



High Value Homeowners Policy

Renewal Declarations

Your Agent

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

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

NAME & ADDRESS OF INSURED

Igor Mistic
1604 Wilhurst Street
Jackson, MS 39211

Policy Number	HO247308001
Policy Period	02/02/2018 To 02/02/2019 at 12:01 AM Standard Time
Issuing Company	Privilege Underwriters Reciprocal Exchange 800 Corporate Drive, Suite 420 Fort Lauderdale, FL 33334 888-813-7873

INSURED LOCATION

1604 Wilhurst Street
Jackson, MS 39211

COVERAGE	COVERAGE LIMIT
Dwelling	\$2,120,000
Other Structures	\$424,000
Contents	\$1,060,000
Loss of Use	Reasonable Expenses
Liability	\$300,000
Medical Payments	\$10,000
Location Premium	\$7,838

DEDUCTIBLE

Windstorm or Hail Deductible	\$106,000 (5% Of Dwelling Coverage Limit) per covered loss
All Other Peril Deductible	\$2,500 per covered loss

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Policy Number

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ROOF INFORMATION

Age of Roof

8 Year(s)

Type of Roof Covering Material

Concrete / Clay Tile

Based on the Age of Roof and Type of Roof Covering Material, the most we will pay to repair or replace your roof due to a covered loss caused by hail is the lesser of the applicable coverage limit or 100.0% of the **reconstruction cost**.

Refer to your Special Provisions – Mississippi and Roof Covering Payment Schedule Endorsements for the special settlement provisions for your home's roof covering.

FORMS & ENDORSEMENTS

The following forms and endorsements are attached for the location.

NAME	FORM NUMBER	EDITION DATE
Declarations Page	PHVH-DEC-MS-001	07/01/2017
OFAC Notice	PURE-DSC-GEN-001	08/01/2015
Renewal Notice	PHVH-DSC-MS-001	10/01/2017
High Value Homeowners Insurance	PHVH-998-GEN	02/01/2012
Special Provisions - Mississippi	PHVH-END-MS-001	07/01/2017
Roof Covering Payment Schedule	PHVH-END-GEN-031	06/01/2017
Endorsement		
Privacy Notice	PURE-038-GEN	03/01/2014

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Policy Number

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CREDITS & SURCHARGES

Year Built	2010
Year Renovated	
Beachfront (<500 From Salt Water)	No
Protection Class	3
Construction Type	Frame
Flood Zone	PRP - B/C/X
Seasonal Surcharge	No
Rented to Others Surcharge	No
Vacancy Surcharge	No
Hurricane Fortification	
Opening Protection	
Type of Opening Protection	
Size of Home (Heated)	3,000
Secondary Water Resistance Credit	
Central Reporting Fire Alarm Credit	Yes
Guard Gated Community Credit	No
Residential Sprinkler System Credit	No
External Perimeter Security Protection Credit	No
Gas Leak Detector Credit	No
Lightning Protection System Credit	No
Full Time Live-in Caretaker Credit	No
24 Hour Signal Continuity Protection Credit	No
Sprinkler System with Water Flow Alarm Credit	No
Permanently Installed Generator Credit	No
External Perimeter Gate Credit	No
Low Temperature Monitoring Device Credit	No
Back Up Generator Credit	No
Water Leak Detection System with Master Shut Off	None
Excess Companion Credit	No
Jewelry and Art Companion Credit	No
Auto Companion Credit	No
Central Reporting Burglar Alarm Credit	Yes

Total Premium	\$7,838
Surplus Contribution	\$784
Grand Total	\$8,622

High Value Homeowners Policy

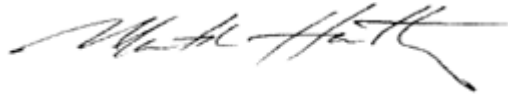
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Policy Number

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You will be billed separately for any premium due.



Authorized Company Representative



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

Advisory Notice to Policyholders

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

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

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

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

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

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

Igor Mistic
Member ID: 748820735406
1604 Wilhurst Street
Jackson, MS 39211

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

RE: Renewal Policy HO247308001

Dear Igor Mistic:

Thank you for your continued membership to PURE. This letter is to inform you of various changes included in the enclosed renewal policy.

The following changes to your renewal homeowners policy is due to the fact among the PURE membership and across the insurance industry, claim costs associated with hail damage have risen dramatically over the past decade. The main driver of claim costs has been damage to roof coverings, many of which faced higher than average risk due to factors such as age or material. Older roofs nearing the end of their useful lives, regardless of the severity of weather events, are more vulnerable to the effects of hail.

So that we can continue to deliver broad coverage at fair and competitive rates, we are implementing several changes, specifically related to how coverage applies in the event of roof damage caused by hail. These changes have the best interests of our members in mind and are designed to provide coverage in a way that is sustainable for the membership as a whole.

Summary of Changes - Windstorm or Hail Deductible

Your Windstorm or Hail Deductible represents the amount that you will be responsible for paying in the event of a covered wind or hail-related loss.

Risk Location:	Current Term	Renewal Term
1604 Wilhurst Street Jackson, MS 39211		
All Other Peril Deductible	\$2,500	\$2,500
Windstorm or Hail Deductible	5% of Dwelling Limit	5% of Dwelling Limit
Dwelling Coverage Limit	\$2,000,000	\$2,120,000

In addition, our files indicate that the roof on your home located at the Risk Location shown above is 8 years old, is constructed with Concrete / Clay Tile and has a Hip shape. If this information is inaccurate, please notify your broker so that we can adjust your policy details accordingly.

Any change with respects to the Windstorm or Hail Deductible is due to the following new underwriting requirements:

- For homes where the roof is:
 - constructed with wood shake shingles; or
 - constructed with clay tiles and are over 50 years old,PURE now requires a minimum Windstorm or Hail Deductible equal to the greater of \$2,500 or 5% of your dwelling coverage. If your current selected deductible exceeds this amount, no changes will be made.
- For homes where the roof is:
 - of a flat shape and over 15 years old; or
 - constructed with metal,PURE now requires a minimum Windstorm or Hail Deductible equal to the greater of \$2,500 or 2% of your dwelling coverage. If your current selected deductible exceeds this amount, no changes will be made.

Please note, this notice does not provide coverage, nor does it replace any policy provisions. Review your policy and declarations page for complete information on the coverages you are provided. If there is any conflict between your policy documents and this notice, the provisions of your policy shall prevail.

- For all other homes, PURE now requires a minimum Windstorm or Hail Deductible equal to 1% of your dwelling coverage or \$2,500, whichever is greater.
If your current selected deductible exceeds this amount, no changes will be made.

Summary of Changes – Policy Provisions

In addition to the above new requirements for Windstorm or Hail Deductibles, your renewal policy also includes the following changes with respect to loss or damage due to hail:

- Limited Reconstruction Cost.** Our payment will not exceed the lesser of the applicable coverage limit or the percentage of the reconstruction cost shown in the Roof Covering Payment Schedule Endorsement attached to your renewal Policy. The applicable percentage of the reconstruction cost is based on the age and type of roof covering on your residence premises. For example:

Description	Limit/Deductible
All Other Peril Deductible	\$2,500
Dwelling Coverage Limit	\$1,000,000
Windstorm or Hail Deductible	1% of Dwelling Limit (\$20,000)
Amount of loss to roof covering due to hail (Reconstruction Cost)	\$50,000
Age of Roof	25 Years
Type of Roof Covering	Asphalt Shingle

Pursuant to your Renewal Policy and the Roof Covering Payment Schedule Endorsement, the most that is payable for this covered loss is **75%** of the reconstruction cost. The following shows how this percentage was determined:

Roof Covering Payment Schedule				
Age of Roof (In Years) *	Type of Roof Covering Material			
	Composition or Asphalt Shingle/Other	Wood Shake	Tile	Metal
0 to 20	100.0%	100.0%	100.0%	100.0%
21	95.0%	95.0%	97.5%	97.5%
22	90.0%	90.0%	95.0%	95.0%
23	85.0%	85.0%	92.5%	92.5%
24	80.0%	80.0%	90.0%	90.0%
25	75.0%	75.0%	87.5%	87.5%

In the Example described above, the loss will be adjusted as follows:

Description	Limit/Deductible
Amount of loss to roof covering due to hail (Reconstruction Cost)	\$50,000
75% of Reconstruction Cost	\$37,500
Windstorm or Hail Deductible	- \$10,000
Amount payable to you	\$27,500

- Loss Prevention Benefit.** If the roof covering on your home (or on other structures on your property) suffers a covered hail-related loss that necessitates full replacement, you may be eligible for PURE's Loss Prevention Benefit. If so, PURE

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will contribute up to \$2,500 toward the additional cost of purchasing and installing hail-resistant roof covering (Certified UL Standard 2218, Class 4). To be eligible for this benefit, your roof covering must be ten (10) years old or newer, and the damaged roof covering must actually be replaced.

- **Depreciated Settlement for Work Not Completed.** If your covered property is damaged by hail and you choose not repair or replace it, the most we will pay for that loss is the depreciated value of the damaged property (after the application of your deductible).
- **Exclusion for Cosmetic Damage to Metal Roof Covering.** Hail damage to any metal roof covering that is purely cosmetic and does not affect your roof's ability to protect your home is no longer covered under your Homeowners policy. You may restore this coverage by purchasing an optional policy endorsement and complying with any applicable underwriting requirement. To learn more or to add this endorsement, please contact your independent insurance broker.

A PURE Member Advocate® can connect you with contractors or resources to help you assess the condition of your roof and make informed decisions regarding the protection of your home. To begin this process, email memberadvocate@pureinsurance.com or call us at 888.813.7873 (PURE). As always, your independent insurance broker is the best source of information regarding your coverage and can help ensure that you are receiving all of the policy discounts for which you are eligible.

Thank you for your membership and continued support of PURE.

Regards,

Christopher Cassady VP, Gulf Regional Executive

Please note, this notice does not provide coverage, nor does it replace any policy provisions. Review your policy and declarations page for complete information on the coverages you are provided. If there is any conflict between your policy documents and this notice, the provisions of your policy shall prevail.



High Value Homeowners Policy

Your High Value Homeowners Policy - Quick Reference

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

Insuring Agreement

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

SECTION I - DEFINITIONS

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

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

Aircraft

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

Bodily Injury

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

Business

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

Contents

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

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

Deductible

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

Dwelling

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

Family Member

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

Fungi

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

Incidental Business

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

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

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

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

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

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

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

3. Conform to local, state, and federal laws.

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

Insured

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

Landscaping

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

Medical Expenses

Medical Expenses includes reasonable charges for:

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

Occurrence

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

Other Structures

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

Personal Injury

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

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

Property Damage

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

Reconstruction Cost

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

Recreational Motor Vehicle

Recreational Motor Vehicle means a:

- 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.

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.

2. Other Structures

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

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

3. Dwelling or Other Structures under Construction

If at anytime during the policy period:

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

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

and we agree on the amount of coverage for your **dwelling** and **other structures**.

4. Contents

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

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

- a. At a **residence premises** listed on your Declarations, we will pay up to the coverage limit for **contents** at that location for each covered loss. If after a covered loss to your **dwelling** and **contents** we pay more than the coverage limit for your **dwelling** because the **reconstruction cost** is higher than the insured limit, we will increase the **contents** coverage for the purposes of settling the loss, by the same percentage. This extension of coverage only applies if the **contents** limit on your Declarations is 50% of the **dwelling** limit or greater;
- b. At a residence 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 the last sixty (60) days from 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

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

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 **deductible**. This waiver of **deductible** only applies if the base **deductible** shown on your Declarations is \$25,000 or less.

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

Construction Deductible

If at anytime during the policy period:

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

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

6. Special Limits of Liability for Contents

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

- a. Money, bank notes, bullion, gold other than gold ware, silver other than silver ware, platinum - \$2,500.

This limit is increased to \$10,000 for bank notes, bullion, gold other than gold ware, silver other than silver ware, platinum that are stored in a locked home safe located on the **residence premises** or in a bank vault or bank safe deposit box.

- b. **Watercraft**, including their trailers, furnishings, equipment and outboard engines or motors - \$5,000.
- c. Trailers not used with **watercraft** - \$5,000.
- d. Grave markers - \$10,000.
- e. Securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, negotiable papers, passports, tickets - \$5,000.
- f. Jewelry, watches, precious stones or semi precious stones, whether set or unset, that are lost, misplaced or stolen - \$5,000.

If your residence premises is a:

Dwelling, this special limit is increased to \$50,000 if your Declarations show a limit for contents coverage that is 50% or more of the

coverage for your dwelling. However, the most we will pay for any one article is \$25,000.

Condominium unit, cooperative, or apartment, this special limit is \$50,000 if your Declarations show a limit for contents that is at least \$1,000,000. However, the most we will pay for any one article is \$25,000.

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

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

7. Loss of Use

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

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

We cover this increase for the shortest reasonable amount of time required to restore your **residence premises** to a habitable condition, or if you permanently relocate, the shortest reasonable amount of time required for your household to settle elsewhere. This

time period is not limited by the expiration of this policy.

b. Fair Rental Value

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

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

Civil Authority

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

C. Additional Coverages

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

1. Loss Assessment

We will pay up to \$50,000 for your share of a loss assessment charged against you during the Policy Period by a corporation or association of property owners. This coverage applies to loss assessments charged against you during the policy period, regardless of when the loss to the corporation or association of property owners occurred. This coverage only applies when the assessment is made as a result of a covered loss to the property owned by all members collectively. We will not pay for assessments made as a result of loss caused by or resulting from earthquake. We will pay your portion of an assessment charged as a result

of an ensuing covered loss due to theft, explosion, fire or glass breakage, unless another exclusion applies. A **deductible** does not apply to this coverage.

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

2. Back Up of Sewers and Drains

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

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

These payments do not increase your coverage amount.

3. Construction Materials

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

4. Data Replacement

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

5. Debris Removal

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

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

coverage by 10% of the **contents** limit shown on your Declarations.

6. Ensuing Fungi or Bacteria

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

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

10. Land

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

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

These payments do not increase your coverage amount.

17. Property Removal

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

18. Property of Domestic Staff and Guests

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

19. Rebuilding to Code

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

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

e. Repair;

of a covered property damaged by a covered loss, including removal of any resulting debris.

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

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

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

- a. The legal obligation of an **insured** to pay because of the theft or unauthorized use of credit cards issued to or registered in an **insured's** name;
- b. Loss resulting from theft or unauthorized use of an electronic fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in an **insured's** name;
- c. Loss to an **insured** caused by forgery or alteration of any check or negotiable instrument; and
- d. Loss to an **insured** through acceptance in good faith any counterfeit paper currency.

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

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

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. Aircraft

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

2. Buildings Scheduled for Demolition

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

3. Business Property

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

4. Governmental Action

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

5. Dishonest Acts

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

6. Earth Movement

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

- a. Earthquake, including land shock waves or tremors, before, during or after a volcanic eruption;
- b. Landslides;
- c. Mudflows;
- d. Mudslides; and
- e. the sinking, rising, or shifting of land.

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

7. Faulty, Inadequate or Defective Planning

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

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

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

However, we do insure ensuing covered loss to your **dwelling** and **other structures** unless another exclusion applies.

8. Fungi, Wet or Dry Rot, or Bacteria

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

This exclusion does not apply to:

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

9. Wear and Tear, Deterioration or Mechanical Breakdown

We do not cover any loss caused by:

- a. wear and tear, marring, deterioration;
- b. warping, rust or, other corrosion;
- c. wet or dry rot;
- d. mechanical breakdown;
- e. latent defect;
- f. inherent vice; or
- g. any quality in property that causes it to damage or destroy itself.

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

10. Intentional Loss

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

who commits or conspires to commit an act with the intent to cause a loss.

11. Loss by Birds, Vermin, Rodents or Insects

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

12. Loss to Fish, Birds or Animals

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

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

13. Motorized Land Vehicles

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

14. Nuclear Hazard

We do not cover any loss caused directly or indirectly by nuclear hazard. Nuclear hazard means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these. However, we do cover ensuing covered loss due to fire resulting from a nuclear hazard unless another exclusion applies.

15. Pollution or Contamination

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

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

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

16. Property of Others

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

17. Renovations and Repairs

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

18. Structural Movement

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

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

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

19. War

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

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

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

20. Watercraft

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

21. Surface and Ground Water

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

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

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

22. Temperature, Dampness or Humidity

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

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

23. Water Damage to Specific Other Structures

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

- a. Freezing;
- b. Thawing;

- c. Pressure or weight of water or ice, whether driven by wind or not.

This exclusion applies to:

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

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

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

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

SECTION III – LIABILITY COVERAGE

A. Personal Liability

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

1. Pay up to the liability coverage limit shown on your Declarations for damages for which an **insured** is legally liable. We will not pay more than the liability coverage limit shown on your Declarations for any single **occurrence** regardless of the number of **insureds**, claims made or persons injured. Damages include prejudgment interest awarded against an **insured**; and
2. Provide a defense at our expense even if the suit is groundless, false or fraudulent. You may choose counsel from a panel of firms that we have selected. We reserve the right to assign counsel if a panel has

not been selected in the jurisdiction that the suit is brought or the claim is made. We may investigate and settle any claim or suit at our discretion. Our duty to settle or defend ends when 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 necessary **medical expenses** that are incurred or medically ascertained within three (3) years from the date of an accident causing **bodily injury**. The most we will pay is \$10,000 per person. This coverage does not apply to you or a **family member**. This coverage applies only:

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

C. Additional Coverages

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

1. Claims Expenses

We will pay:

- a. Expenses we incur and court costs taxed against an **insured** in any suit we defend;
- b. Reasonable expenses incurred by an **insured** at our request. This includes actual loss of earnings (but not loss of other income) up to a total of \$10,000,

for assisting us in the investigation or defense of a claim or suit;

- c. Premiums on bonds required in a suit we defend. This does not apply to bond amounts more than the liability coverage limit shown on your Declarations. We need not apply for or furnish any bond; and
- d. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court, that part of the judgment which does not exceed the liability coverage limit.

2. Damage to Property of Others

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

D. Exclusions

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

1. Motorized Land Vehicles

Personal injury or property damage arising out of the:

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

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 Molestation, Corporal Punishment or Physical or Mental Abuse**

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

10. **Communicable Disease**

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

11. **Business**

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

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

- a. **Personal injury** or **property damage** arising out of the physical condition of your **residence premises** when **business** or professional activities

are legally conducted by any **insured** at that **residence premises** and;

- b. There are no employees conducting **business** activities at your **residence premises** who are subject to workers' compensation or other similar disability laws;
- 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. Assessments

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

SECTION IV— GENERAL PROVISIONS

A. Insurable Interest

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

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

B. Your Duties After a Loss

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

1. Give prompt notice to us, any of our agents in this state or your agent. Any written notice given by any claimant to us or any of our agents in this state, containing particulars sufficient to identify the **insured**, will be deemed notice to us;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss under Credit

Card, Electronic Fund Transfer Card or Access Device, Forgery, and Counterfeit Money coverage;

4. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
5. Cooperate with us in the investigation of a claim, settlement or the defense of any claim or suit;
6. Prepare an inventory of damaged property. Show the quantity, description and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
7. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies; and
 - c. Submit to separate examination under oath;
8. Send to us, within sixty (60) days of our request, your signed, sworn proof of loss. The proof of loss must set forth, to the best of your knowledge and belief:
 - a. The time and cause of loss;
 - b. The interest of all **insureds** and all others in the property involved and all liens on the property;
 - c. Other insurance which may cover the loss;
 - d. Changes in title or occupancy of the property during the term of the policy;
 - e. Specifications of damaged buildings and detailed repair estimates;
 - f. The inventory of damaged **contents** described in 6. above;
 - g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
 - h. Evidence or affidavit that supports a claim under Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money coverage, stating the amount and cause of loss;

9. Provide us with the names and addresses of any claimants and witnesses;
 10. Promptly forward to us every notice, demand, summons or other process relating to the loss.
- a. Intentionally concealed or misrepresented any material fact or circumstance;
 - b. Engaged in fraudulent conduct; or
 - c. Made false statements;
- relating to this insurance.

11. At our request, assist us:

- a. To make settlement;
- b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an **insured**;
- c. With the conduct of suits and attend hearings and trials; and
- d. To secure and give evidence and obtain the attendance of witnesses; and

12. No **insured** shall, except as such **insured's** own cost, voluntarily make payment, assume obligation or expense other than for first aid to others at the time of an loss.

H. Conformity to Law

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

I. Liberalization Clause

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

J. Bankruptcy

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

K. Death of an Insured

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

L. Suit Against Us

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

M. Mediation or Appraisal

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

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 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:

- 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.

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**.

Privilege Underwriters Reciprocal Exchange

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



Attorney-in-fact

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

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

Please include your name and policy number in any correspondence.



Special Provisions - Mississippi

This endorsement changes the policy. Please read it carefully.

SECTION I - DEFINITIONS

The following Definitions are added:

Cosmetic Damage

Cosmetic damage means:

- a. Marring;
- b. Denting;
- c. Pitting; or
- d. Other superficial damage;

that alters the appearance of the property, but does not prevent the property from continuing to function to the same extent as it did before the damage occurred.

Hurricane

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

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

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

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

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.

Special Provisions - Mississippi

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Paragraph b. if the Definition of **Incidental Business** is replaced by the following:

Incidental Business

b. At your **residence premises**.

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

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

SECTION II – PROPERTY COVERAGE

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

1. For a covered loss to your **dwelling** or **other structures** caused by or resulting from hail, we will settle the loss as described in **1. Dwelling, and 2. Other Structures** once you provide us with a fully executed contract with a licensed contractor evidencing that the repair or replacement of the damaged property has begun and will be completed.
2. If you do not provide us with the contract described in **1. above**, we will pay the lesser of the:
 - a. cost of the damaged or destroyed property less deduction for depreciation, applicable overhead, profit, labor, taxes and fees associated with replacement of the damaged property. We will make no payment for labor costs until such costs are incurred by you or you are contracted to make such repairs as described in **1. above**; or
 - b. the amount payable under **1. above**.

If within 180 days of the date of loss you provide us with a fully executed contract with a licensed contractor evidencing that the repair or replacement of the damaged property has begun and will be completed, we will settle the loss in accordance with **1. above**.

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3. If we pay in accordance with **1.** above and you do not complete or properly complete as agreed to the repair or replacement of the damaged property due to the covered loss caused by hails, you will reimburse us to the extent the amount we paid exceeds the amount we would have paid under **2.** above.
4. The loss settlement provisions **1. Dwelling**, and **2. Other Structures** do not apply to loss to **roof covering** caused by or resulting from hail.

B. Coverage and Loss Settlement, 4. Contents, Paragraph c. is replaced by the following:

- 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 for a loss caused by a peril other than a **hurricane**. We do not cover any loss caused by a **hurricane** in the state where the **contents** are located.

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

5. Deductible

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

Windstorm or Hail Deductible

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

Waiver of Deductible

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

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

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Construction Deductible

If at anytime during the policy period:

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

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

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

Loss to Roof Covering Due to Hail

- a. For a covered loss to the **roof covering** of your **dwelling** or **other structures** caused by or resulting from hail, we will pay the lesser of the following:
 - (1) The cost to repair or replace that portion of the **roof covering** damaged with material of like kind and quality and for like use without deduction for depreciation,
 - (2) The percentage of the **reconstruction cost** shown in the Roof Covering Payment Schedule found in the Roof Covering Payment Schedule Endorsement attached to this Policy, based on the age and type of **roof covering** on your **residence premises**; or
 - (3) The limit of liability under this Policy that applies to the building.
- b. We will settle the loss as described in a. above once you provide us with a fully executed roofing contract with a licensed contractor evidencing that the repair or replacement of the **roof covering** has begun and will be completed.

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- c. If you do not provide us with the roofing contract described in b. above, we will pay the lesser of the:
 - (1) cost of the damaged or destroyed **roof covering** less deduction for depreciation, applicable overhead, profit, labor, taxes and fees associated with replacement of the **roof covering(s)**. We will make no payment for labor costs until such costs are incurred by you or you are contracted to make such repairs as described in b. above; or
 - (2) the amount payable under a. above.

If within 180 days of the date of loss you provide us with a fully executed roofing contract with a licensed contractor evidencing that the repair or replacement of the damaged property has begun and will be completed, we will settle the loss in accordance with a. above.

- d. If we pay in accordance with a. above and you do not complete or properly complete as agreed to the repair or replacement of the damaged **roof covering** due to the covered loss caused by hail, you will reimburse us to the extent the amount we paid exceeds the amount we would have paid under c. above.
- e. 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.

- f. If all the **roof covering** on your **dwelling** or **other structures** must be replaced due to a covered loss caused by **hailstorm** we will pay up to \$2,500 for any additional cost necessarily incurred to replace your **roof covering** with hail resistant **roof covering**.

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Hail resistant **roof covering** is **roof covering** that is Certified UL Standard 2218, Class 4.

This additional benefit only applies if:

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

C. Additional Coverages, 10. Land is replaced by the following:

10. Land

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

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

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

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

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

22. Loss Mitigation Measures

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

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.

D. Exclusions, 20. Watercraft is replaced by the following:

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20. Watercraft

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

D. Exclusions, is revised by adding the following:

Cosmetic Damage

We do not cover **cosmetic damage** caused by or resulting from hail to any **roof covering** that is metal.

SECTION IV- GENERAL PROVISIONS

L. Suit Against Us is replaced by the following:

L. Suit Against Us

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

Paragraph 2.b. of **P. Cancellation** is replaced by the following:

- b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 30 days before the date cancellation takes effect.

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 **HO247308001**. 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

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an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.



Roof Covering Payment Schedule Endorsement

This endorsement changes the policy. Please read it carefully.

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

1604 Wilhurst Street
Jackson, MS 39211

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

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

Roof Covering Payment Schedule

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

This endorsement is issued as part of Policy **HO247308001**. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Policy Expiration Date, or (iv) increase the amount of insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.



Privacy Notice

Important notice regarding your policy.

What Does PURE Do with Your Personal Information?

Why does PURE collect personal information?

Financial companies choose how they use and share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What kinds of personal information does PURE collect?

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

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

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

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

How does PURE collect my information?

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

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

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

How does PURE protect my information?

Privacy Notice

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

How does PURE use my personal information?

All financial companies need to share customer's personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons PURE chooses to share subscribers' personal information; and whether you can limit this sharing.

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

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

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

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

Why I can't I limit all sharing?

Federal law gives you the right to limit only:

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

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

Can I change the personal information PURE has?

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

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

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

How do you use Credit or Consumer Reports?

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

Privacy Notice

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

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

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

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