

# **ACME INSURANCE COMPANY**

**HO 00 03 (Ed. 01 2026)**

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## **HOMEOWNERS 3 – SPECIAL FORM**

### **AGREEMENT**

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

This policy applies only to the coverages for which a specific limit of liability is shown in the Declarations. Unless otherwise stated, the limits of liability shown in the Declarations include the cost of defense, settlement and supplementary payments.

### **DEFINITIONS**

"Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.

"Business" means a trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or any other activity engaged in for money or other compensation.

"Dwelling" means the one, two, three or four family building structure identified as the insured dwelling in the Declarations, including attached structures.

"Insured" means you and residents of your household who are your relatives; or other persons under the age of 21 and in the care of any person named above.

"Insured location" means the residence premises; any premises used by you in connection with a premises described above; any premises described in the Declarations.

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

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

"Residence premises" means the one-family dwelling where you reside as shown in the Declarations, including the grounds, other structures and outbuildings appurtenant to the dwelling.

### **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. We do not cover other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

**COVERAGE C — PERSONAL PROPERTY.** We cover personal property owned or used by an insured while it is anywhere in the world. After a loss and 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.

**COVERAGE D — LOSS OF USE.** If a loss covered under Section I makes that part of the residence premises where you reside not fit to live in, we cover additional living expenses incurred by you so that your household can maintain its normal standard of living.

## **SECTION I — PERILS INSURED AGAINST**

**COVERAGE A — DWELLING AND COVERAGE B — OTHER STRUCTURES.** We insure against direct physical loss to property described in Coverages A and B. We do not insure, however, for loss caused by: Ordinance or law; Earth movement; Water damage; Power failure; Neglect; War; Nuclear hazard; Intentional loss; Governmental action.

**COVERAGE C — PERSONAL PROPERTY.** We insure for direct physical loss to the property described in Coverage C caused by any of the following perils unless the loss is excluded in Section I — Exclusions: Fire or lightning; Windstorm or hail; Explosion; Riot or civil commotion; Aircraft; Vehicles; Smoke; Vandalism or malicious mischief; Theft; Falling objects; Weight of ice, snow or sleet; Accidental discharge or overflow of water or steam; Sudden and accidental tearing apart of heating, air conditioning, or fire protective sprinkler system; Freezing; Sudden and accidental damage from artificially generated electrical current; Volcanic eruption.

## **SECTION I — EXCLUSIONS**

We do not insure for loss caused directly or indirectly by any of the following: Ordinance or law; Earth movement including earthquake, landslide, mudslide, mudflow, sinkhole, subsidence; Water damage meaning flood, surface water, waves, tidal water, tsunami, overflow of body of water, spray from any of these whether or not driven by wind; Power failure occurring off the residence premises; Neglect of an insured to use all reasonable means to save and preserve property; War including undeclared war, civil war, insurrection; Nuclear hazard; Intentional loss by or at the direction of an insured; Governmental action.

We do not insure for loss to property described in Coverages A and B caused by: Wear and tear, marring, deterioration; Mechanical breakdown; Smog, rust or other corrosion; Mold, fungus or wet rot; Contamination; Settling, shrinking, bulging; Nesting or infestation of insects, birds, vermin or rodents; Animals owned or kept by an insured.

## **SECTION I — CONDITIONS**

**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: to an insured for more than the amount of such insured's interest at the time of loss; or for more than the applicable limit of liability.

**DEDUCTIBLE.** Unless otherwise noted in this policy, the following deductible provision applies: Subject to the policy limits that apply, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.

**DUTIES AFTER LOSS.** In case of a loss to covered property, you must: give prompt notice to us or our agent; protect the property from further damage; cooperate with us in the investigation of a claim; prepare an inventory of damaged personal property.

**LOSS SETTLEMENT.** Covered property losses are settled as follows: Personal property and structures that are not buildings at actual cash value at the time of loss; Buildings under Coverage A or B at replacement cost without deduction for depreciation, subject to the following conditions.

**PAIR OR SET.** In case of loss to a pair or set, we may elect to: restore or repair any part to restore the pair or set to its value before the loss; or pay the difference between actual cash value of the property before and after the loss.

**APPRAISAL.** If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. Each party will select a competent appraiser within 20 days after receiving a written request from the other.

**MORTGAGE CLAUSE.** If a mortgagee is named in this policy, any loss payable under Coverage A or B will be paid to the mortgagee and you, as interests appear.

## **SECTION II — LIABILITY COVERAGES**

**COVERAGE E — PERSONAL LIABILITY.** If a claim is made or a suit is brought against an insured for damages because of bodily injury or property damage caused by an occurrence to which this coverage applies, we will: pay up to our limit of liability for the damages for which an insured is legally liable; and provide a defense at our expense by counsel of our choice.

**COVERAGE F — MEDICAL PAYMENTS TO OTHERS.** We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing bodily injury. Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services.

## **SECTION II — EXCLUSIONS**

Coverage E — Personal Liability and Coverage F — Medical Payments to Others do not apply to: bodily injury or property damage which is expected or intended by an insured; bodily injury or property damage arising out of or in connection with a business engaged in by an insured; bodily injury or property damage arising out of the rendering or failure to render professional services; bodily injury or property damage arising out of a premises owned by an insured which is not an insured location.

Coverage E — Personal Liability does not apply to: liability assumed under contract; property damage to property owned by an insured; property damage to property rented to, occupied or used by or in the care of an insured; bodily injury to any person eligible to receive any benefits voluntarily provided or required to be provided by an insured under any workers' compensation law.

## **SECTION II — CONDITIONS**

**LIMIT OF LIABILITY.** Our total liability under Coverage E for all damages resulting from any one occurrence will not be more than the Coverage E limit of liability shown in the Declarations.

**SEVERABILITY OF INSURANCE.** This insurance applies separately to each insured. This condition will not increase our limit of liability for any one occurrence.

**DUTIES AFTER OCCURRENCE.** In case of an occurrence, you or the appropriate insured must: give written notice to us or our agent as soon as is practical; forward to us every notice, demand, summons or other process relating to the occurrence; at our request, help us make settlement, enforce any right of contribution or indemnity; attend hearings and trials.

## **GENERAL CONDITIONS**

**POLICY PERIOD.** This policy applies only to loss which occurs during the policy period.

**CONCEALMENT OR FRAUD.** We provide coverage to no insureds under this policy if, whether before or after a loss, an insured has: intentionally concealed or misrepresented any material fact or circumstance; engaged in fraudulent conduct; or made false statements relating to this insurance.

**LIBERALIZATION CLAUSE.** If we adopt any revision that would broaden the coverage under this policy without additional premium, the broader coverage will apply to this policy.

**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.

**CANCELLATION.** 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. We may cancel this policy by mailing or delivering to the named insured written notice at least 10 days before the date cancellation takes effect if cancellation is for nonpayment of premium; or 30 days before the date cancellation takes effect if cancellation is for any other reason.

**NONRENEWAL.** We may elect not to renew this policy. We will mail or deliver written notice to the named insured at least 30 days before the expiration date of this policy.

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

**SUBROGATION.** An insured may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

**DEATH.** If any person named in the Declarations or the spouse, if a resident of the same household, dies, the following apply: the legal representative of the deceased; and any member of the deceased's household who is an insured at the time of death, but only while a resident of the residence premises.