

The homeowners policy underwritten by American Strategic Insurance Corp. establishes an insurance agreement contingent upon the insured providing accurate information, timely premium payments, and notifying the insurer of any changes in the use or occupancy of the residence. Coverage includes various property protections: Coverage A for the dwelling, which includes the main residence and attached structures; Coverage B for other structures on the premises, with exclusions for those used for business or rental purposes; and Coverage C for personal property owned by the insured, with specific limits for certain categories, such as \$250 for money and \$1,000 for art and collectibles. Coverage D addresses loss of use, providing additional living expenses if the residence becomes uninhabitable due to a covered peril. The policy includes a deductible applicable to all losses under Section I and specifies conditions for claims, including the requirement to report losses promptly. Exclusions encompass personal property insured elsewhere, animals, motor vehicles, aircraft, and business data. The policy also details conditions for coverage limits, including a combined limit for cosmetic damage to floors and specific limits for theft of certain items.

Coverage extends to various situations affecting the "residence premises," including Additional Living Expenses for up to two weeks if a civil authority prohibits use due to direct damage from a covered peril to a neighboring property, although losses from lease cancellations are not covered. The policy covers debris removal expenses for covered property losses and volcanic ash, with an additional 5% available if the total exceeds the liability limit. Reasonable expenses for removing fallen trees are covered, with a maximum of \$1,000 per loss and \$500 for any single tree, under specific conditions. Emergency repairs necessary to protect covered property from further damage are also covered but do not increase liability limits. Coverage includes outdoor trees, shrubs, and plants for losses from specified perils, limited to 5% of Coverage A for all such items and \$500 for any single item. Fire department service charges up to \$500 for protecting covered property are included, with no deductible. Accidental direct physical loss to property while being removed from endangered premises is covered for up to 30 days. The policy defines "collapse" and specifies conditions for coverage, excluding losses to specific structures unless directly caused by a collapse.

Coverage for credit card theft and unauthorized use is limited to \$1,000, with exclusions for losses involving household residents or business use. Loss assessment coverage is available up to \$1,000 for assessments made by property owner associations due to direct losses from covered perils, excluding those caused by earthquakes or governmental assessments. Ordinance or law coverage provides up to 10% of Coverage A for increased costs due to compliance with building regulations following a covered loss, with specific exclusions. Breakage of glass or safety glazing material is covered, provided the premises were not vacant for over 30 days prior to the loss. Coverage for "fungi," wet or dry rot, or bacteria is limited to \$5,000 for various related costs, contingent on the occurrence of a covered peril. Pet injury coverage is included for injuries or death of an insured's dog or cat due to a covered loss on the premises.

The policy outlines exclusions for losses resulting from neglect, war, nuclear hazards, intentional acts, governmental actions, and illegal acts. Specific exclusions apply to losses caused by weather conditions, decisions of individuals or organizations, and faulty construction or maintenance. Notably, losses due to diminished value, fungi, rot, or bacteria are not covered, except under certain conditions related to fire or lightning. Existing damage prior to policy inception is also excluded. In the event of a loss, the insured must provide immediate notice, notify the police for theft or vandalism, protect the property from further damage, and cooperate with the insurer's investigation. A written inventory of damaged property must be prepared, and a signed proof of loss must be submitted within 60 days of the insurer's request. Failure to comply with these duties may result in denial of coverage.

Losses are settled based on the type of property, with personal property covered at actual cash value and buildings at replacement cost, subject to certain limits. The insurer has the option to repair or replace damaged property and will pay within specified timeframes after reaching an agreement or following an appraisal. In cases of disagreement on the amount of loss, an appraisal process can

be initiated. The policy also states that if a loss is covered by other insurance, the insurer will only pay a proportionate share. Legal action against the insurer must comply with policy terms and be initiated within two years of the loss. Additionally, the insurer is not liable for abandoned property.

The policy defines "mortgagee" to include a trustee under a deed of trust, stipulating that any loss under Coverage A or B will be paid to both the mortgagee and the insured as their interests appear. If a claim is denied, it does not affect a valid claim from the mortgagee, provided the mortgagee notifies the insurer of any changes in ownership or risk, pays any due premiums, and submits a sworn statement of loss within 60 days. The insurer must notify the mortgagee at least 10 days before canceling or not renewing the policy. If the insurer pays the mortgagee for a loss and denies payment to the insured, it may either subrogate the mortgagee's rights or pay off the mortgage in full, receiving an assignment of the mortgage and collateral. Coverage is void for any mortgagee that has concealed material facts, engaged in fraud, or made false statements regarding the insurance.

The policy includes a "No Benefit To Bailee" clause, stating that no coverage will be granted to individuals or organizations holding property for a fee. If property is recovered after a claim, the insured must notify the insurer, and they may choose to take possession, with the loss payment adjusted accordingly. Coverage is limited to losses occurring during the policy period. Coverage is void for any insured who conceals or misrepresents material facts or engages in fraudulent conduct. The policy is governed by the laws of Oklahoma, and any assignment of claim benefits requires written consent from all insured parties and mortgagees. After a proof of loss is received, the insurer must respond with a settlement offer or notice of further investigation within 60 days.

Section II outlines liability coverages, including Coverage E for personal liability, which covers damages for bodily injury or property damage for which an insured is legally liable, along with legal defense costs. Coverage F provides for medical payments to others for bodily injury occurring within

three years, applicable to individuals on the insured location or off-site under specific conditions. Exclusions for Coverage E include liability for loss assessments, contractual liabilities, property owned by the insured, and damages related to nuclear energy policies. Coverage F excludes bodily injury to residence employees off the insured location, injuries from nuclear reactions, and injuries to residents of the insured location, among others. Both coverages exclude liabilities arising from motor vehicles, aircraft, and watercraft, expected or intended injuries, business-related injuries, and injuries related to war or communicable diseases.

Claim expenses covered include costs incurred in defending lawsuits, premiums for bonds (up to the Coverage E limit), reasonable expenses for assisting in claims, and interest on judgments before payment. First aid expenses for others are covered, but not for the insured. The policy also covers up to \$1,000 for property damage to others caused by the insured, with exclusions for damages recoverable under Section I, intentional damage by insured individuals aged 13 or older, damage to property owned by the insured or their tenants, and damages arising from business activities or the use of aircraft, watercraft, or motor vehicles, with specific exceptions for certain recreational vehicles. Loss assessment coverage provides up to \$1,000 for assessments charged by property owner associations due to covered bodily injury or property damage, or liability for acts of directors or officers, but excludes assessments from governmental bodies. The total liability for damages from one occurrence is limited to the Coverage E limit, and for medical expenses under Coverage F, it is limited to the Coverage F limit.

In the event of a loss, the insured must provide written notice, cooperate in investigations, and submit a sworn statement of loss for property damage claims. Injured parties must provide proof of claim and may need to undergo medical examinations. Legal actions against the insurer require compliance with policy terms, and no one can join the insurer in actions against the insured. Bankruptcy of the insured does not relieve the insurer of obligations, and this insurance is excess over other valid insurance. The policy applies separately to each insured without increasing the

liability limit. Coverage is only applicable to incidents occurring during the policy period, and any concealment or fraud by the insured voids coverage.

The policy can be canceled by the insured at any time, while the insurer can cancel for non-payment, fraud, increased risk, or regulatory violations, with specific notice requirements. Nonrenewal requires a 30-day notice. Assignment of the policy is not valid without written consent from the insurer. Subrogation rights may be waived, and in the event of the insured's death, coverage extends to the legal representative and household members under certain conditions. The insurer reserves the right to recompute premiums based on application statements and to conduct inspections of the insured location. Definitions clarify terms such as "actual cash value," "aircraft," and "bodily injury," ensuring clarity in the policy's application.