

The Travelers HO-3 Homeowners Policy offers comprehensive coverage for various aspects of homeownership, including protection for the dwelling (Coverage A), other structures (Coverage B), personal property (Coverage C), and loss of use (Coverage D). Coverage A safeguards the primary residence and attached structures, while Coverage B extends to other structures on the property. Coverage C insures personal belongings, with specific limits such as \$1,000 for watercraft and \$2,500 for theft of silverware. Coverage D provides for additional living expenses if the home becomes uninhabitable due to a covered loss, as well as fair rental value for rented portions of the residence.

The policy outlines several exclusions, including property used for business, animals, and certain vehicles, and specifies conditions for claims, such as the insured's responsibilities after a loss and the claims settlement process. The policyholder must adhere to all provisions and pay premiums to maintain coverage. Cancellation and nonrenewal conditions are detailed, indicating circumstances under which the policy may be terminated. The insurer's liability limits do not increase with additional coverages, and their obligation to defend claims ceases when payments reach the limit of liability.

Coverage provisions include limits for trees, shrubs, and plants, as well as fire department service charges. The policy covers loss assessments from property owners' associations up to \$1,000, provided the assessment results from a direct loss to collectively owned property. It also includes coverage for losses due to credit card theft, with a limit of \$500, but excludes losses from household residents or non-compliance with card terms. Direct physical loss from building collapse is covered, except for losses due to settling or bulging, and certain structures like fences or pools are excluded unless the loss is directly caused by a collapse.

The perils insured against include fire, lightning, windstorm, hail, explosion, and theft, among others, while exclusions encompass losses from perils not covered, such as freezing plumbing in vacant homes, wear and tear, and water damage, which is specifically excluded regardless of other perils.

The policyholder must maintain heat in the building and shut off water supplies when unoccupied. Claims procedures require the insured to notify the insurer immediately after a loss, protect the property from further damage, prepare an inventory of damaged items, and submit a sworn statement of loss within 60 days. Loss settlements are based on actual cash value, with replacement cost coverage available under certain conditions.

In terms of premium payment, if the insurer cancels the policy, the mortgagee will be notified at least 10 days prior. The policy stipulates that if the insurer pays the mortgagee for a loss and denies payment to the insured, the mortgagee's rights are preserved. Legal action against the insurer must comply with policy provisions and be initiated within one year of the loss. The insurer may opt to repair or replace damaged property within 30 days of receiving a signed statement of loss, and payments are due 60 days after proof of loss is received, provided there is an agreement or final judgment.

The policy includes a Nuclear Hazard Clause, stating that losses from nuclear hazards are not considered losses from fire or explosion, except for direct loss by fire resulting from a nuclear hazard. Inflation protection coverage will increase the limit of liability for Coverage A based on construction cost index changes. If property is recovered after a payment, the insured must notify the insurer, and the property can be returned or retained by the insurer.

Liability coverage includes personal liability for bodily injury or property damage, with the insurer agreeing to pay up to the limit of liability and provide a defense. Exclusions under liability coverage include expected injuries, business pursuits, and certain activities related to watercraft and motor vehicles. The policy does not cover bodily injury to residence employees under specific circumstances or property damage to the insured's own property.

The policy also covers claim expenses, first aid expenses for others, and damage to others'

property, with specific limits and exclusions. The insured must provide written notice of any accidents and assist in claims processes. Cancellation provisions allow the insured to cancel at any time with written notice, while the insurer may cancel for specific reasons, including non-payment of premiums. The policy includes a liberalization clause for broadening coverage during the policy period and specifies that bankruptcy of the insured does not relieve the insurer of obligations.

Coverage is effective only for losses occurring during the specified policy period, with conditions regarding concealment or fraud that can void coverage. In the event of the insured's death, coverage extends to their legal representative for the property covered at the time of death. Premiums are calculated based on rules and rates in effect at renewal, and any return premium upon cancellation will be refunded according to specified terms. Non-renewal of the policy requires written notice at least 30 days before expiration.