances that caused the property loss or damage; or
 - (b) Has been charged with a crime based on a court finding that there is probable cause to believe that the individual committed the crime in connection with the circumstances that caused the property loss or damage;

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- (2) Signs a sworn affidavit attesting that they did not have knowledge of, cooperate in, or intentionally contribute to the property loss or damage; and
 - (3) Cooperates in the investigation and resolution of the claim for the property loss or damage, any police investigation related to the property loss or damage, and any criminal prosecution of the individual that caused or arranged the property loss or damage.
- e. As used in this endorsement, "final settlement" is a determination:
- (1) Of the amount owed by us to an "innocent coinsured" for property loss or damage under Coverage A or B of the policy; and
 - (2) Made by:
 - (a) Acceptance of a proof of loss by us;
 - (b) Execution of a release by the "innocent coinsured";
 - (c) Acceptance of an arbitration award by the "innocent coinsured" and us; or
 - (d) Judgment of a court of competent jurisdiction.

However, "final settlement" does not apply to loss or damage related to **contents**, personal property, or another loss that is not covered under **B. Coverage and Loss Settlement, 1. Dwelling** and **2. Other Structures** of this policy.

D. Exclusions, 15. Pollution or Contamination, is amended by adding the following:

In this Exclusion, any reference to "pollutants" applies whether or not the irritant or contaminant has any function with respect to your property or **business**.

SECTION III – LIABILITY COVERAGE

D. Exclusions, 4. Workers' Compensation or Disability is amended by adding the following:

This Exclusion **D.4.** also applies to **bodily injury** to any person eligible to receive any benefits required to be provided by an **insured** under the Indiana Workers' Compensation statutes arising out of the failure of the **insured** to exact from a contractor or subcontractor a certificate from the workers' compensation board showing that the contractor or subcontractor has complied with the applicable workers' compensation insurance requirements.

SECTION IV– GENERAL PROVISIONS

G. Concealment or Fraud is revised by adding the following:

This condition will not apply to an "innocent coinsured" when the requirements of Paragraphs **10.b.**, **c.**, **d.** and **e.** of this endorsement apply.

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P. Cancellation, paragraph 2.c. is replaced by the following:

- c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
 - (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
 - (2) If the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 20 days before the date cancellation takes effect.

Paragraph 2.d. is deleted and does not apply.

Q. Nonrenewal is replaced by the following:

Q. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 20 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

The following provisions are added:

U. Notice To Agent

Your notice to our agent will be deemed to be notice to us.

V. Previously Damaged Property

Any payment that we make for a covered loss to covered property will be reduced by the amount paid by any insurer, including us, for a previous loss to the same covered property if you failed to properly repair or replace the covered property.

This endorsement is issued as part of Policy **HO247307801**. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Policy Expiration Date, or (iv) increase the amount of insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this

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endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.



Fraud and Cyber Defense Coverage

This endorsement changes the policy. Please read it carefully.

The following additional coverage is added to Section II of the High Value Homeowners Policy. Terms that appear in **bold** but are not defined in this endorsement have the definitions assigned to them in the policy to which this endorsement attaches.

SCHEDULE

Coverage under this endorsement is subject to the limits and deductible indicated below.	
Fraud and Cyber Defense Annual Aggregate Limit (Applies per policy period to all coverages under this endorsement)	\$100,000
Cyber Attack Occurrence Sublimit (Applies per occurrence to the Cyber Attack coverage under this endorsement)	\$100,000
Fraud and Cyber Defense Occurrence Deductible (Applies per occurrence to all coverages under this endorsement)	\$500

SECTION I - DEFINITION

Solely with respect to coverage provided by this endorsement, the definition of insured is replaced with the following:

Insured

Insured means you or a **family member**.

The following definitions are added:

1. Active Cyber Security Monitoring Service

Active cyber security monitoring service means an electronic security and privacy protection service that includes the continuous monitoring of data exchange on all of the **insured's** smart phones, tablets and computers, including both algorithmic and active monitoring and oversight by cyber experts, in order to identify and block **cyber attacks**, **cyber extortion events** and data breaches, including any service agreed to in advance by us.

2. Computing Device

Computing device means a desktop, laptop or tablet computer or wi-fi router or other internet access point. Such device must be owned or leased by you and operated under your control.

3. Connected Home Device

Fraud and Cyber Defense Coverage

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Connected home device means any electronic device, other than a **computing device**, that connects to the internet or to other electronic devices. This includes, but is not limited to, networked versions of any of the following:

- a. Smart phones;
- b. Thermostats;
- c. Entertainment systems;
- d. Appliances;
- e. Smoke, fire and home security monitoring systems; or
- f. Cameras.

Such device must be owned or leased by you and operated under your control.

4. Cyber Attack

Cyber attack means one of the following involving a **computing device** or **connected home device**:

- a. Unauthorized Access or Use - meaning the gaining of access to your device or system by an unauthorized person or persons or by an authorized person or persons for unauthorized purposes.
- b. Malware Attack – meaning damage to your device, system or data arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers. This does not mean damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your computer system during the manufacturing process.

5. Cyber Extortion Event

Cyber extortion event means one of the following involving a **computing device** or **connected home device**:

- a. A demand for money or other consideration based on a credible threat to damage, disable, deny access to or disseminate content from your device, system or data; or
- b. A demand for money or other consideration based on an offer to restore access or functionality in connection with an attack on your device, system or data.

6. Cyber Extortion Payments

Cyber extortion payments means any payment as directed by the extortion threat, but only when that payment is:

- a. Incurred as a direct result of a **cyber extortion event** directed against you or another **insured**; and
- b. Approved in advance by us. However, at our reasonable discretion, we may pay for **cyber extortion payments** that were not approved in advance by us if we determine the following:

Fraud and Cyber Defense Coverage

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- (1) It was not practical for you to obtain our prior approval; and
- (2) If consulted at the time, we would have approved the payment.

7. Cyber or Other Fraud Event

- a. **Cyber or other fraud event** means any of the following, when such event results in direct financial loss to an **insured**:
 - (1) An **identity fraud**;
 - (2) The unauthorized use of a card, card number or account number associated with a bank account, credit account, brokerage account, investment account or other financial institution account issued to or registered in an **insured's** name, when, in the case of a credit account, the **insured** is legally liable for such use or, in the case of a non-credit account, not entitled to reimbursement from the financial institution;
 - (3) The forgery or alteration of any check or negotiable instrument;
 - (4) Acceptance in good faith of counterfeit currency; or
 - (5) An intentional and criminal deception of an **insured** or an authorized representative of an **insured** to induce the **insured** or the **insured's** authorized representative to part voluntarily with something of value.
- b. **Cyber or other fraud event** does not mean or include any occurrence:
 - (1) In which the **insured** is threatened or coerced to part with something of value;
 - (2) Between an **insured** and any of the following:
 - (a) Any other **insured**;
 - (b) The **insured's** current or former spouse, common law spouse or domestic partner; or
 - (c) The **insured's** grandparent, parent, sibling, child or grandchild.
 - (3) Involving use of a card, card number or account number associated with a bank account, credit account, brokerage account, investment account or other financial institution account:
 - (a) By a person who has ever received any authorization from an **insured** to use such card, card number or account number, unless such authorization was obtained through a criminal deception of the **insured** or a criminal deception of the person authorized by the **insured**; or
 - (b) If an **insured** has not complied with all terms and conditions under which such card, card number or account number was issued.
 - (4) Arising from any of the following:
 - (a) The business or professional service of an **insured**.
 - (b) A dispute or a disagreement over the completeness, authenticity or value of a product, a service or a financial instrument.

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- (c) A gift or charitable contribution to an individual or any legitimate organization.
- (d) An online auction or the use of an online auction site.
- (e) A lottery, gambling or a game of chance.
- (f) An advance fee fraud or other fraud in which an **insured** provides money based on an expectation of receiving at some future time a larger amount of money or something with a greater value than the money provided but only when such a scheme is reasonably recognizable as fraudulent at the time that the payment is made by the **insured**.

8. Data Recovery Costs

- a. **Data recovery costs** means the costs of a professional firm hired by you to replace electronic data that has been lost or corrupted.
- b. **Data recovery costs** does not mean costs to research, re-create or replace any of the following:
 - (1) Software programs or operating systems that are not commercially available.
 - (2) Data that cannot reasonably be replaced. This includes, but is not limited to, personal photos, movies or recordings for which no back-up is available.
 - (3) Data that is obsolete, unnecessary or useless to you.

9. Fraud Costs

Fraud costs means the amount fraudulently taken from the **insured**. This is the direct financial loss only. **Fraud costs** does not include any of the following:

- a. Other expenses that arise from the **cyber or other fraud event**;
- b. Indirect loss, such as **bodily injury**, lost time, lost wages, identity recovery expenses or damaged reputation;
- c. Any interest, time value or potential investment gain on the amount of financial loss; or
- d. Any portion of such amount that has been or can reasonably be expected to be reimbursed by a third party, such as a financial institution.

10. Identity Fraud

Identity fraud means the act of knowingly transferring or using, without lawful authority, a means of identification of an **insured**. This must be done with the intent to commit, or to aid or abet another to commit, an unlawful activity that constitutes a violation of federal law or a crime under any applicable state or local law.

11. One Cyber Occurrence

One cyber occurrence means all **cyber attacks**, **cyber extortion events**, data breaches and **cyber or other fraud events** that:

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- a. Take place at the same time; or
- b. Arise during the same Policy Period from the same source, cause or vulnerability.

12. System Restoration Costs

- a. **System restoration costs** means the costs of a professional firm hired by you to do the following in order to restore your “computing device” or **connected home device** to the level of functionality it had before the **cyber attack**:
 - (1) Replace or reinstall computer software programs;
 - (2) Remove any malicious code; and
 - (3) Configure or correct the configuration of your device or system.
- b. **System restoration costs** does not mean any of the following:
 - (1) Costs to repair or replace hardware. However, at our sole discretion, we may pay to repair or replace hardware if doing so reduces the amount of loss payable under this endorsement.
 - (2) Costs to increase the speed, capacity or utility of your device or system.
 - (3) Your time or labor.
 - (4) Any costs in excess of the replacement value of your system, including applicable hardware and software.

SECTION II – PROPERTY COVERAGE

C. Additional Coverages is amended by adding the following:

Fraud and Cyber Defense Coverage

COVERAGE AGREEMENT

We will provide the insurance described in this endorsement in compliance with all applicable provisions (including but not limited to all conditions, definitions and exclusions) of your High Value Homeowners Policy. Coverage provided under this endorsement does not increase any coverage limit under your High Value Homeowners Policy.

SECTION 1 – CYBER ATTACK

SECTION 1 – COVERAGE REQUIREMENTS

This Cyber Attack coverage applies only if all of the following conditions are met:

- 1. There has been a **cyber attack**; and

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2. Such **cyber attack** is first discovered by you during the policy period for which this endorsement is applicable; and
3. Such **cyber attack** is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

SECTION 1 – COVERAGES PROVIDED

If all of the conditions listed above in **SECTION 1 – COVERAGE REQUIREMENTS** have been met, then we will provide you the following coverages for loss directly arising from such **cyber attack**.

1. Data Recovery
We will pay your necessary and reasonable **data recovery costs**.
2. System Restoration
We will pay your necessary and reasonable **system restoration costs**.

SECTION 2 – CYBER EXTORTION

SECTION 2 – COVERAGE REQUIREMENTS

This Cyber Extortion coverage applies only if all of the following conditions are met:

1. There has been a **cyber extortion event** against you or another **insured**; and
2. Such **cyber extortion event** is first discovered by you during the policy period for which this endorsement is applicable; and
3. Such **cyber extortion event** is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

SECTION 2 – COVERAGES PROVIDED

If all of the conditions listed above in **SECTION 2 – COVERAGE REQUIREMENTS** have been met, then we will provide you with the following:

1. Professional assistance from a subject matter expert provided by us for advice and consultation regarding how best to respond to the threat.
2. Reimbursement of your necessary and reasonable **cyber extortion payments**.

SECTION 3 – FRAUD

SECTION 3 – COVERAGE REQUIREMENTS

This Fraud coverage applies only if all of the following conditions are met:

1. There has been a **cyber or other fraud event** against you or another **insured**; and
2. Such **cyber or other fraud event** is first discovered by you during the policy period for which this endorsement is applicable; and

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3. Such **cyber or other fraud event** is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you; and
4. Such **cyber or other fraud event** is reported in writing by you or another **insured** to the police.

SECTION 3 – COVERAGES PROVIDED

If all of the conditions listed above in **SECTION 3 – COVERAGE REQUIREMENTS** have been met, then we will pay your necessary and reasonable **fraud costs**.

EXCLUSIONS

The following additional exclusions apply to all coverages under this endorsement.

We will not pay for loss, damage or expense caused by or resulting from:

1. Any fraudulent act or intentional violation of the law by you or any **insured**.
2. Any criminal investigations or proceedings.
3. Any physical damage.
4. Any damage to a motor vehicle, **watercraft, aircraft**, or other vehicle.
5. Any third party liability or legal defense costs.
6. Any fines or penalties.
7. Loss to the internet, an internet service provider, or any device or system that is not owned or leased by you and operated under your control.
8. Loss arising from any **business** or **incidental business**.
9. Except as specifically provided under the System Restoration portion of Cyber Attack coverage, costs to research or correct any deficiency.
10. Any **cyber attack, cyber extortion event**, or **cyber or other fraud event** first discovered by you prior to the inception of your coverage under this endorsement.
11. Any **cyber attack, cyber extortion event**, or **cyber or other fraud event** first occurring more than 60 days prior to the inception of your coverage under this endorsement.

LIMITS

The Fraud and Cyber Defense Annual Aggregate Limit shown in the Schedule for this endorsement is the most we will pay under this endorsement for all loss, damage or expense arising during any one policy year. However, if the Fraud and Cyber Defense Annual Aggregate Limit shown in the Schedule is \$1,000,000, this limit will be reduced to \$250,000 if you let your **active cyber security monitoring service** lapse and that lapse reasonably contributed to a loss.

Fraud and Cyber Defense Coverage

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This limit shall apply to the total of all loss, damage or expense arising from all **cyber attacks**, **cyber extortion events**, or **cyber or other fraud events** occurring during such policy year. Our costs under Section 2 – Cyber Extortion to provide you with professional assistance from a subject matter expert shall not count towards the loss, damage or expense included within your coverage limit.

If **one cyber occurrence** causes loss, damage or expense in more than one policy year, all such loss, damage and expense will be subject to the Fraud and Cyber Defense Annual Aggregate Limit of the first such policy year.

The most we will pay under Cyber Attack Coverage for **data recovery costs** and **system restoration costs** arising from any one **cyber attack** is the sublimit shown in the Schedule. This sublimit is part of, and not in addition to, the Fraud and Cyber Defense Annual Aggregate Limit.

DEDUCTIBLES

We will not pay for loss, damage or expense arising from any **one cyber occurrence** until the amount of the covered loss, damage or expense exceeds the Fraud and Cyber Defense Occurrence Deductible amount indicated in the Schedule for this endorsement. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the Fraud and Cyber Defense Annual Aggregate Limit.

CONDITIONS

The following additional conditions apply to all coverages under this endorsement.

1. Confidentiality

As respects Section 2 – Cyber Extortion, **insureds** must make every reasonable effort not to divulge the existence of this coverage.

2. Due Diligence

You agree to use due diligence to prevent and mitigate costs covered under this endorsement. This includes, but is not limited to, complying with reasonable and widely-practiced steps for:

- a. Providing and maintaining appropriate system and data security; and
- b. Maintaining and updating at appropriate intervals backups of electronic data.

3. Legal Advice

Fraud and Cyber Defense Coverage

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We are not your legal advisor. Our determination of what is or is not insured under this endorsement does not represent advice or counsel from us about what you should or should not do.

4. Other Coverage in This Policy

Some elements of coverage under this endorsement may also be covered under the High Value Homeowners Policy to which this endorsement is attached. If so, the coverage under the High Value Homeowners Policy will apply as excess or additional coverage. In addition, if loss payment has been made under this endorsement for any **one cyber occurrence** that is also covered under the High Value Homeowners Policy, we will pay under the High Value Homeowners Policy the Fraud and Cyber Defense Occurrence Deductible amount indicated in the Schedule for this endorsement.

5. Services

- a. We will only pay under this endorsement for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this endorsement. We will not unreasonably withhold such approval.
- b. You will have a direct relationship with the professional service firms paid for in whole or in part under this endorsement. Those firms work for you.
- c. As respects any services provided by any service firm paid for in whole or in part under this endorsement:
 - (1) The effectiveness of such services depends on your cooperation and assistance.
 - (2) We do not warrant or guarantee that services will be available or applicable to all individuals.
 - (3) We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.

This endorsement is issued as part of Policy HO247307801. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Policy Expiration Date, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.



Roof Covering Payment Schedule Endorsement

This endorsement changes the policy. Please read it carefully.

It is agreed and understood with respect to the following location:

1928 Trotter Court
Fort Wayne, IN 46815

The following is added to **SECTION II – PROPERTY COVERAGE**:

Please refer to your Declarations for the Age of Roof and Type of Roof Covering Material for your home. The applicable percentage in this chart will apply to all **roof covering** components and installation including the applicable overhead, profit, labor, taxes and fees associated with replacement of the **roof covering(s)**.

Roof Covering Payment Schedule

Age of Roof (In Years) *	Type of Roof Covering Material				
	Composition or Asphalt Shingle/ Other	Wood Shake	Tile	Metal	Slate
0 to 20	100.0%	100.0%	100.0%	100.0%	100.0%
21	95.0%	95.0%	97.5%	97.5%	97.5%
22	90.0%	90.0%	95.0%	95.0%	95.0%
23	85.0%	85.0%	92.5%	92.5%	92.5%
24	80.0%	80.0%	90.0%	90.0%	90.0%
25	75.0%	75.0%	87.5%	87.5%	87.5%
26	70.0%	70.0%	85.0%	85.0%	85.0%
27	65.0%	65.0%	82.5%	82.5%	82.5%
28	60.0%	60.0%	80.0%	80.0%	80.0%
29	55.0%	55.0%	77.5%	77.5%	77.5%
30+	50.0%	50.0%	75.0%	75.0%	75.0%

This endorsement is issued as part of Policy **HO247307801**. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Policy Expiration Date, or (iv) increase the amount of insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.



Privacy Notice

Important notice regarding your policy.

What Does PURE Do with Your Personal Information?

Why does PURE collect personal information?

Financial companies choose how they use and 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 kinds of personal information does PURE collect?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security Numbers, email address, dates of birth, physical addresses;
- Vehicle information, motor vehicle and claims histories;
- Vehicle operators information, mortgages, lien or lease holder information;
- Credit card information and credit reporting information such as scores; and
- Occupation and whether you own or rent your residence.

When you are *no longer* our customer, we continue to share your information as described in this notice.

At any time you can access any of your personal information that we may have. To do so, please submit a written request to us describing the information you want to review, and properly identify yourself and specifically grant us permission so that we can release requested information if it is able to be disclosed.

How does PURE collect my information?

PURE collects only the information necessary to underwrite insurance policies, adjust claims and operate the other functions necessary to provide you with the products and services we offer. PURE collects this information from various reporting or database and agencies or bureaus.

We collect your personal information, for example, when you:

- Apply for insurance, file a claim, contact us for information or with questions;
- Send us emails or other correspondence; or
- If you communicate with us by telephone (please note that we may record or monitor the call).

How does PURE protect my information?

Privacy Notice

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To protect your personal information from unauthorized access and use, we use security measures that comply with state and federal law. These measures include computer safeguards and secured files and buildings. We restrict access to nonpublic personal information to those employees who need to know that information to provide products or services to you. We take reasonable measures to ensure that the companies we choose as our business partners support our commitment to protecting the privacy of our subscribers in their handling of our subscribers' personal data.

How does PURE use my personal information?

All financial companies need to share customer's 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 PURE chooses to share subscribers' personal information; and whether you can limit this sharing.

Any information which we have or may obtain about you or other individuals listed as policyholders on your policy will be treated confidentially.

Reasons we can share your personal information	Does PURE share?	Can you limit this sharing?
For our everyday business purposes — such as policy issuance, claim adjustment, responding to service requests from you or your broker, responding to court orders and legal investigations, government agencies for regulatory reporting, etc.	Yes	No
For our marketing purposes — to offer our products and services to you.	Yes	No
For joint marketing with other financial companies.	No	N/A
For our affiliates' everyday business purposes — information about your transactions and experiences.	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness.	No	N/A
For nonaffiliates to market to you.	No	N/A

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PURE Affiliates: Privilege Underwriters, Inc. (PUI), PURE Insurance Company (PIC), PURE Risk Management, LLC (PRM)

Non-affiliates: Companies not related by common ownership or control. They can include claims and other servicing vendors, insurance agencies, government agencies and departments, insurance servicing and reporting entities.

Why I can't I limit all sharing?

Federal law gives you the right to limit only:

- Sharing for affiliates' everyday business purposes - information about our creditworthiness; and
- Sharing for non-affiliates to market to you,

neither of which PURE does. The only sharing PURE does is to allow PURE to run its everyday business.

Can I change the personal information PURE has?

If you ask us to amend or delete information about you, we will correct, amend or delete the personal information in dispute or notify you of the action we will take along with the reason for our decision. You can submit your request for additional information or your request to amend your information to:

Privacy Officer
Privilege Underwriters Reciprocal Exchange
44 South Broadway, Suite 301
White Plains NY 10601

(If the information you ask us to modify is from another source such as a Credit Reporting entity, we will not be able to change their information and you will need to work directly with that provider).

How do you use Credit or Consumer Reports?

In accordance with applicable federal and state laws, a credit report or other consumer report about you may be used to develop an insurance score. Your insurance score will be used to review your application for insurance and subsequent amendments and renewals. An insurance score uses information from your credit and/or consumer report to help predict how often you are likely to file claims and how expensive those claims will be. Insurance score information is then used to determine how much we will charge for insurance.

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Items from a credit report that could affect an insurance score include payment history, number of revolving accounts, number of new accounts, and the presence of collection accounts, bankruptcies and foreclosures. We will use information provided by LexisNexis (formerly ChoicePoint), or an equivalent third party vendor, in connection with the development of your insurance score. You have the right to a free copy of the credit report or consumer report used to develop your insurance score, and you have the right to work with the credit reporting agency that provided it to correct information which may be inaccurate.

What is an extraordinary life circumstance and how might it apply to me?

If an insurance score was used to rate your policy, you have the right to request in writing that we consider extraordinary life circumstance in connection with the use of your insurance score. PURE is an insurer authorized to do business in certain states that allow insurance score to be used to rate risks for a policy of personal insurance. In those states where permitted, PURE may, on written request from a consumer, provide exceptions to its rules for a consumer who has experienced, and whose credit information has been directly influenced by, events considered extraordinary circumstances such as; 1. Catastrophic illness or injury; 2. Death of a spouse, child or parent; 3. Divorce; 4. Identity theft; 5. Temporary loss of employment; 6. Military deployment overseas; 7. Total or other loss that makes your home uninhabitable; 8. Other events determined by PURE.

In the case that we receive an extraordinary life event submission, we may, but are not required to, do any of the following: 1. Require you to provide reasonable written and independently verifiable documentation of the event. 2. Require you to demonstrate that the event had direct and meaningful impact on your credit information. 3. Require that such request be made no more than sixty days after the date of the application for insurance or the policy renewal. 4. Grant an exception despite the fact that you did not provide the initial request for an exception in writing. 5. Grant an exception where you ask for consideration of repeated events or we have considered this event previously. 6. Assign a neutral insurance score.