

The HO-4 Homeowners' Insurance Policy from Shelter Insurance Companies is a legally binding contract that provides coverage for personal property, additional living expenses, personal liability, and medical payments to others. Policyholders must understand their rights and obligations, including the necessity of premium payments for coverage to be effective. Key definitions include "accident," which refers to unexpected events causing bodily injury or property damage, and "actual cash value," defined as the cost of restoration minus depreciation. Coverage includes personal property, but excludes certain losses such as economic damages from physical damage, intentional acts, and specific business-related activities. The policyholder is responsible for reviewing the Declarations section for coverage limits and deductibles, and must promptly notify the insurer in case of an accident, cooperate with investigations, and submit required documentation. The insured is prohibited from making payments or incurring expenses related to claims without the insurer's consent, and rights cannot be assigned without written consent. Coverage extends to surviving household members for 30 days following the insured's death.

The policy outlines conditions for cancellation and renewal, which are subject to state-specific endorsements. It becomes void if the insured intentionally conceals or misrepresents material facts. Changes to the policy require written endorsements, and the insurer retains the right to inspect the premises. Coverage applies only to losses occurring during the policy period, and if multiple policies cover the same loss, insurance will be prorated. The policy will not apply if the insured can receive full compensation from another source. Acceptance of the policy indicates agreement with the Declarations and applications, which are not considered warranties.

Continuous renewal is contingent upon the insurer's consent and timely premium payment; failure to pay results in termination. Coverage for mortgagees named in the Declarations continues for 10 days post-notice of termination. Under Section I - Property Protection Coverage C, the policy covers accidental direct physical loss to personal property owned or used by the insured, with specific exclusions for nuclear reactions, vandalism by insured parties, and theft from properties under

construction. Special limits apply to certain personal property categories, and coverage is limited to 10% of liability limits for personal property away from the premises for over 30 consecutive days. Exclusions include losses due to neglect, war, and various illegal activities.

Coverage D provides for additional living expenses if the residence becomes uninhabitable due to a covered loss, with no deductible applicable. The policy includes additional coverages for hauling away damaged property, fire department charges, and losses related to credit card fraud, with specific limits for each. In the event of a loss, the insured must notify the insurer immediately, protect the property from further damage, and submit a proof of loss within 60 days.

The insured must provide detailed documentation and submit to examinations under oath. The insurer will not pay more than the insured's interest in the covered property at the time of loss and is not obligated to accept abandoned property. Payments for losses will be adjusted with the insured, and if a loss payee or mortgagee is named, they will be included in settlement checks. The policy allows for cancellation, but coverage for the mortgagee continues for 10 days post-notice of cancellation. The insured must bring any lawsuit for coverage within one year of the loss, and the policy does not benefit bailees. If lost property is recovered, the insured must notify the insurer and may keep it by returning the payment made for its loss.

Coverage for personal liability includes damages the insured is legally obligated to pay due to accidents, with exclusions for bodily injury or property damage from the use of aircraft, motor vehicles, and watercraft under certain conditions. Coverage F provides medical payments to others for reasonable charges incurred within three years after a covered injury, but excludes injuries to any insured or residents of the insured premises, except residence employees. Claimants must authorize the insurer to obtain relevant records and provide necessary documentation.

Coverage G addresses damage to property of others, with a liability limit based on market value or a

maximum of \$1,000, excluding damage caused by insured individuals over 13 unless accidental. Additional coverages under Section II include expenses incurred in settling claims and legal defense costs, with specific conditions under which the insurer's obligations cease. Upon termination of the policy, the insured's interest in Shelter Mutual Insurance Company ceases, except for any claims under the policy and any unearned premium. The policy is non-assessable and executed by the company's President and Chief Executive Officer, Secretary, and an authorized representative on the Declarations page.