

Named Insured & Mailing Address

Ladawn Glancy
492 Wildwood Cir N
Homewood, AL 35209

POLICY FACE

**THIS CONTRACT IS REGISTERED AND DELIVERED AS A
SURPLUS LINE COVERAGE UNDER THE ALABAMA SURPLUS LINES
INSURANCE LAW.**

Surplus lines broker:

**PURE Programs, LLC
300 Colonial Center Pkwy
Suite 200
Roswell, GA 30076**

Retail broker:

System Validation Only LLC
1 North Lexington Avenue
Suite 13
Silver Spring, MD 20905

A handwritten signature in black ink, appearing to read "John J. Willis". The signature is fluid and cursive, with the first and last names being more prominent than the middle initial.

John J. Willis
License Number 781792

High Value Home Policy

Declarations

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.

Surplus Lines Broker:**Retail broker:**

System Validation Only LLC
1 North Lexington Avenue
Suite 13
Silver Spring, MD 20905

PURE Programs, LLC
300 Colonial Center Pkwy
Suite 200
Roswell, GA 30076
(888) 813-PURE

Named Insured & Mailing Address

Ladawn Glancy
492 Wildwood Cir N
Homewood, AL 35209

Policy Number: HS247298500
Policy Period: 05/12/2024 To 05/12/2025 at 12:01 Standard Time
Insurance Company: **PURE Specialty Exchange**
Participating Policy

**THIS POLICY MAY CONTAIN A SEPARATE DEDUCTIBLE FOR WINDSTORM
AND/OR HAIL LOSSES WHICH MAY RESULT IN HIGH OUT-OF-
POCKET EXPENSES TO YOU. PLEASE REVIEW THIS POLICY CAREFULLY**

COVERAGE	COVERAGE LIMIT
Personal Liability	\$300,000
Medical Payments to Others	\$10,000

INSURED LOCATION492 Wildwood Cir N
Homewood, AL 35209**INSURED LOCATION TYPE**

Home Dwelling

COVERAGEDwelling
Other Structures
Contents
Loss of Use
Rebuilding to Code**COVERAGE LIMIT**\$100,000
\$20,000
\$50,000
\$10,000
\$25,000**LOCATION PREMIUM****\$2,998**

DEDUCTIBLE

Hurricane or Named Storm

All Other Peril Deductible applies

Hail

All Other Peril Deductible applies

All Other Peril

\$2,500 per covered loss

**Insured Location Rating
Information**Territory: 3800
County: Jefferson
Age of Roof: 3 yrsProtection Class: 2
Year Built: 2010
Roof Covering: Wood ShakeConstruction Type: Frame
Roof Shape: Flat / Other

FORMS AND ENDORSEMENTS

The following forms and endorsements are attached to this Policy.

Title	Form Number	Edition Date
POLICY FACE	PPHV-DSC-AL-001	11/01/2018
Privacy Notice	PPHV-DSC-GEN-002	02/01/2016
Notice Under FCRA	PPHV-DSC-GEN-003	02/01/2016
OFAC	PPHV-DSC-GEN-001	02/01/2016
Outline of Coverage and Comprehensive Policy Checklist	PPHV-DSC-AL-002	11/01/2018
High Value Home Policy	PPHV-PCF-GEN-001	01/01/2022
Witness Clause	PPHV-OTH-GEN-007	02/01/2022
Special Provisions - Alabama	PPHV-END-AL-001	01/01/2022
Communicable Disease Exclusion	PPHV-END-GEN-069	01/01/2022
Valuable Articles Coverage	PPHV-END-GEN-055	11/01/2018
Roof Covering Full Reconstruction Cost Endorsement	PPHV-END-GEN-054	11/01/2018
Title 1		02/01/2016

Total Premium	\$2,998.00	
Inspection Fee	\$350.00	YOU WILL BE
State Taxes	\$200.88	BILLED
Stamping Fee	\$.00	SEPARATELY
PSE Surplus Contribution	\$299.80	FOR
Grand Total	\$3,848.68	ANY PREMIUM DUE.

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

AUTHORIZED REPRESENTATIVE:

Date Issued:

05/12/2024

A handwritten signature in black ink, appearing to read "John J. Willis". The signature is fluid and cursive, with a large initial "J" and "W".

John J. Willis

Privacy Notice

Important notice regarding your policy.

What Does PURE PROGRAMS, LLC Do with Your Personal Information?

Why does PURE Programs, LLC 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 Programs, LLC 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 Programs, LLC collect my information?

PURE Programs, LLC 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 Programs, LLC 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 Programs, LLC protect my information?

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 Programs, LLC 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 Program 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 Programs, LLC 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

PURE Programs, LLC 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 Programs, LLC does. The only sharing PURE Programs, LLC does is to allow PURE Programs, LLC to run its everyday business.

Can I change the personal information PURE Programs, LLC 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
PURE Programs, LLC
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.

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 Programs, LLC 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 Programs, LLC 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 Programs, LLC.

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.

NOTICE UNDER THE FAIR CREDIT REPORTING ACT (FCRA)

05/12/2024

The purpose of this notice is to share some important information with you regarding your Policy.

We understand that as a good insurance risk you want to be rewarded with lower premiums. We use many factors in determining the price of your insurance, making the rate you pay commensurate with your individual situation.

One of the factors we consider in determining your premium is an insurance score, which is obtained from a consumer report. Due in part to your insurance score your policy did not receive the highest possible discount or your policy premium increased. The primary factors in the consumer report that contributed to your insurance score are:

The consumer report we used to determine your insurance score was provided by a consumer reporting agency. You have the right to obtain a free copy of your consumer report within 60 days of receiving this notice. You also have the right to dispute incomplete or inaccurate information with them.

The consumer reporting agency name and contact information is:

LexisNexis® Consumer Service Center
P. O. Box 105108
Atlanta, Georgia 30348-5108
(800) 456-6004
www.consumerdisclosure.com
Reference Number: 24133004531989

Please note that this consumer reporting agency did not make any decision regarding your policy premium and is therefore unable to answer questions regarding your policy or premium determination.

If, after any reinvestigation of any information disputed by you, an item of the report is found to be inaccurate or incomplete or cannot be verified, the consumer reporting agency must promptly:

- Delete that item of information from your report, or modify that item of information, as appropriate, based on the results of the reinvestigation; and
- Notify the furnisher of that information and you that the information has been modified or deleted from your report

We will then re-underwrite or re-rate your policy and shall make any adjustments necessary consistent with our underwriting and rating guidelines within thirty (30) days of receiving notice from you.

In addition, please also let us know if you feel your consumer report has been adversely influenced by extraordinary life events, including but not limited to catastrophic illness, injury, loss of employment, divorce, death of spouse, child or parent or identity theft. We will review the circumstances as reported by you or your agent and will request and review your consumer report.

If it is determined the extraordinary life event did directly influence your consumer report, your policy will be re-rated without using the insurance score that was based on your consumer report.

If you would like to learn more about how we use insurance score to provide you the best possible price, please contact **PURE Member Services** at **1-888-813-7873**.

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.

RESIDENTIAL PROPERTY INSURANCE

Outline of Coverage and Comprehensive Policy Checklist

This Notice applies to the following insured location:

492 Wildwood Cir N
Homewood, AL 35209

The following is an outline of coverage and comprehensive policy checklist of your insurance policy and is for informational purposes only. Alabama law prohibits this checklist from changing any provisions of the insurance contract which is the subject of this checklist. **Any endorsement regarding changes in types of coverage, exclusions, limitations, reductions, deductibles, coinsurance, renewal provisions, cancellation provisions, surcharges, or credits is not included in this checklist, unless otherwise indicated.** The checklist does not operate to expand coverage beyond the coverage provided in the policy. If there is a contradiction between the checklist and the policy, the terms of this policy govern.

Policyholders should read their policy thoroughly. Policyholders should review their insurance policy annually with their insurance producer to ensure they are adequately covered.

If you have questions regarding your policy, please contact your agent or PURE Programs at **(888) 813-PURE**. Consumer assistance is available from the Department of Insurance, Consumer Services Division, 1-334-241-4141 or ConsumerServices@insurance.alabama.gov at www.aldoi.gov.

OUTLINE OF COVERAGE

<u>Covered Property</u>	<u>Limit of Insurance</u>	<u>Loss Settlement Basis (ACV or RCV)</u>
Dwelling	\$100,000	RCV
Other Structures (Detached from Dwelling)	\$20,000	RCV
Personal Property (Contents)	\$50,000	RCV
Roof Repair/Replacement		
Settlement Basis:		RCV
Deductible Amounts (\$):	Windstorm =	
	Hail = N/A - AOP Ded Applies	
	Other Property Perils = \$2,500	

NOTE:

- ACV or Actual Cash Value means the lesser of the amount required at the time of the loss to repair or replace property with materials and workmanship of like kind and quality with a reduction applied due to depreciation.

- RCV or Replacement Cost Value means the lesser of the amount required at the time of the loss to repair or replace property with materials and workmanship of like kind and quality with no reduction due to depreciation.

PERILS COVERED BY YOUR POLICY

Items marked with a **Y** (Yes) indicate coverage **is** included in your policy; those perils marked with an **N** (No) indicate coverage **is not** included. **Special limits and loss settlement exceptions may apply to certain limits. Refer to your policy for details. If there is a contradiction between this checklist and your policy, the terms of your policy govern.**

<u>Peril</u>	<u>Dwelling Coverage</u>	<u>Other</u>	<u>Contents Coverage</u>
		<u>Structures Coverage</u>	
Fire	Y	Y	Y
Lightning	Y	Y	Y
Explosion	Y	Y	Y
Wind and Hall	Y	Y	Y
Flood	N	N	N
Earthquake	N	N	Y
Collapse	Y	Y	Y
Mold	N	N	N
Theft	Y	Y	Y

OTHER COVERAGES IN YOUR POLICY

Special limits and loss settlement exceptions may apply. Refer to your policy for details. If there is a contradiction between this Checklist and your policy, the terms of your policy govern.

<u>Coverage</u>	<u>Yes or No</u>	<u>Limit of Insurance</u>	<u>Time Limit (if applicable)</u>
Debris Removal	Y	10%*	
Loss Assessment	Y	\$50,000	
Additional Living Expenses	Y	\$10,000	
Medical Payments coverage	Y	\$10,000	
Personal Liability Insurance	Y	\$300,000	
Building Ordinance or Law coverage	Y	\$25,000	

* 10% of your Dwelling Limit if your property is a house, or 10% of your Contents Limit if your property is a condominium, cooperative or apartment.

SOME EXCLUSIONS, LIMITATIONS, AND/OR REDUCTIONS IN COVERAGE

(Other Exclusions, Limitations and/or Reductions in coverage may apply)

- Removal of fallen trees is covered only up to \$1,500 unless they damage your house or outbuilding or block access to your property.
- Limitations exist on coverage amounts for jewelry, guns, silverware, cash, coins, certain types of collections, art, and computers/equipment.
- Property and Liability Coverage for Automobiles, Watercraft, Aircraft is limited or excluded.
- Losses to insured property intentionally caused by an insured are excluded.
- Losses due to neglect are excluded.

SOME DISCOUNTS AVAILABLE TO REDUCE YOUR POLICY PREMIUM

Y (Yes) or N (No) indicates whether you currently receive these discounts. Ask your agent or insurance company about other discounts for which you may be available.

Multiple qualifying policies with the same insurer

Yes or No

Multiple qualifying policies with the same insurer

No

Fire/Smoke/Burglar Alarm

Yes

Wind Mitigation Features

Yes

High Value Home Policy

Your High Value Home Policy - Quick Reference

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Insuring Agreement	

The Insurance company shown on the Declarations will provide the insurance described in this policy in return for payment of the premium and compliance with all applicable provisions of the policy.

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.

Actual Cash Value

Actual cash value means the amount it would cost to repair or replace covered property with material of like kind and quality, subject to a deduction for depreciation, deterioration and obsolescence.

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**.

Collectibles

Collectibles means collections of rare, unique or novel items of personal interest. Examples of collectibles include but are not limited to memorabilia, model trains, books and dolls.

Contents

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

- a. Personal property you or a **family member** owns or possesses;
- 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.

Damages

Damages means the sum required to satisfy a claim for an **occurrence** covered by this policy, whether settled and agreed to in writing by us or resolved by judicial review. **Damages** include prejudgment interest awarded against an **insured**

Deductible

Deductible means the portion of any covered loss for which you are responsible to pay.

Dwelling

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

Family Member

Family member means a person that is a resident of your household and is related to you by blood, marriage, domestic partnership registered under State law, or adoption. **Family member** also includes other persons under the age of 25 who is a resident of your household and is in your care or the care of another **family member**.

Fine Arts

Fine arts means paintings, etchings, statuary, antiques and any other bona fide works of art, historical value or artistic merit.

Flood

Flood means:

- a. A general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties from:
 1. Overflow of inland or tidal waters;
 2. Unusual and rapid accumulation or runoff of surface waters from any source;
 3. **Mudflow**; or
- b. Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a **flood** as defined in a. above.

All flooding in a continuous or protracted event will constitute a single flood.

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**.

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 the following business activities, conducted in whole or in part on your **residence premises**:
 1. Managing one's own personal investments, regardless of where the revenues are produced;
 2. Renting to others for use as a private residence or farm, the **residence premises**; or
 3. Any other business activity that:
 - i) Does not yield gross revenues in excess of \$10,000 in any year;
 - ii) Has no employees subject to any workers' compensation, disability benefits, unemployment compensation or other similar laws;
 - iii) Conforms to local, state, and federal laws; and
 - iv) Does not involve employment of others for more than 1,250 hours of farm work during the Policy Period.

Insured

Insured means you and:

- a. Your **family members**;
- b. A Trust that is established for the ownership of the **residence premises** including any natural person named as executor, administrator or trustee of that Trust, but only:
 1. If recognized under applicable state law as a legal entity with the capacity to sue or be sued in a court having jurisdiction;
 2. With respect to **Section II – Property Coverage**, for property covered under this policy;
 3. With respect to **Section III – Liability Coverage**, for **damages** due to an **occurrence** at the **residence premises**; and
 4. While acting within the scope of their duties as executor, administrator or trustee of your Trust; and

- c. With respect to **Section III Liability Coverage**, 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.

Insured Location

Insured location means:

- a. The **residence premises**;
- b. The part of other premises, other structures and grounds used by you as a residence; and
 - 1) Which is shown in the Declarations or on an endorsement; or
 - 2) Which is acquired by you during the policy period for your use as a residence;
- c. Any premises used by you in connection with a premises described in a. and b. above;
- d. Any part of a premises where an **insured** is temporarily residing;
- e. Vacant land, other than farm land, owned by or rented to an **insured**;
- f. Land owned by or rented to an **insured** on which a one or two family dwelling is being built as a residence for an **insured**;
- g. Individual or family cemetery plots or burial vaults of an **insured**; or
- h. Any part of a premises occasionally rented to an **insured** for other than **business** use.

Landscaping

Landscaping means trees, shrubs or other plants on the grounds of your residence premises. Landscaping does not include any type of native naturally-occurring vegetation, located within forests, brush, woodlands, grasslands, wetlands or mangroves. Landscaping also does not include any artificial lawn or turf.

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.

Mudflow

Mudflow means a river of liquid and flowing mud on the surfaces of normally dry land areas, as when earth is carried by a current of water. Other earth movements, such as landslide, slope failure, or a saturated soil mass moving by liquidity down a slope, are not **mudflows**.

Occurrence

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

Offense

Offense means one or more of the following:

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

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.

Personal Injury

Personal Injury means injury or death resulting from **bodily injury or an** offense.

Private Staff

Private Staff means a person employed to perform duties related to your personal affairs or **incidental business**. **Private staff** are paid by you, a **family member** or your Trust to perform labor or services at your direction. **Private staff** includes temporary workers. **Private staff** also includes persons employed by a firm under an agreement between you and the firm. Independent contractors and persons hired by you who work 15 hours or less per week are not **private staff**.

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:

- a. motorized land vehicle not owned by an **insured** designed for use primarily off public roads, not subject to motor vehicle registration or operator licensing;
- b. motorized land vehicle owned by an **insured** designed for use primarily off public roads, not subject to motor vehicle registration or operator licensing, and which is used solely on your **residence premises**;
- c. 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;
- d. vehicle used to assist the handicapped and not designed for or required to be registered for use on public roads; or
- e. motorized land vehicle in dead storage at your **residence premises**.

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.

Vacant

Vacant means a **dwelling**, condominium, cooperative or apartment:

- a. Substantially empty of owned furnishing and **contents**; or
- b. not supplied with basic utilities;

necessary to sustain normal residential occupancy.

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**.

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.

At our option, we will pay no more than the **actual cash value** if actual repair or replacement is not complete. Once actual repair or replacement has started or is complete, we will settle the loss on a **reconstruction cost** basis.

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.

At our option, we will pay no more than the **actual cash value** if actual repair or replacement is not complete. Once actual repair or replacement has started or is complete, we will settle the loss on a **reconstruction cost** basis.

3. Dwelling or Other Structures under Construction

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 the most we will pay for a covered loss is the **actual cash value**, but not to exceed the coverage limit shown on your Declarations. We will pay this amount whether or not you actually repair or rebuild. 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 that an **insured** owns or lives in that is insured under another policy, we will not pay any amount under this policy;
- c. At a residence that an **insured** owns or lives in that is not listed on your Declarations and not insured under another policy, we will pay up to 10% of the highest **contents** limit of any single **residence premises** listed on your Declarations.

However, if this residence has been acquired within sixty (60) days prior to the date of loss, we will pay up to the highest **contents** limit of any single **residence premises** listed on your Declarations; or

- d. Away from any residence that an **insured** owns or lives in, including a **residence premises**, we will pay up to the highest **contents** limit of any single **residence premises** listed on your Declarations.

The limitation in paragraph c. above do not apply if the **contents** were moved from the **residence premises** because it is being repaired, renovated or rebuilt and is not fit to live in or store property in.

5. Deductible

a. All Other Peril Deductible

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

b. Waiver of Deductible

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

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

c. Construction Deductible

If at anytime during the policy period:

- (1) You are newly constructing your **dwelling** or **other structures**;
- (2) You are constructing additions, alterations or renovations to the **dwelling** or **other structures** and as a result have temporarily vacated the **residence premises**; or
- (3) 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** equal to the greater of the base All Other Peril **Deductible** or 5% of **dwelling** coverage limit will apply to each covered loss in lieu of a base All Other Peril **Deductible**. This **deductible** does not eliminate any other special **deductibles** that may apply. If we otherwise give our prior written consent, this 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.
- 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.
- j. **Fine Arts** - \$10,000.
- k. **Collectibles** - \$10,000.
- l. Wine, liquor, or similar spirits - \$10,000.

7. Loss of Use

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.

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.

8. 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.

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 coverage only applies when the assessment is made as a result of a loss to the property owned by all members collectively, caused by a peril that would have been covered under this Policy.

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.

\$50,000 is the most we will pay with respect to any one loss, regardless of the number of assessments. We will not pay more than \$10,000 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 \$100,000 for direct physical loss or damage to property caused by water or waterborne material which:

- a. Backs up through a sewer pipe or drain pipe located inside a fully enclosed covered building or other structure; or
- b. Discharges or overflows from a sump, sump pump or related equipment even if such discharge or overflow results from the mechanical breakdown of the sump pump or related equipment

unless there is a **flood** in the area and the **flood** is the proximate cause of the sewer or drain backup, sump pump discharge or overflow, or seepage of water. In this case, this coverage does not apply.

The inability of a sewer or drain to handle the amount of rainwater, surface water or groundwater trying to enter the sewer or drain is not considered a backup.

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 \$10,000 for expenses you incur to replace your personal data stored on a personal computer or portable computing device lost as a result of:

- a. a covered loss;
- b. a computer virus, worm or malware; or
- c. the unauthorized electronic access or use of an **insured's** personal computer or portable computing device.

The unauthorized electronic access or use must be committed by someone other than an **insured** for coverage to apply.

A **deductible** does not apply to this coverage.

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.

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 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 \$25,000 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**.

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.

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 up to \$5,000 for 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

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 construction, demolition, remodeling, renovation, replacement or repair of the:

- a. Damaged portion of the structure made necessary due to a covered loss, including removal of any resulting debris;

- b. Undamaged portion of the structure necessary to complete the repair, replacement or removal of the portion of the structure damaged by a covered loss; and
- c. Undamaged portion of the structure, because the entire structure must be completely demolished due to a covered loss.

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. Theft of any unrecovered money from an **insured's** personal account held with a financial institution resulting from unauthorized electronic access and use of the account by someone other than an **insured**;
- d. Loss to an **insured** caused by forgery or alteration of any check or negotiable instrument; and
- e. 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.d. above.

Our limit of liability for this coverage will be reduced by any amount of money recovered or reimbursed by the financial institution with which the account, credit card or access device is held

A **deductible** does not apply to this coverage.

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.
- (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.

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**.

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. We do not cover any loss to:
 - a. **Aircraft** or its parts, whether or not attached to the **aircraft**.

- b. **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.

If the scheduled demolition, deconstruction or destruction is only to part of a **dwelling or other structure**, then we do not cover any loss to that part of a **dwelling or other structure** that is scheduled for demolition, deconstruction or destruction. However, we will pay the cost of debris removal. A building, whether in whole or part, 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 or deconstruct that part of the building within the next one hundred eighty (180) days.

If the scheduled demolition, deconstruction or destruction is to a condominium or cooperative, whether in whole or in part, then we do not cover any loss to **contents** located in that part of a condominium or cooperative that is scheduled for demolition, deconstruction or destruction. However, we will pay the cost of debris removal. A condominium or cooperative, whether in whole or in part, 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 or deconstruct that part of the building within the next one hundred eighty (180) days.

- c. Property that is owned by or used for any **business**, except **incidental business** property as defined in **C. Additional Coverages**.
- d. Motorized land vehicle, other than a **recreational motor vehicle**.
- e. Property of roomers, boarders, or other tenants. This exclusion does not apply to property of roomers or boarders related to an **insured**.
- f. 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**.

- 2. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.
 - a. **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.
 - b. **Earth Movement**
Earth movement means:
 - (1) Earthquake, including land shock waves or tremors, before, during or after a volcanic eruption;
 - (2) Landslides;
 - (3) Mudflows;
 - (4) Mudslides; and
 - (5) 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.

This Exclusion only applies to your **dwelling** and **other structures**.

c. 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. This exclusion only applies to an **insured** who commits or conspires to commit an act with the intent to cause a loss.

d. 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.

e. **Flood** or Surface Water

Flood or surface water means:

- (1) **Flood;**
- (2) Surface water, water accumulated outside of a building or structure, including but not limited to standing or ponding water, waves, including tidal wave and tsunami, tides, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind; including storm surge;
- (3) Run-off of water from any surface; or
- (4) Water-borne material carried or otherwise moved by any of the water referred to in e.(1). to e.(3) of this Exclusion.

f. Ground Water

Ground water means:

- (1) Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a floor, wall, building, sidewalk, driveway, patio, foundation, swimming pool or structure; or
- (2) Waterborne material carried or otherwise moved by any of the water referred to in f.(1) of this Exclusion.

This Exclusion does not apply to the extent coverage is provided in **C. Additional Coverages, 2. Back Up of Sewers and Drains.**

g. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the **residence premises**. But if the failure results in a loss, from a peril covered under this Policy on the **residence premises**, we will pay for the loss caused by that peril.

h. Neglect

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

i. War

War includes the following and any consequence(s) of any of the following:

- (1) Undeclared war, civil war, insurrection, rebellion or revolution;
- (2) Warlike act by a military force or military personnel; or
- (3) Destruction, seizure or use for a military purpose.

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

j. **Dishonest Acts**

Dishonest or criminal acts by you or a **family member**, or by a person directed by you or a **family member**.

3. We do not insure for loss to covered property caused by any of the following. However, any ensuing loss to covered property not precluded by any other provision in this Policy is covered.

a. Faulty, inadequate or defective:

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation or remodeling; or
- (4) Maintenance;

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

- b. 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:

- (1) Coverage provided under **SECTION II – PROPERTY COVERAGE, C. Additional Coverages, 6. Ensuing Fungi or Bacteria**; or
- (2) **Fungi** or bacteria resulting from fire or lightning unless another exclusion applies.

- c. Loss caused by:

- (1) wear and tear, marring, deterioration;
- (2) warping, rust or, other corrosion;
- (3) wet or dry rot;
- (4) mechanical breakdown;
- (5) latent defect;
- (6) inherent vice; or
- (7) any quality in property that causes it to damage or destroy itself.

- d. Birds, vermin, bats, rodents or insects.

- e. Pollution:

Pollution means the:

- (1) Discharge;
- (2) Dispersal;
- (3) Seepage
- (4) Migration;
- (5) Release; or
- (6) Escape

of 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.

- f. Renovating, refinishing or repairing any kind of **contents**. This exclusion does not apply to jewelry, watches, and furs.

- g. Settling, shrinking, bulging or expansion, including resultant cracking, of the following:

- (1) Bulkheads;
- (2) Pavements, patios;
- (3) Footings, foundations; or
- (4) Walls, floors, roofs or ceilings.

- h. 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.

- i. 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:
 - (1) Loss caused directly by rain, sleet, snow or hail; or
 - (2) Coverage provided under **SECTION II – PROPERTY COVERAGE, C. Additional Coverages, 8. Food Spoilage**.
- j. Loss to specific **other structures** caused by:
 - (1) Freezing;
 - (2) Thawing;
 - (3) Pressure or weight of water or ice, whether driven by wind or not.

This exclusion applies to:

- (1) fences, pavements, patios or tennis courts;
 - (2) swimming pools and their components, hot tubs and their components, or septic systems and their components;
 - (3) footings, foundations, bulkheads, retaining walls, or any structure or device that supports all or part of a building, or **other structure**; or
 - (4) piers, wharves, docks or bridges.
- k. Water freezing in plumbing, heating, air conditioning, automatic fire protective sprinkler system or household appliance unless you have used reasonable care to:
 - (1) maintain proper heat in your residence; or
 - (2) close and drain the water system and appliances if the home is vacant, “unoccupied” or being constructed.

“Unoccupied” means when the occupant(s) of the **residence premises** are absent for 30 or more consecutive days.

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

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 applicable liability coverage limit for **damages** for which an **insured** is legally liable. We will not pay more than the:
 - a. liability coverage limit shown on your Declarations for any single **occurrence** at an **insured location**; or
 - b. highest liability coverage limit shown on the Declarations of any in-force homeowner’s policy issued by us where you are a “named insured” for an **occurrence**:
 - (1) away from an **insured location**; or
 - (2) at a residence you own or live in that is not covered by any other liability insurance coverage, regardless of the number of **insureds**, **insured locations**, claims made or persons injured; 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 in which 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 the 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 amount shown on the Declarations for necessary **medical expenses** that are incurred or medically ascertained within three (3) years from the date of an accident causing **bodily injury**. The amount shown on the Declarations is the most we will pay per person regardless of the number of **residence premises** or in-force homeowners' policies issued by us. This coverage does not apply to you or a **family member**. This coverage applies only:

1. To a person on the **insured location** 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 the **insured location**, or the ways immediately adjoining the **residence premises**;
 - 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. Damage to Property of Others

We will pay up to:

1. \$10,000 per **occurrence** if your **residence premises** is a home; or
2. \$25,000 per **occurrence** if your **residence premises** is a condominium, cooperative or apartment

To repair or replace the property of others that have been damaged due to or resulting from:

1. The acts or omissions;
2. Property owned; or
3. An incident that originated or emanated from the **residence premises**, regardless of fault, by you or a **family member**.

We will not pay under this coverage for **property damage**:

1. That is payable under **Section II** or **A. Personal Liability** of this Section;
2. Caused intentionally by an **insured** who is 13 years of age or older; or
3. To property owned by or rented to a tenant of an **insured** or a resident in your household.

The applicable limit of liability for this coverage is the most we will pay for any one **occurrence** regardless of the number of claims made or **residence premises** shown on the Declarations.

D. Additional Coverages

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

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. Loss Assessment

We will pay up to \$50,000 for your share of a loss assessment charged against you during the policy period as owner or tenant of the **residence premises** regardless of when the loss to the corporation or association of property owners occurred, when the assessment is made as a result of **personal injury** or **property damage** covered under **Section III** of this policy. This includes damage resulting from an act of a director, officer or trustee, in the capacity as a director, officer or trustee, provided:

- a. the director, officer or trustee is elected by members of corporation or association of property owners; and
- b. the director, officer, or trustee is not compensated for their duties which are solely on behalf of a corporation or association of property owners.

This coverage only applies when the assessment is charged against you as part of an assessment against multiple members of a property owners or tenant association managing a **residence premises**. Regardless of the number of assessments, the limit of \$50,000 is the most we will pay for loss arising out of:

- a. one accident, including continuous or repeated exposure to substantially the same general harmful condition; or
- b. a covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

We will not pay for any assessments charged against you or a corporation or association of property owners by any governmental body.

We will not pay more than \$10,000 for any assessment that results from a **deductible** in your Association's insurance coverage.

These payments do not increase your coverage amount.

Section IV – General Provisions, C. Policy Term does not apply to this Additional Coverage.

3. First Aid

We will pay expenses for first aid to others incurred by an **insured** for **damages** for **bodily injury** covered under this policy. However, we will not pay for first aid to any **insured**.

E. 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; or
- 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;
 - 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 for which the insured receives no compensation other than the reimbursement of expenses.

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**:

- 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 Acts, Molestation, or Abuse

Personal injury or **property damage** arising out of actual, alleged or threatened:

- a. Sexual contact or activity;
- b. Sexual molestation;

- c. Sexual harassment;
- d. Corporal punishment;
- e. Physical or mental abuse; or
- f. Sexual misconduct.

This exclusion applies:

- a. Regardless if the above acts were accidental, intentional or negligent;
- b. Regardless if the **insured** believed the claimant consented to the acts; or
- c. To claims of defamation, libel or slander related to statements admitting, denying, responding to, or otherwise addressing any alleged acts in a. to f. above whether such statements are verbal or in a written or electronic format.

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;
- 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, 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. Premises That Are Not An Insured Location

Personal Injury or **property damage** committed or occurring on, arising out of, or in connection with premises:

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

21. Assessments

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

This Exclusion does not apply to the extent coverage is provided under **C. Additional Coverages, 2. Loss Assessments**.

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 case of a loss for which coverage may be provided under this Policy, we have no duty to provide coverage under this Policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an **insured** seeking coverage, or a representative of either:

1. Give prompt notice to us or your insurance agent. Except for Precautionary Repairs taken under Additional Coverage **C.16** of **Section II**, there is no coverage for repairs that begin before the earlier of:
 - a. 72 hours after we are notified of the loss;
 - b. The time of loss inspection by us; or
 - c. The time of other approval by us;
2. To the degree reasonably possible, retain the damaged property; and allow us to inspect, subject to this paragraph 2, all damaged property prior to its removal from the **residence premises**;
3. Notify the police in case of loss by theft;
4. 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;
5. Protect covered property from further damage. The following must be done:
 - a. Take reasonable emergency measures that are necessary to protect the covered property from further damage, as provided under Additional Coverage **C.16** of **Section II**.

A reasonable emergency measure under 5.a. above may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect; and

- b. Keep an accurate record of repair expenses;
6. Cooperate with us in the investigation of a claim, settlement or the defense of any claim or suit;
7. 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;
8. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies; and
 - c. Submit to separate examination under oath;
9. 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 7. above;
 - g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
 - h. Evidence or affidavit that supports a claim under Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money coverage, stating the amount and cause of loss;
10. Provide us with the names and addresses of any claimants and witnesses;
11. Promptly forward to us every notice, demand, summons or other process relating to the loss.
12. 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
13. 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.

The duties above apply regardless of whether you, an **insured** seeking coverage, or a representative of either retains or is assisted by a party who provides legal advice, insurance advice or expert claim advice, regarding an insurance claim under this Policy.

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.

E. Assignment

Assignment of this policy, including any entitlement to benefits thereunder, 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. Bankruptcy

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

J. 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.

K. 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.

L. Mediation or Appraisal

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
- 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.

M. Inspection

1. We reserve the right to inspect the **residence premises** and other property insured under this policy as often as we reasonably require in order to:
 - a. verify and update the current value of the property;
 - b. provide reports to you regarding the conditions we find; and
 - c. make recommendations and/or requirements
2. You agree and have the responsibility to:
 - a. allow the inspections; and
 - b. agree to our requirements

N. Other Insurance and Service Agreement

1. If a loss covered under **SECTION II – PROPERTY COVERAGE** of this policy is also covered by:
 - a. 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. However, this insurance is excess over any amounts payable from any insurance available from the **National Flood Insurance Program (NFIP)**; or
 - b. 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; or

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.

2. Any coverage under **SECTION III - LIABILITY COVERAGE** will be excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

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
 - 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.

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**.

T. Abandonment of Property

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

IN WITNESS

PURE SPECIALTY EXCHANGE

REGULATORY OFFICE
6263 North Scottsdale Rd
Suite 245
Scottsdale, AZ 85250
PHONE: (888) 813-7873

It is hereby agreed and understood that the following Witness Clause supersedes all other Witness clauses in this policy.

All other provisions remain unchanged.

IN WITNESS WHEREOF, the Company has caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by a duly authorized representative of the Company.



President, PURE Specialty Risk Management, LLC
Attorney-in-fact

Special Provisions – Alabama

This endorsement changes the policy. Please read it carefully.

Section I – DEFINITIONS

The following Definitions are added:

Hurricane or named storm

Hurricane or named storm means:

1. A storm system that has been declared to be a hurricane or named storm by the National Hurricane Center of the National Weather Service; and
2. Wind, wind gusts, hail, rain, tornadoes or cyclones caused by or resulting from a hurricane or named storm.

The duration of a **hurricane or named storm** includes the time period:

- a. Beginning 24 hours before a declared **hurricane or named storm** makes landfall;
- b. While that declared **hurricane or named storm** remains; and
- c. Ending 24 hours after the declared **hurricane** is no longer present;

anywhere in the state of Alabama.

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

A. **B. Coverage and Loss Settlement, 1.Dwelling and 2. Other Structures** is replaced by the following:

B. Coverage and Loss Settlement

1. Dwelling

- a. For a covered loss caused by a peril other than **hurricane or named storm** we will pay the **reconstruction cost** for your **dwelling** up to 200% of 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:

- (1) 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
 - (2) You do not repair or rebuild your **dwelling** at the same location.
- b. For a covered loss caused by or resulting from **hurricane or named storm** we will pay the **reconstruction cost** for your **dwelling** up to 125% of 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:
- (1) 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
 - (2) You do not repair or rebuild your **dwelling** at the same location.
- c. At our option, we will pay no more than the **actual cash value** if actual repair or replacement is not complete. Once actual repair or replacement has started or is complete, we will settle the loss on a **reconstruction cost** basis.

2. Other Structures

- a. For a covered loss we will pay the **reconstruction cost** for your **other structures** up to the coverage limit shown for that location on your Declarations.
- b. At our option, we will pay no more than the **actual cash value** if actual repair or replacement is not complete. Once actual repair or replacement has started or is complete, we will settle the loss on a **reconstruction cost** basis.

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

1. Screen Enclosures

The most we will pay for the **reconstruction cost** for your screen enclosures due to a covered loss caused by wind or hail is \$20,000. This sub-limit:

- a. Applies to the screen material, frame, footings and/or anchors; and
- b. Does not increase the applicable coverage limit shown for that location on the Declarations.

2. Loss to Roof Covering Due to Hail

With respect to loss to **roof covering** caused by or resulting from hail, the following replaces any other loss settlement provision in this Policy:

- 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 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. 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.

C. B. Coverage and Loss Settlement, 5. Deductible is revised by adding the following:

Calendar Year **Hurricane or Named Storm** Deductible

1. Subject to Paragraph 2. below, the **Hurricane or Named Storm Deductible** shown on your Declarations is a calendar year deductible and applies to all covered **hurricane or named storm** losses:
 - (a) To property covered under **SECTION II – PROPERTY COVERAGE**; and
 - (b) Resulting from one or more **hurricanes or named storms** during the same calendar year.
2. With respect to a covered **hurricane or named storm** loss resulting from the:
 - (a) First **hurricane or named storm** during a calendar year, we will pay only that part of the total of all loss payable under **SECTION II – PROPERTY COVERAGE** that exceeds the **Hurricane or Named Storm Deductible** shown on your Declarations; and
 - (b) Second, and each sub-sequent, **hurricane or named storm** during the same calendar year, we will pay only that part of the total of all loss payable under **SECTION II – PROPERTY COVERAGE** that exceeds the greater of:
 - (i) The remaining dollar amount of the **Hurricane or Named Storm Deductible** shown on your Declarations for that calendar year; or
 - (ii) The **deductible** that applies to all perils other than **hurricanes or named storms**.
3. The **Hurricane or Named Storm Deductible** shown on your Declarations applies to all covered losses caused by, contributed to, or in any way resulting from **hurricanes or named storms** regardless of any other causes or events contributing concurrently or in any sequence to the losses.
4. You must maintain receipts or other records of all covered losses resulting from any **hurricane or named storm**, that are less than the **Hurricane or Named Storm Deductible**, and provide us with such receipts or other records as often as we reasonably require, so that we

may consider the amount of such losses when adjusting claims resulting from any subsequent **hurricane or named storm** during the same calendar year.

If more than one **deductible** applies to any one covered loss, we will only apply the highest **deductible**.

D. B. Coverage and Loss Settlement, 5. Deductible, b. Waiver of Deductible is replaced by the following:

b. Waiver of Deductible

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

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

E. The lead-in Paragraph under B. Coverage and Loss Settlement, 7. Loss of Use is replaced by the following:

7. Loss of Use

If a covered loss to your **dwelling** or **contents** makes the **residence premises** not fit to live in, we will cover the following. The most we will pay for any one covered loss is the coverage amount shown on your Declarations.

F. C. Additional Coverages, 19. Rebuilding to Code is replaced by the following:

19. Rebuilding to Code

We will pay the necessary cost for you to comply with any law or ordinance requiring or regulating the construction, demolition, remodeling, renovation, replacement or repair of the:

- a. Damaged portion of the structure made necessary due to a covered loss, including removal of any resulting debris;
- b. Undamaged portion of the structure necessary to complete the repair, replacement or removal of the portion of the structure damaged by a covered loss; and
- c. Undamaged portion of the structure, because the entire structure must be completely demolished due to a covered loss.

We will pay up to the coverage limit shown on your Declarations for this additional coverage. This coverage only applies if you choose to repair, rebuild or replace your **dwelling, other structure**, or improvements and betterments at the loss location.

G. 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.

Section IV– GENERAL PROVISIONS

A. K. Suit Against Us is replaced by the following:

K. Suit Against Us

No legal action can be brought against us unless:

1. There has been full compliance with all of the terms of this contract; and
2. The action is brought within the time limitations prescribed under Alabama law.

B. The following Provision is added:

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 HS247298500. 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.

Communicable Disease Exclusion

This endorsement changes the policy. Please read it carefully.

SECTION I - DEFINITIONS

The following Definition is added:

Communicable Disease

Communicable disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- a. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- b. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- c. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

SECTION II – PROPERTY COVERAGE

D. Exclusions is revised by adding the following:

Communicable Disease

This insurance does not cover any loss or damage to property, cost or expense due to any loss of use of property or any other cost or expense based upon, arising out of, resulting from, in any way involving, related to (whether directly or indirectly), or in any way associated with any actual, alleged, threatened, perceived, or suspected direct or indirect transmission of, contact with, exposure to, or impact from any **communicable disease**, including but not limited to any actual, alleged, or perceived fear or threat of any such transmission, contact, exposure, or impact.

SECTION III – LIABILITY COVERAGE

E. Exclusions, 10. Communicable Disease is deleted and replaced by the following:

10. Communicable Disease

This insurance does not cover any claim or suit for **damages**, defense costs or any other cost or expense based upon, arising out of, resulting from, in any way involving, related to (whether directly or indirectly), or in any way associated with any actual, alleged, threatened, perceived, or suspected direct or indirect transmission of, contact with, exposure to, or impact from any **communicable disease**, including but not limited to any actual, alleged, or perceived fear or threat of any such transmission, contact, exposure, or impact.

Communicable Disease Exclusion

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This Exclusion applies even if the claim or suit against any **insured** allege negligence or other wrongdoing in the:

- a. Supervision, hiring, employing, training or monitoring of others that may be infected with and spread a **communicable disease**;
- b. Testing for a **communicable disease**;
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

This endorsement is issued as part of Policy HS247298500. 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.

Valuable Articles Coverage

This endorsement changes the policy. Please read it carefully.

It is agreed and understood the Policy is revised as follows:

SUMMARY OF COVERAGE

CLASS OF VALUABLE ARTICLE	COVERAGE LIMIT		
Worldwide Jewelry			
Scheduled Coverage	\$10,000		
Blanket Coverage	\$10,000	Blanket Coverage Single Article Limit	\$10,000
Bank Vaulted Jewelry			
Scheduled Coverage	\$10,000		
Fine Art			
Scheduled Coverage	\$10,000		
Blanket Coverage	\$10,000	Blanket Coverage Single Article Limit	\$10,000

DEDUCTIBLES

Hurricane or Named Storm	N/A - AOP Ded Applies	of the total value of the valuable articles insured, excluding Jewelry and Bank Vaulted Jewelry.
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SCHEDULED ITEMS			
ITEM #	SCHEDULED ITEMS DESCRIPTION/TITLE	COVERAGE AMOUNT	APPRAISAL DATE
1	Bank Vaulted Jewelry BVJ Description	\$10,000	
1	Fine Arts FA Description	\$10,000	
1	Worldwide Jewelry WWJ Description	\$10,000	

SECTION I – DEFINITIONS

- A. The Definition of **contents** is revised by adding the following:

Contents does not include any item scheduled this Endorsement.

- B. The following Definitions are added:

Diminution in Value

Diminution in value means the difference between the **market value** of an item or items immediately before a covered loss and the **market value** of the item or items after restoration.

Market Value

Market value means the dollar amount for which an item could reasonably be replaced by an item of like kind and quality in a reasonable period of time.

Valuable Article(s)

Valuable articles means your personal property for which an amount of coverage is shown on the Schedule of this Endorsement.

SECTION II – PROPERTY COVERAGE

- A. **C. Additional Coverages** is revised by adding the following:

Valuable Articles

- a. Perils Insured Against

We insure for direct and accidental loss of or damage to **valuable articles** anywhere in the world unless an exclusion applies. **Valuable articles** may be subject to a **deductible** as shown on this Endorsement.

- b. Newly Acquired **Valuable Articles**

We will cover property that is newly acquired, consigned or entrusted to an **insured** during the policy period.

For coverage to apply:

1. The newly acquired property must be a class of **valuable articles** for which a coverage limit is shown on the Summary of Coverage above;
2. You must request coverage for this property within ninety (90) days of acquisition or possession; and
3. You must pay the additional premium from the date of acquisition or possession.

This coverage does not increase the total limit of liability for the class of **valuable articles** for which the newly acquired property qualifies for. We reserve the right to decline your request to insure newly acquired property. This coverage does not apply to property under the “miscellaneous” class of **valuable articles**.

- c. Scheduled **Valuable Articles** - Loss Settlement

1. Total Loss

For a covered loss to a **valuable article** that is totally destroyed or lost, we will pay the greater of:

- a. The Coverage Amount for that **valuable article**; or
- b. The **market value** of the **valuable article**.

2. Partial Loss

For a covered partial loss to a **valuable article**, we will pay the lesser of:

- a. The cost to restore the **valuable article** to its condition just before the loss and any **diminution in value**; or

- b. The **market value** of the **valuable article**.

The most we will pay for any one **valuable article** is 150% of the Coverage Amount shown for that item, but not more than the Total Coverage Limit for the class to which the **valuable article** belongs. The most we will pay for any one loss to **valuable articles** of a specific class is the Total Coverage Limit for that class. We reserve the right to declare any loss a total loss.

- d. Blanket Coverage - Loss Settlement

For a covered loss to a **valuable article** covered under Blanket Coverage, we will pay the lesser of:

1. The cost to restore the **valuable article** to its condition just before the loss and any **diminution in value**;
2. The **market value** of the **valuable article**; or
3. The single article limit for that class of **valuable articles** as shown on the Summary of Coverage in this Endorsement.

- e. Pair or Set

For a covered loss to an item that is part of a pair or set, you may choose to:

1. Restore the item to its condition immediately prior to the loss. We will pay the cost to replace or restore any part of the item to its condition just before the loss and any **diminution in value** of the pair or set;
2. Receive the **diminution in value** of the pair or set; or
3. Surrender the undamaged items of the pair or set to us, in which case we will pay you the **market value** of the pair or set immediately prior to the loss.

The most we will pay for any one **valuable article** scheduled on this Endorsement is 150% of the scheduled value, but not more than the coverage limit for the class to which the **valuable article** belongs. The most we will pay for any one loss to a pair or set under blanket coverage is the single article limit for that class of **valuable articles** as shown on your Declarations.

- B. With respect to **valuable articles** covered under this Endorsement, **B. Coverage and Loss Settlement, 5. Deductible** is replaced by the following:

5. Deductible

Hurricane or Named Storm

The Hurricane or Named Deductible listed on this Endorsement is the amount you will pay for a covered loss caused by, contributed to, or in any way resulting from a **hurricane or named storm**. The Hurricane or Named Deductible does not apply to losses to **valuable articles** that are considered Jewelry or Bank Vaulted Jewelry.

- C. With respect to **valuable articles** covered under this Endorsement, **D. Exclusions** is deleted and replaced by the following:

1. Bank Vaulted Jewelry

We do not cover any loss to jewelry insured as "Bank Vaulted" while these items are out of a bank vault, unless we receive notice in advance of the removal and we agree in writing to provide coverage.

2. Confiscation

We do not cover any loss or damage resulting from confiscation, nationalization, requisition or destruction

of property by or under the order of any government, public or local authority.

3. Electrical or Mechanical Breakdown

We do not cover any loss caused by electrical or mechanical breakdown. This exclusion does not apply to loss to wine caused by temperature extremes or changes resulting from the failure of a climate control system.

4. Gradual or Sudden Loss

We do not cover any loss or damage to **valuable articles** due to

- a. Wear and tear, gradual deterioration;
- b. Inherent vice and latent defect;
- c. Smog, rust or other corrosion;
- d. Mold, wet or dry rot; or
- e. Birds, vermin, rodents or insects.

5. Hurricane or Named Storm losses to Outdoor Fine Art and **Collectibles**

We do not cover any loss to **fine art** and **collectibles** that are installed or exhibited outdoors when the loss is caused by, contributed to, or in any way resulting from a **hurricane or named storm**.

6. Intentional Loss

We do not cover intentional loss. This exclusion does not apply, with respect to loss to covered property caused by fire, to an **insured** who does not commit or conspire to commit any act that results in loss by fire. We cover such **insured** only to the extent of that **insured's** legal interest, but not exceeding the applicable limit of liability.

We may apply reasonable standards of proof to claims for such loss.

7. Misappropriation

We do not cover any loss caused by the taking or other misappropriation of a

valuable article(s) from you or a **family member** by you or a **family member**.

8. Nuclear Hazards

We do not cover any loss caused by or resulting from nuclear reaction, radiation or radioactive contamination, whether controlled, uncontrolled or however caused, or any consequence of any of these.

9. Chemical Hazards

We do not cover any loss caused by chemical, biological bio-chemical or electromagnetic contamination, whether controlled or uncontrolled or however caused.

10. Shipments by Mail

We do not cover any loss caused during shipment by mail including regular first class mail unless we agree in advance in writing. This exclusion does not apply to shipments with a value of \$10,000 or less.

11. Specific Class Exclusions

a. Stamps

We do not cover any loss to stamps and **collectibles** due to folding, pleating, fading, thinning, color transfer, scratching, dampness or extreme temperature changes.

b. **Collectibles**

We do not cover any loss to **collectibles** caused during their use other than as a collectible.

c. **Fine Art, Collectibles, Stamps and Coins**

We do not cover any loss or damage to **fine arts**, stamps, coins or **collectibles** resulting from reparation, restoration, or retouching, unless we approve in writing.

12. War Acts

We do not cover any loss caused by war, undeclared war, civil war, insurrection, rebellion or revolution, warlike acts by a military force or military personal or destruction or seizure of property for a military purpose. Discharge of a nuclear weapon, even if accidental, is deemed a warlike act.

If a specific item that is lost or damaged and is covered under both the your High Value Value Home Policy and this Endorsement, you may choose the coverage part under which the covered loss is paid from. Coverage under your High Value Value Home Policy and this Endorsement can not be combined to increase the payment that would be made under either coverage parts separately.

SECTION IV – GENERAL PROVISIONS

M. Other Insurance and Service Agreement is revised by adding the following:

This endorsement is issued as part of Policy HS247298500. 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 Full Reconstruction Cost Endorsement

This endorsement changes the policy. Please read it carefully.

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

492 Wildwood Cir N
Homewood, AL 35209

SECTION II – PROPERTY COVERAGE

B. Coverage and Loss Settlement, Loss to Roof Covering Due to Hail is replaced by the following:

Loss to Roof Covering Due to Hail

With respect to loss to **roof covering** caused by or resulting from hail, the following replaces any other loss settlement provision in this Policy:

- 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 full **reconstruction cost**; 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 deduct for depreciation. 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.

This endorsement is issued as part of Policy HS247298500. 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.

Title 1

This endorsement changes the policy. Please read it carefully.

Test