

Landlords Package Policy

AS84



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General

Definitions Used In This Policy

1. **Bodily injury**—means physical harm to the body, including sickness, disability or disease, and resulting death, except that **bodily injury** does not include:

- a) any venereal disease;
- b) herpes;
- c) Acquired Immune Deficiency Syndrome (AIDS);
- d) AIDS Related Complex (ARC);
- e) Human Immunodeficiency Virus (HIV);

or any resulting symptom, effect, condition, disease or illness related to a) through e) listed above.

Under **Premises Medical Protection–Coverage Y**, **bodily injury** means physical harm to the body, including sickness or disease, except that **bodily injury** does not include:

- a) any venereal disease;
- b) herpes;
- c) Acquired Immune Deficiency Syndrome (AIDS);
- d) AIDS Related Complex (ARC);
- e) Human Immunodeficiency Virus (HIV);

or any resulting symptom, effect, condition, disease or illness related to a) through e) listed above.

2. **Building structure**—means a structure with walls and a roof.

3. **Business**—means any full or part-time activity of any kind engaged in for economic gain and the use of any part of any premises for such purposes. However, the lawful rental or lease, or holding for rental or lease, of the **residence premises** will not be considered a **business**.

4. **Dwelling**—means a one-, two-, three-, or four-family **building structure** which is used principally as a private residence and located at the address stated on the Policy Declarations.

5. **Insured person(s)**—means:

- a) if **you** are shown on the Policy Declarations as an individual and **you** are a sole proprietor, **you** and **your** resident spouse.
- b) if **you** are shown on the Policy Declarations as a partnership or joint venture, the named partnership or joint venture, including any of its partners or members individually while acting within the course and scope of their duties in connection with the ownership, maintenance or use of the **residence premises**.
- c) if **you** are shown on the Policy Declarations as an organization other than a partnership or joint venture, the organization directors, trustees or governors of the organization while acting within the course and scope of their duties in connection with the ownership, maintenance or use of the **residence premises**.
- d) **your** employees, while acting within the course and scope of their employment in connection with the ownership, maintenance or use of the **residence premises**.

e) any person or organization while acting as **your** real estate manager for the **residence premises**.

This policy does not apply to **bodily injury**, **personal injury** or **property damage** arising from the conduct of any partnership, joint venture or organization which is not named on the Policy Declarations as the insured.

6. **Occurrence**—means:

- a) under **Liability Protection–Coverage X**, an accident during the policy period, including continued and repeated exposure to substantially the same general harmful conditions during the policy period, resulting in **bodily injury**, **personal injury** or **property damage** and arising from the ownership, maintenance or use of the **residence premises**.
- b) under **Premises Medical Protection–Coverage Y**, an accident during the policy period, including continued and repeated exposure to substantially the same general harmful conditions during the policy period, resulting in **bodily injury** and arising from the ownership, maintenance or use of the **residence premises**.

7. **Personal injury**—means damages resulting from:

- a) false arrest; false imprisonment; wrongful detention;
- b) wrongful entry; invasion of rights of occupancy; wrongful eviction;
- c) libel; slander; humiliation; defamation of character; invasion of rights of privacy.

8. **Property damage**—means physical harm to or destruction of tangible property, including loss of its use resulting from such physical harm or destruction. **Property damage** does not include theft or conversion of property by an **insured person**.

9. **Rental unit**—means that portion of **your dwelling** which forms separate living space intended for **tenant** occupancy.

10. **Residence premises**—means **your dwelling**, other structures and land located at the address stated on the Policy Declarations.

11. **Tenant**—means any person who rents, leases or lawfully occupies a **rental unit**.

12. **Vandalism**—means willful or malicious conduct resulting in damage or destruction of property. **Vandalism** does not include theft of property.

13. **We, us, or our**—means the company named on the Policy Declarations.

14. **You or your**—means the person(s), partnership, joint venture, or organization specifically named on the Policy Declarations as the insured.

Insuring Agreement

In reliance on the information **you** have given **us**, **we** agree to provide the coverages indicated on the Policy Declarations. In return, **you** must pay the premium when due, comply with the policy terms and conditions, and inform **us** of any change in title or use of the **residence premises**.

Subject to the terms of this policy, the Policy Declarations shows the location of the **residence premises**, applicable coverages, limits of liability and premiums. The policy applies only to losses or **occurrences** that take place during the Policy Period. The Policy Period is shown on the Policy Declarations. This policy is not complete without the Policy Declarations.

The terms of this policy impose joint obligations on persons defined as an **insured person**. This means that the responsibilities, acts and failures to act of a person defined as an **insured person** will be binding upon every other person defined as an **insured person**.

Conformity To State Statutes

When a policy provision conflicts with the statutes of the state in which the **residence premises** is located, the provision is amended to conform to such statutes.

Coverage Changes

When **we** broaden coverage during the premium period without charge, **you** have the broadened coverage if **you** have purchased the coverage to which the changes apply. The broadened coverage applies on the date the coverage change is effective in **your** state. Otherwise, the policy can be changed only by endorsement.

The coverage provided and the premium for the policy is based on information **you** have given **us**. **You** agree to cooperate with **us** in determining if this information is correct and complete. **You** agree that if this information changes or is incorrect or incomplete, **we** may adjust **your** coverage and premium accordingly during the policy period.

Any calculation of **your** premium or changes in **your** coverage will be made using the rules, rates and forms on file, if required, for **our** use in **your** state. The rates in effect at the beginning of **your** current premium period will be used to calculate any change in **your** premium.

Policy Transfer

You may not transfer this policy to another person or organization without **our** written consent.

Continued Coverage After Your Death

If **you** die, coverage will continue until the end of the premium period for:

1. **Your** legal representative while acting as such, but only with respect to the **residence premises** and property covered under this policy on the date of **your** death.
2. An **insured person**, and any person having proper temporary custody of **your** property until a legal representative is appointed and qualified.

Cancellation

Your Right to Cancel:

You may cancel this policy by notifying **us** of the future date **you** wish to stop coverage.

Our Right to Cancel:

We may cancel this policy by mailing notice to **you** at the mailing address shown on the Policy Declarations.

When this policy has been in effect for less than 60 days, and is not a renewal with **us**, **we** may cancel this policy for any reason by giving **you** at least 10 days notice before the cancellation takes effect.

When this policy has been in effect for 60 days or more, or if it is a renewal with **us**, **we** may cancel this policy for one or more of the following reasons:

1. non-payment of premium;
2. the policy was obtained by misrepresentation, fraud or concealment of material facts;
3. material misrepresentation, fraud or concealment of material facts in presenting a claim, or violation of any of the policy terms;
4. there has been a substantial change or increase in hazard in the risk **we** originally accepted; or
5. the **dwelling** has been condemned by a governmental authority.

If the cancellation is for non-payment of premium, **we** will give **you** at least 10 days notice. If the cancellation is for any of the other reasons, **we** will give **you** at least 30 days notice.

Our mailing the notice of cancellation to **you** will be deemed proof of notice. Coverage under this policy will terminate on the effective date and hour stated on the cancellation notice. **Your** return premium, if any, will be calculated on a pro rata basis and refunded at the time of cancellation or as soon as possible. However, refund of unearned premium is not a condition of cancellation.

Our Right Not to Continue or Renew:

We have the right not to continue or renew this policy beyond the current premium period. If **we** do not intend to continue or renew the policy, **we** will mail **you** notice at least 30 days before the end of the premium period. **Our** mailing the notice or non-renewal to **you** will be deemed proof of notice.

Misrepresentation, Fraud Or Concealment

We may void this policy if it was obtained by misrepresentation, fraud or concealment of material facts. If **we** determine that this policy is void, all premiums paid will be returned to **you** since there has been no coverage under this policy.

We do not cover any loss or **occurrence** in which any **insured person** has concealed or misrepresented any material fact or circumstance.

Charge For Insufficient Funds

If at any time, **your** payment of any premium amount due is made by check, electronic transaction, or other remittance which is not honored because of insufficient funds or a closed account, **you** will be charged a fee.

Conditional Reinstatement

If **we** mail a cancellation notice because **you** didn't pay the required premium when due and **you** then tender payment by check, draft, or other remittance which is not honored upon presentation, **your** policy will terminate on the date and time shown on the cancellation notice and any notice **we** issue which waives the cancellation or reinstates coverage is void. This means that **we** will not be liable under this policy for claims or damages after the date and time indicated on the cancellation notice.

What Law Will Apply

This policy is issued in accordance with the laws of the state in which the **residence premises** is located and covers property or risks principally located in that state. Subject to the following paragraph, the laws of the state in which the **residence premises** is located shall govern any and all claims or disputes in any way related to this policy.

If a covered loss to property, or any other **occurrence** for which coverage applies under this policy happens outside the state in which the **residence premises** is located, claims or disputes regarding that covered loss to property, or any other covered **occurrence** may be governed by the laws of the jurisdiction in which that covered loss to property, or other covered **occurrence** happened, only if the laws of that jurisdiction would apply in the absence of a contractual choice of law provision such as this.

Where Lawsuits May Be Brought

Subject to the following two paragraphs, any and all lawsuits in any way related to this policy, shall be brought, heard and decided only in a state or federal court located in the state in which the **residence premises** is located. Any and all lawsuits against persons not parties to this policy but involved in the sale, administration, performance, or alleged breach of this policy, or otherwise related to this policy, shall be brought, heard and decided only in a state or federal court located in the state in which the **residence premises** is located, provided that such persons are subject to or consent to suit in the courts specified in this paragraph.

If a covered loss to property, or any other **occurrence** for which coverage applies under this policy happens outside the state in which the **residence premises** is located, lawsuits regarding that covered loss to property, or any other covered **occurrence** may also be brought in the judicial district where that covered loss to property, or any other covered **occurrence** happened.

Nothing in this provision, **Where Lawsuits May Be Brought**, shall impair any party's right to remove a state court lawsuit to a federal court.

Action Against Us

No one may bring an action against **us** unless there has been full compliance with all policy terms.

Any action against **us** to which neither the **Action Against Us** provision located in **Section I Conditions** nor the **Action Against Us** provision located in **Section II Conditions** applies must be commenced within one year of the date the cause of action accrues.

If an action is brought asserting claims relating to the existence or amount of coverage, or the amount of loss for which coverage is sought, under different coverages of this policy, the claims relating to each coverage shall be treated as if they were separate actions for the purpose of the time limit to commence action.

Arbitration

Any claim or dispute in any way related to this policy, by an **insured person** against **us** or **us** against an **insured person**, may be resolved by arbitration only upon mutual consent of the parties. Arbitration pursuant to this provision shall be subject to the following:

- a) no arbitrator shall have the authority to award punitive damages or attorney's fees;
- b) neither of the parties shall be entitled to arbitrate any claims or disputes in a representative capacity or as a member of a class; and
- c) no arbitrator shall have the authority, without the mutual consent of the parties, to consolidate claims or disputes in arbitration.

SECTION I—YOUR PROPERTY

Dwelling Protection—Coverage A

Property We Cover Under Coverage A:

1. **Your dwelling**, including attached structures, at the **residence premises**. Fences, and structures connected to **your dwelling** by only a fence, utility line, or similar connection, are not considered attached structures.
2. Construction materials and supplies at the **residence premises** for use in connection with **your dwelling**.
3. Wall-to-wall carpeting fastened to **your dwelling**.

Property We Do Not Cover Under Coverage A:

1. Any structure or other property covered under **Other Structures Protection—Coverage B**.
2. Land, no matter where located, or the replacement, rebuilding, restoration, stabilization or value of any such land.
3. Satellite dish antennas and their systems, whether or not attached to **your dwelling**.
4. Construction materials and supplies at the **residence premises** for use in connection with structures other than **your dwelling**.

Other Structures Protection—Coverage B

Property We Cover Under Coverage B:

1. Structures at the address shown on the Policy Declarations separated from **your dwelling** by clear space.
2. Structures connected to **your dwelling** by only a fence, utility line, or similar connection.
3. Construction materials and supplies at the **residence premises** for use in connection with structures, other than **your dwelling**, at the **residence premises**.
4. Wall-to-wall carpeting fastened to **building structures** other than **your dwelling**.
5. Fences at the **residence premises**, whether or not connected to **your dwelling**.

Property We Do Not Cover Under Coverage B:

1. Any structure or other property covered under **Dwelling Protection—Coverage A**.

2. Land, no matter where located, or the replacement, rebuilding, restoration, stabilization or value of any such land.
3. Satellite dish antennas and their systems, whether or not attached to a **building structure**.
4. Construction materials and supplies at the **residence premises** for use in connection with **your dwelling** or any structure not located at the **residence premises**.

Losses We Cover Under Coverages A and B:

We will cover sudden and accidental direct physical loss to property described in **Dwelling Protection-Coverage A** and **Other Structures Protection-Coverage B** except as limited or excluded in this policy.

Losses We Do Not Cover Under Coverages A and B:

A. **We** do not cover loss to the property described in **Dwelling Protection-Coverage A** or **Other Structures Protection-Coverage B** consisting of or caused by:

1. Flood, including, but not limited to, surface water, waves, tidal water or overflow of any body of water, or spray from any of these, whether or not driven by wind.
2. Water or any other substance that backs up through sewers or drains.
3. Water or any other substance that overflows from a sump pump, sump pump well or other system designed for the removal of subsurface water which is drained from a foundation area of a structure.
4. Water or any other substance on or below the surface of the ground, regardless of its source. This includes water or any other substance which exerts pressure on, or flows, seeps or leaks through, any part of the **residence premises**.

We do cover sudden and accidental direct physical loss caused by fire or explosion resulting from items 1 through 4 listed above.

5. Earth movement of any type, including, but not limited to, earthquake, volcanic eruption, lava flow, landslide, subsidence, mudflow, pressure, sinkhole, erosion, or the sinking, rising, shifting, creeping, expanding, bulging, cracking, settling or contracting of the earth. This exclusion applies whether or not the earth movement is combined with water.

We do cover sudden and accidental direct physical loss caused by fire, explosion, or breakage of glass or safety glazing materials resulting from earth movement.

6. Enforcement of any building codes, ordinances or laws regulating the construction, reconstruction, maintenance, repair, placement or demolition of any **building structure**, other structure or land at the **residence premises**.

We do cover sudden and accidental direct physical loss caused by actions of civil authority to prevent the spread of fire.

7. The failure by any **insured person** to take all reasonable steps to save and preserve property when the property is endangered by a cause of loss **we** cover.
8. Any substantial change or increase in hazard, if changed or increased by any means within the control or knowledge of an **insured person**.
9. Intentional or criminal acts of, or at the direction of, an **insured person**, if the loss that occurs:
 - a) may be reasonably expected to result from such acts; or
 - b) is the intended result of such acts.

This exclusion applies regardless of whether an **insured person** is actually charged with, or convicted of, a crime.

10. Collapse of a **building structure** or any part of a **building structure**, except as specifically provided in **Section I Additional Protection** under item 7, Collapse.
11. Soil conditions, including, but not limited to, corrosive action, chemicals, compounds, elements, suspensions, crystal formations or gels in the soil.
12. Any type of vapors, fumes, acids, toxic chemicals, toxic gasses, toxic liquids, toxic solids, waste materials, irritants, contaminants, or pollutants, including, but not limited to:
 - a) lead in any form;
 - b) asbestos in any form;
 - c) radon in any form; or
 - d) oil, fuel oil, kerosene, liquid propane or gasoline intended for, or from, a storage tank located at the **residence premises**.
13.
 - a) Wear and tear, aging, marring, scratching, deterioration, inherent vice, or latent defect;
 - b) Mechanical breakdown;
 - c) Growth of trees, shrubs, plants or lawns whether or not such growth is above or below the surface of the ground;
 - d) Rust or other corrosion;
 - e) Contamination, including, but not limited to, the presence of toxic, noxious, or hazardous gasses, chemicals, liquids, solids or other substances at the **residence premises** or in the air, land or water serving the **residence premises**;
 - f) Smog, smoke from the manufacturing of any controlled substance, agricultural smudging and industrial operations;
 - g) Settling, cracking, shrinking, bulging or expansion of pavements, patios, foundations, walls, floors, roofs or ceilings;
 - h) Insects, rodents, birds or domestic animals. **We** do cover the breakage of glass or safety glazing materials caused by birds; or
 - i) Seizure by government authority.

If any of a) through h) cause the sudden and accidental escape of water or steam from a plumbing, heating or air conditioning system, household appliance or fire protective sprinkler system

within **your dwelling**, **we** cover the direct physical damage caused by the water or steam. If loss to covered property is caused by water or steam not otherwise excluded, **we** will cover the cost of tearing out and replacing any part of **your dwelling** necessary to repair the system or appliance. This does not include damage to the defective system or appliance from which the water escaped.

14. Freezing of:

- a) plumbing, fire protective sprinkler systems, heating or air conditioning systems;
- b) household appliances; or
- c) swimming pools, hot tubs and spas within the **dwelling**, their filtration and circulation systems;

or discharge, leakage or overflow from within a), b) or c) above, caused by freezing, while the **building structure** or any **rental unit** in that **building structure** is vacant, unoccupied or being constructed, unless **you** have used reasonable care to:

- a) maintain heat in the **building structure** including all **rental units**; or
- b) shut off the water supply and drain the system and appliances in the **building structure**.

15. Freezing, thawing, pressure or weight of water, snow or ice, whether driven by wind or not. This exclusion applies to:

- a) fences, pavements, patios, foundations, retaining walls, bulkheads, piers, wharves and docks; and
- b) swimming pools, hot tubs, spas, their filtration and circulation systems if the swimming pool, hot tub or spa is not located within a heated portion of the **dwelling**.

16. Seepage, meaning continuous or repeated seepage or leakage over a period of weeks, months, or years, of water, steam or fuel:

- a) from a plumbing, heating, air conditioning or automatic fire protection system or from within a domestic appliance; or
- b) from within or around any plumbing fixtures, including, but not limited to, shower stalls, shower baths, tub installations, sinks or other fixtures designed for the use of water or steam.

17. Theft or burglary. However, **we** will cover damage to the exterior of covered **building structures** caused by the breaking in of a burglar or burglars if the **dwelling** is completed and has not been vacant or unoccupied for more than 90 consecutive days immediately prior to the loss. When **we** cover damage to the exterior of covered **building structures** caused by a burglar or burglars, **we** will also cover damage to interior surfaces of exterior doors and windows damaged by the break-in.

18. **Vandalism**. However, **we** do cover sudden and accidental direct physical loss caused by fire resulting from **vandalism** unless **your dwelling** has been vacant or unoccupied for more than 90 consecutive days immediately prior to the **vandalism**.

19. Any act of a **tenant**, or guests of a **tenant**, unless the act results in sudden and accidental direct physical loss caused by:

- a) fire;
- b) explosion;
- c) vehicles;
- d) smoke. However, **we** do not cover loss caused by smoke from the manufacturing of controlled substances, agricultural smudging or industrial operations;
- e) increase or decrease of artificially generated electrical current to electrical appliances, fixtures and wiring;
- f) bulging, burning, cracking or rupture of a steam or hot water heating system, an air conditioning system, an automatic fire protection system or an appliance for heating water;
- g) water or steam that escapes, due to accidental discharge or overflow, from a plumbing, heating or air conditioning system, an automatic fire protection system, or a household appliance; or
- h) freezing of a plumbing, heating or air conditioning system or a household appliance.

20. Weather conditions that contribute in any way with a cause of loss excluded under **Losses We Do Not Cover Under Coverage A and B** to produce a loss.

21. Planning, Construction or Maintenance, meaning faulty, inadequate or defective:

- a) planning, zoning, development, surveying, siting;
- b) design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- c) materials used in repair, construction, renovation or remodeling; or
- d) maintenance

of property whether on or off the **residence premises** by any person or organization.

B. **We** do not cover loss to the property described in **Dwelling Protection-Coverage A** or **Other Structures Protection-Coverage B** when:

- 1) there are two or more causes of loss to the covered property; and
- 2) the predominant cause(s) of loss is (are) excluded under items A.1 through A. 21 above.

C. **We** do not cover loss to the property described in **Dwelling Protection-Coverage A** or **Other Structures Protection-Coverage B** consisting of or caused by mold, fungus, wet rot, dry rot or bacteria. This includes any loss which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.

This exclusion applies regardless of whether mold, fungus, wet rot, dry rot or bacteria arises from any other cause of loss, including but not limited to a loss involving water, water damage or discharge, which may otherwise be covered by this policy, except as specifically provided in **Section I Conditions, Mold, Fungus, Wet Rot And Dry Rot Remediation As A Direct Result Of A Covered Water Loss**.

D. **We do not cover loss to the property described in Dwelling Protection–Coverage A or Other Structures Protection–Coverage B** consisting of or caused by the following. These exclusions apply regardless of whether any other cause contributed concurrently or in any sequence to produce the loss:

- 1) Nuclear action, meaning nuclear reaction, discharge, radiation or radioactive contamination, or any consequence of any of these. Loss caused by nuclear action is not considered loss by fire, explosion or smoke.

We do cover sudden and accidental direct physical loss by fire resulting from nuclear action.

- 2) War or warlike acts, including, but not limited to, insurrection, rebellion or revolution.

Personal Property Protection–Coverage C

Property We Cover Under Coverage C:

Personal property owned or used by an **insured person** which is rented or held for rental with the **residence premises**, or used for the service of the **residence premises**. Coverage applies only while the personal property is on the **residence premises**, or while it is temporarily removed for repairs.

Property We Do Not Cover Under Coverage C:

1. Personal property specifically described and insured by this or any other insurance.
2. Animals.
3. Motorized land vehicles, including, but not limited to, any land vehicle powered or assisted by a motor or engine. **We do not cover any motorized land vehicle parts, equipment or accessories. We do, however, cover motorized land vehicles and their parts, equipment and accessories used solely for the service of the residence premises if not licensed for use on public roads.**
4. Aircraft and aircraft parts.
5. Watercraft, including their trailers, furnishings, equipment and motors.
6. Outdoor signs.
7. Property of roomers, boarders or **tenants**.
8. Any device, cellular communication system, radar signal reception system, accessory or antenna designed for reproducing, detecting, receiving, transmitting, recording or playing back data, sound or picture which may be powered by electricity from a motorized land vehicle or watercraft.
9. Satellite dish antennas and their systems.

Losses We Cover Under Coverage C:

We will cover sudden and accidental direct physical loss to the property described in Personal Property Protection–Coverage C, except as limited or excluded in this policy, caused by:

1. Fire or lightning.

However, **we do not cover loss caused by fire resulting from vandalism if your dwelling has been vacant or unoccupied for more than 90 consecutive days immediately prior to the vandalism.**

2. Windstorm or hail.

We do not cover loss to covered property inside a building structure, caused by rain, snow, sleet, sand or dust unless the wind or hail first damages the roof or walls and the wind forces rain, snow, sleet, sand or dust through the damaged roof or wall.

3. Explosion.
4. Riot or Civil Commotion, including pillage and looting during, and at the site of, the riot or civil commotion.
5. Aircraft, including self-propelled missiles and spacecraft.
6. Vehicles.
7. Smoke.

We do not cover loss caused by smoke from the manufacturing of controlled substances, agricultural smudging or industrial operations.

8. Falling objects.

We do not cover loss to personal property inside a building structure unless the falling object first damages an exterior wall or roof of the building structure. Damage to the falling object itself is not covered.

9. Weight of ice, snow or sleet which causes damage to personal property in a **building structure**, but only if the **building structure** is damaged due to the weight of ice, snow or sleet.
10. Increase or decrease of artificially generated electrical current to electrical appliances, fixtures and wiring.
11. Breakage of glass, meaning damage to covered personal property caused by breakage of glass constituting a part of any **building structure** on the **residence premises**. This does not include damage to the glass.
12. Bulging, burning, cracking or rupture of a steam or hot water heating system, an air conditioning system, an automatic fire protection system or an appliance for heating water.
13. Water or steam that escapes from a plumbing, heating or air conditioning system, an automatic fire protection system, or from a household appliance due to accidental discharge or overflow.

We do not cover loss to the system or appliance from which the water or steam escapes, or loss from water which backs up through sewers or drains or overflows from a sump pump, sump pump well or other system designed for the removal of subsurface water which is drained from a foundation area of a structure.

14. Freezing of a plumbing, heating or air conditioning system or a household appliance.

We do not cover loss to any covered property in a **building structure** or any **rental unit** at the **residence premises** under perils 12), 13), and 14) caused by or resulting from freezing while the **building structure** or any **rental unit** in that **building structure** is vacant, unoccupied or under construction unless **you** have used reasonable care to:

- a) maintain heat in the **building structure** including all **rental units**; or
- b) shut off the water supply and drain the system and appliances in the **building structure**.

Losses We Do Not Cover Under Coverage C:

A. **We** do not cover loss to the property described in **Personal Property Protection–Coverage C** consisting of or caused by:

1. Flood, including, but not limited to, surface water, waves, tidal water or overflow of any body of water, or spray from any of these, whether or not driven by wind.
2. Water or any other substance that backs up through sewers or drains.
3. Water or any other substance that overflows from a sump pump, sump pump well or other system designed for the removal of subsurface water which is drained from a foundation area of a structure.
4. Water or any other substance on or below the surface of the ground, regardless of its source. This includes water or any other substance which exerts pressure on, or flows, seeps or leaks through any part of the **residence premises**.

We do cover sudden and accidental direct physical loss caused by fire or explosion resulting from items 1 through 4 listed above.

5. Earth movement of any type, including, but not limited to, earthquake, volcanic eruption, lava flow, landslide, subsidence, mudflow, pressure, sinkhole, erosion, or the sinking, rising, shifting, creeping, expanding, bulging, cracking, settling or contracting of the earth.

This exclusion applies whether or not the earth movement is combined with water.

We do cover sudden and accidental direct physical loss caused by fire, explosion, or breakage of glass or safety glazing materials resulting from earth movement.

6. Enforcement of any building codes, ordinances or laws regulating the construction, reconstruction, maintenance, repair, placement or demolition of any **building structure**, other structure or land at the **residence premises**.

We do cover sudden and accidental direct physical loss to covered property caused by actions of civil authority to prevent the spread of fire.

7. The failure by any **insured person** to take all reasonable steps to save and preserve property when the property is endangered by a cause of loss **we** cover.
8. Any substantial change or increase in hazard, if changed or increased by any means within the control or knowledge of an **insured person**.
9. Intentional or criminal acts of, or at the direction of, an **insured person**, if the loss that occurs:
 - a) may be reasonably expected to result from such acts; or
 - b) is the intended result of such acts.

This exclusion applies regardless of whether an **insured person** is actually charged with, or convicted of, a crime.

10. Any type of vapors, fumes, acids, toxic chemicals, toxic gasses, toxic liquids, toxic solids, waste materials, irritants, contaminants, or pollutants, including, but not limited to:
 - a) lead in any form;
 - b) asbestos in any form;
 - c) radon in any form; or
 - d) oil, fuel oil, kerosene, liquid propane or gasoline intended for, or from, a storage tank located at the **residence premises**.
11. Weather conditions that contribute in any way with a cause of loss excluded under **Losses We Do Not Cover Under Coverage C** to produce a loss.
12. Planning, Construction or Maintenance, meaning faulty, inadequate or defective:
 - a) planning, zoning, development, surveying, siting;
 - b) design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - c) materials used in repair, construction, renovation or remodeling; or
 - d) maintenance

of property whether on or off the **residence premises** by any person or organization.

- B. **We** do not cover loss to the property described in **Personal Property Protection–Coverage C** when:
- 1) there are two or more causes of loss to the property; and
 - 2) the predominant cause(s) of loss is (are) excluded under items A.1 through A.12 above.

- C. **We** do not cover loss to the property described in **Personal Property Protection–Coverage C** consisting of or caused by mold, fungus, wet rot, dry rot or bacteria. This includes any loss which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.

This exclusion applies regardless of whether mold, fungus, wet rot, dry rot or bacteria arises from any other cause of loss, including but not limited to a loss involving water, water damage or discharge, which may

otherwise be covered by this policy, except as specifically provided in **Section I Conditions, Mold, Fungus, Wet Rot And Dry Rot Remediation As A Direct Result Of A Covered Water Loss.**

- D. **We** do not cover loss to the property described in **Personal Property Protection-Coverage C** consisting of or caused by the following. These exclusions apply regardless of whether any other cause contributed concurrently or in any sequence to produce the loss:

- 1) Nuclear action, meaning nuclear reaction, discharge, radiation or radioactive contamination, or any consequence of any of these. Loss caused by nuclear action is not considered loss by fire, explosion or smoke.

We do cover sudden and accidental direct physical loss by fire resulting from nuclear action.

- 2) War or warlike acts, including, but not limited to, insurrection, rebellion or revolution.

Fair Rental Income-Coverage D

We Will Cover Under Coverage D:

1. **Your** lost fair rental income resulting from a covered loss, less charges and expenses which do not continue, when a loss **we** cover under **Dwelling Protection-Coverage A** makes a **rental unit** uninhabitable. **We** will pay for lost fair rental income for the shortest time required to either repair or replace the **rental unit**, but not to exceed 12 months from the date of the loss which made the **rental unit** uninhabitable.
2. **Your** lost fair rental income, less charges and expenses which do not continue, for up to two weeks should civil authorities prohibit use of the **dwelling** due to a loss at a neighboring premises caused by a peril **we** insure against under this policy.

However, payments for **your** lost fair rental income due to remediation of mold, fungus, wet rot or dry rot will not be paid in addition to any payments paid or payable under **Section I Conditions, Mold, Fungus, Wet Rot And Dry Rot Remediation As A Direct Result Of A Covered Water Loss.**

These periods of time are not limited by the termination of this policy.

This protection begins only after **you** have given **us** notice of the covered loss and only if, at the time of the loss, the **rental unit** was habitable and:

- a) occupied by a **tenant**; or
- b) **you** had a signed, written rental agreement for the **rental unit**, in which case this protection begins on the occupancy date specified in the rental agreement; or
- c) the **rental unit** was occupied by a **tenant** within 60 days of the loss and was in the process of being renovated.

We do not cover loss or expense due to the cancellation of a lease or agreement.

No deductible applies to this protection.

Section I Additional Protection

1. Debris Removal

We will pay reasonable expenses **you** incur to remove debris of covered property damaged by a loss **we** cover. If the loss to the covered property and the cost of debris removal are more than the Limit Of Liability shown on the Policy Declarations for the covered property, **we** will pay up to an additional 5% of that limit for debris removal.

2. Trees, Shrubs, Plants And Lawns

We will pay up to an additional 5% of the Limit Of Liability shown on the Policy Declarations under **Dwelling Protection-Coverage A** for loss to trees, shrubs, plants and lawns at the address of the **residence premises**. **We** will not pay more than \$500 for any one tree, shrub, or plant, including expenses incurred for removing debris. This coverage applies only to direct physical loss caused by fire or lightning, explosion, riot or civil commotion, aircraft, vehicles, theft or collapse of a **building structure** or any part of a **building structure**.

We will pay up to \$500 for reasonable expenses **you** incur for the removal of debris of trees at the address of the **residence premises** for direct physical loss caused by windstorm, hail, or weight of ice, snow or sleet. The fallen tree must have caused damage to property covered under **Dwelling Protection-Coverage A** or **Other Structures Protection-Coverage B**.

We do not cover trees, shrubs, plants, or lawns grown for **business** purposes.

3. Emergency Removal Of Property

We will pay for sudden and accidental direct physical loss to covered property from any cause while removed from the **residence premises** because of danger from a loss **we** cover. Protection is limited to a 30-day period from the date of removal. This protection does not increase the limit of liability that applies to the covered property.

4. Fire Department Charges

We will pay up to \$500 for service charges made by fire departments called to protect **your** property from a loss **we** cover at the **residence premises**. No deductible applies to this protection.

5. Temporary Repairs After A Loss

We will reimburse **you** up to \$5,000 for the reasonable and necessary cost **you** incur for temporary repairs to protect covered property from further imminent covered loss following a loss **we** cover. This coverage does not increase the limit of liability applying to the property being repaired.

6. Arson Reward

We will pay up to \$5,000 for information leading to an arson conviction in connection with a fire loss to property covered under **Section I** of this policy. The \$5,000 limit applies regardless of the number of persons providing information.

7. Collapse

We will cover at the residence premises:

- a) the entire collapse of a covered **building structure**;
- b) the entire collapse of part of a covered **building structure**; and
- c) direct physical loss to covered property caused by a) or b) above.

For coverage to apply, the collapse of a **building structure** specified in a) or b) above must be a sudden and accidental direct physical loss caused by one or more of the following:

- a) a loss **we** cover under **Section I, Personal Property Protection-Coverage C**;
- b) weight of persons, animals, equipment or contents;
- c) weight of rain or snow which collects on a roof;
- d) defective methods or materials used in construction, repair, remodeling or renovation, but only if the collapse occurs in the course of such construction, repair, remodeling or renovation.

We will not cover the collapse of underground septic tanks, fuel oil tanks, cesspools, cisterns or similar structures.

Loss to an awning, fence, patio, deck, pavement, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock is not included, unless the loss is a direct result of the collapse of a **building structure** or part of a **building structure** that is a sudden and accidental direct physical loss caused by one or more of the following:

- a) a loss **we** cover under **Section I, Personal Property Protection-Coverage C**;
- b) weight of persons, animals, equipment or contents; weight of rain or snow which collects on a roof;
- c) defective methods or materials used in construction, repair, remodeling or renovation, but only if the collapse occurs in the course of such construction, repair, remodeling or renovation.

Collapse as referenced herein means the covered **building structure** or part of the covered **building structure** has actually fallen down or fallen into pieces unexpectedly and instantaneously. It does not include settling, cracking, shrinking, bulging, expansion, sagging, or bowing. Furthermore, collapse does not include or mean substantial structural impairment or imminent collapse.

This protection does not change the limit of liability applying to the covered property.

8. Land

If a sudden and accidental direct physical loss results in both a covered loss to **your dwelling**, other than the breakage of glass or safety glazing material, and a loss of land stability, **we** will pay up to \$10,000 for repair costs associated with the land. This includes the costs required to replace, rebuild, stabilize or otherwise restore the land necessary to support that part of **your dwelling** sustaining the covered loss.

The **Losses We Do Not Cover Under Coverages A and B** reference to earth movement does not apply to the loss of land stability provided under this Additional Protection.

Section I Conditions

1. Deductible

We will pay when a covered loss exceeds the deductible shown on the Policy Declarations. **We** will then pay only the excess amount, unless **we** have indicated otherwise in this policy.

2. Insurable Interest And Our Liability

In the event of a covered loss, **we** will not pay for more than an **insured person's** insurable interest in the property covered, nor more than the amount of coverage afforded by this policy.

3. What You Must Do After A Loss

In the event of a loss to any property that may be covered by this policy, **you** must:

- a) promptly give **us** or **our** agent notice. Report any loss involving theft, **vandalism** or burglary to the police as soon as possible.
- b) protect the property from further loss. Make any reasonable repairs necessary to protect it. Keep an accurate record of any repair expenses.
- c) separate damaged from undamaged personal property. Give **us** a detailed list of the damaged, destroyed or stolen property, showing the quantity, cost, actual cash value and the amount of loss claimed.
- d) give **us** all accounting records, bills, invoices and other vouchers, or certified copies, which **we** may reasonably request to examine, and permit **us** to make copies.
- e) produce records supporting any claim for loss of fair rental income as often as **we** reasonably require.
- f) as often as **we** reasonably require:
 - 1) show **us** the damaged property.
 - 2) at **our** request, submit to examinations under oath, separately and apart from any other person defined as **you** or **insured person**, and sign a transcript of the same.
 - 3) produce representatives, employees, members of the insured's household or others to the extent it is within the **insured person's** power to do so; and
 - 4) cooperate with **us** in the investigation or settlement of the claim, including providing available information concerning **tenants**; and
- g) within 60 days after the loss, give **us** a signed, sworn proof of the loss. This statement must include the following information:
 - 1) the date, time, location and cause of the loss;
 - 2) the interest **insured persons** and others have in the property, including any encumbrances;
 - 3) the actual cash value and amount of loss for each item damaged, destroyed or stolen;
 - 4) any other insurance that may cover the loss;
 - 5) any changes in title, use, occupancy or possession of the property that have occurred during the policy period;
 - 6) at **our** request, the specifications of any damaged **building structure** or other structure.

We have no duty to provide coverage under this section if **you**, an **insured person**, or a representative of either fail to comply with items a) through g) above, and this failure to comply is prejudicial to **us**.

4. **Our Settlement Options**

In the event of a covered loss, **we** have the option to:

- a) repair, rebuild or replace all or any part of the damaged, destroyed or stolen covered property with property of like kind and quality within a reasonable time; or
- b) pay for all or any part of the damaged, destroyed or stolen property as described in **Condition 5, How We Pay For A Loss**.

Within 30 days after **we** receive **your** signed, sworn proof of loss, **we** will notify **you** of the option or options **we** intend to exercise.

5. **How We Pay For A Loss**

Under **Dwelling Protection–Coverage A, Other Structures Protection–Coverage B** and **Personal Property Protection–Coverage C**, payment for covered loss will be by one or more of the following methods:

- a) Special Payment. At **our** option, **we** may make payment for a covered loss before **you** repair, rebuild or replace the damaged, destroyed or stolen property if:
 - 1) the whole amount of loss for property covered under **Dwelling Protection–Coverage A** and **Other Structures Protection–Coverage B**, without deduction for depreciation, is less than \$2,500 and the property is not excluded from the Building Structure Reimbursement provision, or;
 - 2) the whole amount of loss for property covered under **Personal Property Protection–Coverage C**, without deduction for depreciation, is less than \$2,500, **your** Policy Declarations shows that the Personal Property Reimbursement provision applies, and the property is not excluded from the Personal Property Reimbursement provision.
- b) Actual Cash Value. If **you** do not repair or replace the damaged, destroyed or stolen property, payment will be on an actual cash value basis. This means there may be a deduction for depreciation. Payment will not exceed the Limit Of Liability shown on the Policy Declarations for the coverage that applies to the damaged, destroyed or stolen property, regardless of the number of items involved in the loss.

If applicable, **you** may make claim for additional payment as described in paragraph c) and paragraph d) below if **you** repair or replace the damaged, destroyed or stolen covered property within 180 days of the actual cash value payment.

- c) Building Structure Reimbursement. Under **Dwelling Protection–Coverage A** and **Other Structures Protection–Coverage B**, **we** will make additional payment to reimburse **you** for cost in excess of actual cash value if **you** repair, rebuild or replace damaged, destroyed or stolen covered property within 180 days of the actual

cash value payment. This additional payment includes the reasonable and necessary expense for treatment or removal and disposal of contaminants, toxins or pollutants as required to complete repair or replacement of that part of a **building structure** damaged by a covered loss.

This additional payment shall not include any amounts which may be paid or payable under **Section I Conditions, Mold, Fungus, Wet Rot And Dry Rot Remediation As A Direct Result Of A Covered Water Loss**, and shall not be payable for any losses excluded in **Section I—Your Property**, under **Losses We Do Not Cover Under Coverages A and B**, item C.

Building Structure Reimbursement will not exceed the smallest of the following amounts:

- 1) the replacement cost of the part(s) of the **building structure(s)** for equivalent construction for the same use on the same premises;
- 2) the amount actually and necessarily spent to repair or replace the damaged **building structure(s)** with equivalent construction for the same use on the same premises; or
- 3) the Limit Of Liability applicable to the **building structure(s)** as shown on the Policy Declarations for **Dwelling Protection–Coverage A** or **Other Structures Protection–Coverage B**, regardless of the number of **building structures** and structures other than **building structures** involved in the loss.

If **you** replace the damaged **building structure(s)** at an address other than shown on the Policy Declarations through construction of a new structure or purchase of an existing structure, such replacement will not increase the amount payable under Building Structure Reimbursement described above. The amount payable under Building Structure Reimbursement described above does not include the value of any land associated with the replacement structure(s).

Building Structure Reimbursement payment will be limited to the difference between any actual cash value payment made for the covered loss to **building structures** and the smallest of 1), 2), or 3) above.

Building Structure Reimbursement will not apply to:

- 1) property covered under **Personal Property Protection–Coverage C**;
- 2) property covered under **Other Structures Protection–Coverage B** that is not a **building structure**;
- 3) wall-to-wall carpeting, ceramic or vinyl floor coverings, hardwood floors, built-in appliances, fences, awnings and outdoor antennas whether or not fastened to a **building structure**; or
- 4) land.

Payment under a), b), or c) above will not include any increased cost due to the enforcement of building codes, ordinances or laws regulating the construction, reconstruction, maintenance, repair, relocation or demolition of **building structures** or other structures.

- d) **Personal Property Reimbursement.** When the Policy Declarations shows that the Personal Property Reimbursement provision applies under **Personal Property Protection–Coverage C**, we will make additional payment to reimburse **you** for cost in excess of actual cash value if **you** repair, rebuild or replace damaged, destroyed or stolen covered personal property within 180 days of the actual cash value payment.

Personal Property Reimbursement payment will not exceed the smallest of the following amounts:

- 1) the amount actually and necessarily spent to repair or replace the property with similar property of like kind and quality;
- 2) the cost of repair or restoration; or
- 3) the Limit Of Liability shown on the Policy Declarations for **Personal Property Protection–Coverage C**.

Personal Property Reimbursement will be limited to the difference between any actual cash value payment made for the covered loss to personal property and the smallest of 1), 2), or 3) above.

Personal Property Reimbursement will not apply to:

- 1) property insured under **Dwelling Protection–Coverage A** or **Other Structures Protection–Coverage B**;
- 2) antiques, fine arts, paintings, statuary and similar articles which, by their inherent nature, cannot be replaced;
- 3) articles whose age or history contribute substantially to their value. This includes, but is not limited to, memorabilia, souvenirs and collector's items;
- 4) property that was obsolete or unusable for the originally intended purpose because of age or condition prior to the loss; or
- 5) wall-to-wall carpeting.

6. **Our Settlement Of Loss**

We will settle any covered loss with **you** unless some other person or entity is named in the policy. **We** will settle within 60 days after the amount of loss is finally determined. This amount may be determined by an agreement between **you** and **us**, an appraisal award, or by a court judgment.

7. **Appraisal**

If **you** and **we** fail to agree on the amount of loss, either party may make written demand for an appraisal. Upon such demand, each party must select a competent and impartial appraiser and notify the other of the appraiser's identity within 20 days after the demand is received. The appraisers will select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days, **you** or **we** can ask a judge of a court of record in the state where the **residence premises** is located to select an umpire.

The appraisers shall then determine the amount of loss, stating separately the actual cash value and the amount of loss to each item. If the appraisers submit a written report of an agreement to **you** and to **us**, the amount agreed upon shall be the amount of loss. If they cannot agree, they will submit their differences to the umpire. A written award agreed upon by the appraisers or an appraiser and the umpire will determine the amount of loss.

Each party will pay the appraiser it chooses and equally bear expenses for the umpire and all other appraisal expenses.

8. **Abandoned Property**

We are not obligated to accept any property or responsibility for any property abandoned by an **insured person**.

9. **Mortgagee**

A covered loss will be payable to the mortgagees named on the Policy Declarations to the extent of their interest and in the order of precedence. All provisions of **Section I** of this policy apply to these mortgagees.

We will:

- a) protect the mortgagee's interest in a covered **building structure** in the event of an increase in hazard, intentional or criminal acts of, or directed by, an **insured person**, failure by any **insured person** to take all reasonable steps to save and preserve property after a loss, a change in ownership, or foreclosure if the mortgagee has no knowledge of these conditions; and
- b) give the mortgagee at least 10 days notice if **we** cancel this policy.

The mortgagee will:

- a) furnish proof of loss within 60 days after notice of the loss if an **insured person** fails to do so;
- b) pay upon demand any premium due if an **insured person** fails to do so;
- c) notify **us** in writing of any change of ownership or occupancy or any increase in hazard of which the mortgagee has knowledge;
- d) give **us** the mortgagee's right of recovery against any party liable for loss; and
- e) after a loss, and at **our** option, permit **us** to satisfy the mortgage requirements and receive full transfer of the mortgage.

This mortgagee interest provision shall apply to any trustee, loss payee or other secured party.

10. **Permission Granted To You**

- a) The **residence premises** may be vacant or unoccupied for any length of time, except where a time limit is indicated in this policy for specific perils. A **building structure** under construction is not considered vacant or unoccupied.
- b) **You** may make alterations, additions or repairs, and **you** may complete structures under construction.

11. **Our Rights To Recover Payment**

When **we** pay for any loss, an **insured person's** rights to recover from anyone else become **ours** up to the amount **we** have paid. An **insured person** must protect these rights and help **us** enforce them.

You may waive **your** rights to recover against another person for loss involving the property covered by this policy. This waiver must be in writing prior to the date of loss.

12. **Our Rights To Obtain Salvage**

We have the option to take all or any part of the damaged or destroyed covered property upon replacement by **us** or payment of the agreed or appraised value.

We will notify **you** of **our** intent to exercise this option within 30 days after **we** receive **your** signed, sworn proof of loss.

When **we** settle any loss caused by theft or disappearance, **we** have the right to obtain all or part of any property which may be recovered. An **insured person** must protect this right and inform **us** of any property recovered. **We** will inform **you** of **our** intent to exercise this right within 10 days of **your** notice of recovery to **us**.

13. **Action Against Us**

No one may bring an action against **us** in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, under a coverage to which **Section I Conditions** applies, unless:

- a) there has been full compliance with all policy terms; and
- b) the action is commenced within one year after the inception of loss or damage.

14. **Loss To A Pair Or Set**

If there is a covered loss to a pair or set, **we** may:

- a) repair or replace any part of the pair or set to restore it to its actual cash value before the loss; or
- b) pay the difference between the actual cash value of the pair or set before and after the loss.

15. **Glass Replacement**

Payment for loss to covered glass includes the cost of using safety glazing materials when required by law.

16. **No Benefit To Bailee**

This insurance will not benefit any person or organization who may be caring for or handling **your** property for a fee.

17. **Other Insurance**

If both this insurance and other insurance apply to a loss, **we** will pay the proportionate amount that this insurance bears to the total amount of all applicable insurance. However, in the event of a covered loss by theft, this insurance shall be excess over any other insurance that covers loss by theft.

18. **Property Insurance Adjustment**

When the Policy Declarations indicates that the Property Insurance Adjustment Condition applies, **you** agree that, at each policy anniversary, **we** may increase the limit of liability shown on the Policy Declarations for **Dwelling Protection-Coverage A** to reflect one of the following:

- a) the rate of change in the Index identified in the Important Payment and Coverage Information section of the Policy Declarations. The limit of liability for **Dwelling Protection-Coverage A** for the succeeding premium period will be determined by changing the existing limit in proportion to the change in the Index between the time the existing limit was established and the time the change is made. The resulting amount will be rounded to the nearest \$1000; or
- b) the minimum amount of insurance coverage **we** are willing to issue for the succeeding premium period under **Dwelling Protection-Coverage A** for **your dwelling** and other property **we** cover under **Dwelling Protection-Coverage A**.

Any adjustment in the limit of liability for **Dwelling Protection-Coverage A** will result in an adjustment in the limit of liability for **Other Structures Protection-Coverage B** and **Personal Property Protection-Coverage C** in accordance with **our** manual of Rules and Rates.

Any adjustment in premium resulting from the application of this condition will be made based on premium rates in use by **us** at the time a change in limits is made.

We will not reduce the limit of liability shown on the Policy Declarations without **your** consent. **You** agree that it is **your** responsibility to ensure that each of the limits of liability shown on the Policy Declarations are appropriate for **your** insurance needs. If **you** want to increase or decrease any of the limits of liability shown on the Policy Declarations, **you** must contact **us** to request such a change.

19. **Mold, Fungus, Wet Rot And Dry Rot Remediation As A Direct Result Of A Covered Water Loss**

In the event of a covered water loss under **Dwelling Protection-Coverage A**, **Other Structures Protection-Coverage B** or **Personal Property Protection-Coverage C**, **we** will pay up to \$5,000 for mold, fungus, wet rot or dry rot **remediation**.

Remediation means the reasonable and necessary treatment, removal or disposal of mold, fungus, wet rot or dry rot as required to complete repair or replacement of property **we** cover under **Dwelling Protection-Coverage A**, **Other Structures Protection-Coverage B** or **Personal Property Protection-Coverage C** damaged by a covered water loss. **Remediation** also includes any investigation or testing to detect, measure or evaluate mold, fungus, wet rot or dry rot.

This does not increase the limits of liability under **Dwelling Protection-Coverage A**, **Other Structures Protection-Coverage B** or **Personal Property Protection-Coverage C**.

SECTION II—LIABILITY PROTECTION AND PREMISES MEDICAL PROTECTION

Liability Protection—Coverage X

Losses We Cover Under Coverage X:

Subject to the terms, conditions and limitations of this policy, **we** will pay compensatory damages which an **insured person** becomes legally obligated to pay because of **bodily injury, personal injury, or property damage** arising from a covered **occurrence**. **We** will not pay any punitive or exemplary damages, fines or penalties.

We may investigate or settle any claim or suit for covered damages against an **insured person**. If an **insured person** is sued for these damages, **we** will provide a defense with counsel of **our** choice, even if the allegations are groundless, false or fraudulent. **We** are not obligated to defend any suit or pay any claim or judgment after **we** have exhausted **our** limit of liability.

Losses We Do Not Cover Under Coverage X:

1. **We** do not cover **bodily injury, personal injury, or property damage** intended by, or which may reasonably be expected to result from the intentional or criminal acts or omissions of, an **insured person**. This exclusion applies even if:
 - a) an **insured person** lacks the mental capacity to govern his or her conduct;
 - b) such **bodily injury, personal injury or property damage** is of a different kind or degree than intended or reasonably expected; or
 - c) such **bodily injury, personal injury, or property damage** is sustained by a different person than intended or reasonably expected.

This exclusion applies regardless of whether an **insured person** is actually charged with, or convicted of, a crime.
2. **We** do not cover **bodily injury or personal injury** to an **insured person**.
3. **We** do not cover **property damage** to any:
 - a) property owned by an **insured person**;
 - b) property owned by others which an **insured person** agreed to insure or for which an **insured person** agreed to be responsible; or
 - c) property rented to, occupied or used by, or in the care of an **insured person**.
4. **We** do not cover **bodily injury or personal injury** to any person eligible to receive benefits required to be provided or voluntarily provided by an **insured person** under any workers' compensation law, non-occupational disability law, occupational disease law, disability benefits law, or any other similar law.
5. **We** do not cover **bodily injury, personal injury or property damage** arising out of the ownership, maintenance, use, occupancy, renting, loaning, entrusting, loading or unloading of any:
 - a) aircraft;
 - b) watercraft; or

- c) motorized land vehicle or trailer other than lawn and garden implements under 40 motor horsepower.
6. **We** do not cover **bodily injury, personal injury or property damage** arising out of the negligent supervision by an **insured person** of any person.
7. **We** do not cover any liability imposed on any **insured person** by any governmental authority arising from the ownership, maintenance, use, occupancy, renting, loaning, entrusting, loading or unloading of any:
 - a) aircraft;
 - b) watercraft; or
 - c) motorized land vehicle or trailer other than lawn and garden implements under 40 motor horsepower.
8. **We** do not cover **bodily injury or personal injury** which results in any manner from any type of vapors, fumes, acids, toxic chemicals, toxic gasses, toxic liquids, toxic solids, waste materials, irritants, contaminants, or pollutants, including, but not limited to:
 - a) lead in any form;
 - b) asbestos in any form;
 - c) radon in any form; or
 - d) oil, fuel oil, kerosene, liquid propane or gasoline intended for, or from, a storage tank located at the **residence premises**.

However, **we** do cover **bodily injury** which results from the sudden and accidental discharge, dispersal, release or escape of carbon monoxide from a heating system, an appliance for heating water, or a household appliance located at the **residence premises**.
9. **We** do not cover **property damage** consisting of or caused by any type of vapors, fumes, acids, toxic chemicals, toxic gasses, toxic liquids, toxic solids, waste materials, irritants, contaminants, or pollutants, including, but not limited to:
 - a) lead in any form;
 - b) asbestos in any form;
 - c) radon in any form; or
 - d) oil, fuel oil, kerosene, liquid propane or gasoline intended for, or from, a storage tank located at the **residence premises**.
10. **We** do not cover any liability imposed upon any **insured person** by any governmental authority for **bodily injury or personal injury** which results in any manner from, or for **property damage** consisting of or caused by, any type of vapors, fumes, acids, toxic chemicals, toxic gasses, toxic liquids, toxic solids, waste materials, irritants, contaminants, or pollutants, including, but not limited to:
 - a) lead in any form;
 - b) asbestos in any form;
 - c) radon in any form; or
 - d) oil, fuel oil, kerosene, liquid propane or gasoline intended for, or from, a storage tank located at the **residence premises**.
11. **We** do not cover any loss, cost or expense arising out of any request, demand, or order that any **insured person** test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to or access the effects of any type of vapors, fumes, acids, toxic chemicals,

toxic gasses, toxic liquids, toxic solids, waste materials, irritants, contaminants, or pollutants, including, but not limited to:

- a) lead in any form;
- b) asbestos in any form;
- c) radon in any form; or
- d) oil, fuel oil, kerosene, liquid propane or gasoline intended for, or from, a storage tank located at the **residence premises**.

12. **We do not cover bodily injury, personal injury or property damage** arising out of the rendering of, or failure to render, professional services by an **insured person**.
13. **We do not cover bodily injury, personal injury or property damage** arising out of the past or present **business** activities of an **insured person**.
14. **We do not cover bodily injury, personal injury or property damage** arising out of any premises, other than the **residence premises**, owned, rented or controlled by an **insured person**.
15. **We do not cover bodily injury, personal injury or property damage** arising from any contract or agreement, whether written or oral.
16. **We do not cover bodily injury, personal injury or property damage** caused by war or warlike acts, including, but not limited to, insurrection, rebellion or revolution.
17. **We do not cover bodily injury, personal injury or property damage** for which an **insured person** may be held legally liable arising out of the sale, distribution, manufacture, service, use or gift or any alcoholic beverage(s) or any controlled or illegal substances.
18. **We do not cover personal injury** caused by a violation of a law or ordinance committed:
 - a) by an **insured person**; or
 - b) with an **insured person's** knowledge or consent.
19. **We do not cover personal injury** to any person if the **personal injury** arises from that person's employment by an **insured person**.
20. **We do not cover personal injury** arising from the publication of libelous or defamatory remarks or from the utterance of slanderous or defamatory remarks:
 - a) if the initial publication or utterance of the same or similar material by or on behalf of an **insured person** occurred prior to the effective date of this insurance.
 - b) made by or at the direction of an **insured person** with awareness of the falsity of such remarks.
21. **We do not cover personal injury** arising from illegal discrimination.
22. **We do not cover bodily injury, personal injury or property damage** which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.
23. **We do not cover any liability** imposed upon any **insured person** by any governmental authority for **bodily injury, personal injury or property damage** which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.

Premises Medical Protection–Coverage Y

Losses We Cover Under Coverage Y:

We will pay the reasonable expenses incurred for necessary medical, surgical, x-ray and dental services; ambulance, hospital, licensed nursing and funeral services; and prosthetic devices, eyeglasses, hearing aids, and pharmaceuticals. These expenses must be incurred and the services performed within three years from the date of an **occurrence** resulting in **bodily injury** covered by this part of the policy.

Payment will be made only if **bodily injury**:

1. arises from a condition on the **residence premises** or immediately adjoining ways; or
2. arises from an **occurrence** for which indemnification is provided under **Liability Protection–Coverage X** of this policy.

Losses We Do Not Cover Under Coverage Y:

1. **We do not cover any bodily injury** intended by, or which may reasonably be expected to result from the intentional or criminal acts or omissions of, an **insured person**.

This exclusion applies even if:

- a) an **insured person** lacks the mental capacity to govern his or her conduct;
- b) such bodily injury is of a different kind or degree than intended or reasonably expected; or
- c) such **bodily injury** is sustained by a different person than intended or reasonably expected.

This exclusion applies regardless of whether an **insured person** is actually charged with, or convicted of, a crime.

2. **We do not cover bodily injury** to any person eligible to receive benefits required to be provided or voluntarily provided by an **insured person** under any workers' compensation law, non-occupational disability law, occupational disease law, disability benefits law, or any other similar law.
3. **We do not cover bodily injury** arising out of the ownership, maintenance, use, occupancy, renting, loaning, entrusting, loading or unloading of any:
 - a) aircraft;
 - b) watercraft; or
 - c) motorized land vehicle or trailer other than lawn and garden implements under 40 motor horsepower.
4. **We do not cover bodily injury** arising out of the negligent supervision by an **insured person** of any person.
5. **We do not cover any bodily injury** to an **insured person**.
6. **We do not cover bodily injury** which results in any manner from any type of vapors, fumes, acids, toxic chemicals, toxic gasses, toxic liquids, toxic solids, waste materials, irritants, contaminants, or pollutants, including, but not limited to:
 - a) lead in any form;
 - b) asbestos in any form;
 - c) radon in any form; or

- d) oil, fuel oil, kerosene, liquid propane or gasoline intended for, or from, a storage tank located at the **residence premises**.

However, **we** do cover **bodily injury** which results from the sudden and accidental discharge, dispersal, release or escape of carbon monoxide from a heating system, an appliance for heating water, or a household appliance located at the **residence premises**.

7. **We** do not cover **bodily injury** arising out of the rendering of, or failure to render, professional services by an **insured person**.
8. **We** do not cover **bodily injury** to any person arising out of a professional service being conducted on the **residence premises** by any person.
9. **We** do not cover **bodily injury** caused by war or warlike acts, including, but not limited to, insurrection, rebellion or revolution.
10. **We** do not cover **bodily injury** to any person if the **bodily injury** arises from that person's employment by an **insured person**.
11. **We** do not cover **bodily injury**:
 - a) to a **tenant** if the **bodily injury** occurs on the part of the **residence premises** rented from an **insured person**; or
 - b) to an employee of a tenant if the **bodily injury** arises out of employment by the **tenant**.
12. **We** do not cover **bodily injury** to any person engaged in:
 - a) maintenance or repair of the **residence premises**;
 - b) alteration, demolition or new construction at the **residence premises**.
13. **We** do not cover **bodily injury** arising out of the sale, distribution, manufacture, service, use or gift of any alcoholic beverage(s) or any controlled or illegal substances.
14. **We** do not cover **bodily injury** or **personal injury** which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.

Section II Additional Protection

We will pay, in addition to the applicable limits of liability:

1. Claim Expenses

We will pay:

- a) all costs **we** incur in the settlement of any claim or the defense of any suit against an **insured person**;
- b) interest accruing on damages awarded until such time as **we** have paid, formally offered, or deposited in court the amount for which **we** are liable under this policy. Interest will be paid only on damages which do not exceed **our** limits of liability;
- c) premiums on bonds required in any suit **we** defend; **we** will not pay bond premiums in an amount that is more than **our Liability Protection-Coverage X** limit of liability. **We** have no obligation to apply for or furnish bonds;
- d) Up to \$150 per day for loss of wages and salary when **we** ask **you** to attend trials and hearings;

- e) any other reasonable expenses incurred by an **insured person** at **our** request.

2. Emergency First Aid

We will pay reasonable expenses incurred by an **insured person** for first aid to other persons at the time of an **occurrence** involving **bodily injury** covered under this policy.

Section II Conditions

1. What You Must Do After A Loss

In the event of **bodily injury**, **personal injury** or **property damage**, you must do the following:

- a) Promptly notify **us** or **our** agent stating:
 - 1) **your** name and policy number;
 - 2) the date, the place and the circumstances of the loss;
 - 3) the name and address of anyone who might have a claim against an **insured person**;
 - 4) the names and addresses of any witnesses.
- b) Promptly send **us** any legal papers relating to the loss.
- c) At **our** request, an **insured person** will:
 - 1) cooperate with **us** and assist **us** in any matter concerning a claim or suit;
 - 2) help **us** enforce any right of recovery against any person or organization who may be liable to an **insured person**;
 - 3) attend any hearing or trial;
 - 4) assist **us** by collecting and giving evidence and obtaining witnesses.

Any **insured person** will not voluntarily pay any money, assume any obligations, or incur any expense, other than for first aid to others at the time of the loss as provided for in this policy.

2. What An Injured Person Must Do—Premises Medical Protection-Coverage Y

If someone is injured, that person, or someone acting for that person, must do the following:

- a) Promptly give **us** written proof of the loss. If **we** request, this must be done under oath.
- b) Give **us** written authorization to obtain copies of all medical records and reports.
- c) Permit doctors **we** select to examine the injured person as often as **we** may reasonably require.

3. Our Payment Of Loss—Premises Medical Protection-Coverage Y

We may pay the injured person or the provider of the medical services. Payment under this coverage is not an admission of liability by **us** or an **insured person**.

4. Our Limits Of Liability

Regardless of the number of insured persons, injured persons, claims, claimants or policies involved, **our** total liability under **Liability Protection-Coverage X** for damages resulting from one **occurrence** will not exceed the Limit Of Liability shown on the Policy Declarations. All **bodily injury**, **personal injury** and **property damage** resulting from

continuous or repeated exposure to the same general conditions is considered the result of one **occurrence**.

Our total liability under **Premises Medical Protection–Coverage Y** for all medical expenses payable for **bodily injury** to any one person shall not exceed the each person Limit Of Liability shown on the Policy Declarations.

5. **Bankruptcy**

We are not relieved of any obligation under this policy because of the bankruptcy or insolvency of an **insured person**.

6. **Our Rights To Recover Payment—Liability Protection–Coverage X**

When **we** pay any loss, an **insured person's** right to recover from anyone else becomes **ours** up to the amount **we** have paid. An **insured person** must protect these rights and help **us** enforce them.

7. **Action Against Us**

- a) No one may bring an action against **us** in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, unless there has been full compliance with all policy terms.
- b) No one may bring an action against **us** in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, under **Liability Protection–Coverage X**, unless the obligation of an **insured person** to pay has been finally determined either by judgment against the **insured person** after actual trial, or by written agreement of the **insured person**, injured person and **us**, and the action against **us** is commenced within one year of such judgment or agreement.
- c) No one may bring an action against **us** in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, under **Premises Medical Protection–Coverage Y**, unless such action is commenced within one year after the date the expenses for which coverage is sought were actually incurred.
- d) No one may bring an action against **us** in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, under **Section II Additional Protection**, unless such action is commenced within one year after the date the claim expenses or emergency first aid expenses for which coverage is sought were actually incurred.
- e) No one shall have any right to make **us** a party to an action to determine the liability of an **insured person**.

8. **Other Insurance—Liability Protection–Coverage X**

This insurance is excess over any other valid and collectible insurance except insurance that is written specifically as excess over the limits of liability that apply to this policy.

SECTION III—OPTIONAL PROTECTION

Optional Coverages You May Buy

The following optional coverages may supplement coverages found in **Section I** or **Section II** and apply only when they are indicated on the Policy

Declarations. The provisions of this policy apply to each Optional Coverage in this section unless modified by the terms of the specific Optional Coverage.

1. **Building Codes–Coverage BC**

We will pay up to 10% of the amount of insurance on the Policy Declarations under **Dwelling Protection–Coverage A** to comply with local building codes after covered loss to **your dwelling** or when repair or replacement results in increased cost due to the enforcement of any building codes, ordinances or laws regulating the construction, reconstruction, maintenance, repair or demolition of **your dwelling**.

2. **Fire Department Charges–Coverage F**

The \$500 limit applying to the fire department service charges under **Section I Additional Protection** is increased to the amount shown on the Policy Declarations.

3. **Loss Assessments–Coverage G**

If **your** ownership of **your dwelling** requires that **you** be a member of, and subject to the rules of, an association governing areas held in common by all building owners as members of the association, **we** will pay **your** share of any special assessment charged against all building owners by the association up to the Limit Of Liability shown on the Policy Declarations, when the assessment is made as a result of:

- a) sudden and accidental direct physical loss to the property held in common by all building owners caused by a loss **we** cover under **Section I** of this policy; or
- b) **bodily injury** or **property damage** covered under **Section II** of this policy.

However, this optional coverage shall apply only to special assessments made as a result of covered losses occurring while this optional coverage is in force.

Any reduction or elimination of payments for losses because of any deductible applying to the insurance coverage of the association of building owners collectively is not covered under this protection.

We will pay only when the assessment levied against the **insured person**, as a result of any one loss, for **bodily injury** or **property damage** exceeds \$500 and then only for the amount of such excess. This coverage is not subject to any deductible applying to **Section I** of this policy.

In the event of an assessment, this coverage is subject to all the exclusions applicable to **Sections I** and **II** of this policy and the **Section I** and **II Conditions**, except as otherwise noted.

This coverage is excess over any insurance collectible under any policy or policies covering the association of building owners.

4. **Satellite Dish Antennas–Coverage SD**

Personal Property Protection–Coverage C is extended to pay for sudden and accidental direct physical loss to **your** satellite dish antennas and their systems on **your residence premises**, subject to the provisions of **Personal Property Protection–Coverage C**. The amount of coverage is shown on the Policy Declarations.