

HOMEOWNERS INSURANCE POLICY

HO-3 Special Form

POLICY NUMBER: HO3-2024-001234

EFFECTIVE DATE: January 1, 2024

SECTION I - PROPERTY COVERAGES

COVERAGE A - Dwelling

We cover the dwelling on the residence premises shown in the Declarations, including structures attached to the dwelling, and materials and supplies located on or next to the residence premises used to construct, alter or repair the dwelling or other structures on the residence premises.

COVERAGE B - Other Structures

We cover other structures on the residence premises set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection. This coverage is 10% of the limit of liability that applies to Coverage A.

COVERAGE C - Personal Property

We cover personal property owned or used by an insured while it is anywhere in the world. At your request, we will cover personal property owned by others while the property is on the part of the residence premises occupied by an insured. This coverage is 50% of the limit of liability that applies to Coverage A.

COVERAGE D - Loss of Use

The limit of liability for Coverage D is the total limit for the coverages in 1. Additional Living Expense, 2. Fair Rental Value, and 3. Civil Authority Prohibits Use below. This coverage is 30% of the limit of liability that applies to Coverage A.

SECTION I - PERILS INSURED AGAINST

COVERAGE A - DWELLING and COVERAGE B - OTHER STRUCTURES

We insure against risk of direct physical loss to property described in Coverages A and B.

We do not insure, however, for loss:

1. Excluded under Section I - Exclusions;
2. Involving collapse, except as provided in Section I - Additional Coverage - Collapse;
3. Caused by:
 - a. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This exclusion applies only while the dwelling is vacant, unoccupied or being constructed;
 - b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (1) Fence, pavement, patio or swimming pool;
 - (2) Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building, or other structure;
 - (3) Retaining wall or bulkhead that does not support all or part of a building or other structure;
 - c. Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
 - d. Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss.

SECTION I - EXCLUSIONS

We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

1. Ordinance or Law

Ordinance Or Law means any ordinance or law requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris.

2. Earth Movement

Earth Movement means earthquake including land shock waves or tremors before, during or after a volcanic eruption; landslide; mudslide; mudflow; earth sinking, rising or shifting; mine subsidence; or any other earth movement including earth sinking, rising or shifting caused by human activity.

3. Water Damage

Water Damage 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; b. Water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or c. Water or water-borne material below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

4. Power Failure

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

5. Neglect

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

6. War

War includes the following and any consequence of any of the following: a. Undeclared war, civil war, insurrection, rebellion or revolution; b. Warlike act by a military force or military personnel; or c. Destruction, seizure or use for a military purpose.

7. Nuclear Hazard

Nuclear Hazard means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.

8. Intentional Loss

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

SECTION I - CONDITIONS

A. Insurable Interest and Limit of Liability

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss: 1. To an insured for more than the amount of such insured's interest at the time of loss; or 2. For more than the applicable limit of liability.

B. Duties After Loss

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

1. Give prompt notice to us or our agent;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card company in case of loss under Credit Card, Electronic Fund Transfer Card or Forgery and Counterfeit Money coverage;
4. Protect the property from further damage. If repairs to the property are required, you must make reasonable and necessary repairs to protect the property;
5. Cooperate with us in the investigation of a claim;
6. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss;
7. As often as we reasonably require: a. Show the damaged property; b. Provide us with records and documents we request and permit us to make copies; and c. Submit to examination under oath;
8. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief: a. The time and cause of loss; b. The interests of the insured and all others in the property involved and all liens on the property; c. Other insurance which may cover the loss; d. Changes in title or occupancy of the property during the term of the policy; e. Specifications of damaged buildings and detailed repair estimates; f. The inventory of damaged personal property; 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 Forgery and Counterfeit Money coverage.

ADDITIONAL COVERAGE - WATER BACKUP OF SEWERS AND DRAINS

We will pay for direct physical loss to property covered under Coverage A, Coverage B and Coverage C caused by water or waterborne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment. The most we will pay under this Additional Coverage for any one loss is \$10,000.

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

COVERAGE FOR BURST PIPES

We cover sudden and accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance. This includes the cost to tear out and replace any part of a building necessary to repair the system or appliance from which the water or steam escaped.

We do not cover loss: 1. On the residence premises if the dwelling has been vacant for more than 60 consecutive days immediately before the loss; 2. To the system or appliance from which the water or steam escaped; 3. Caused by or resulting from freezing; or 4. On the residence premises caused by accidental discharge or leakage which occurs off the residence premises.