Filing at a Glance

Company: American Association of Insurance Services

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Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations	Co Tr Num: AAIS-2008-66	State Status: Fees verified and received
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	Author: SPI AAIS	Disposition Date: 11/12/2008
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Effective Date Requested (New): 06/01/2009		Effective Date (New): 06/01/2009
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General Information

Project Name: CW HO 09 08 Forms and Endorsements - AAIS-2008-66	Status of Filing in Domicile:
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Reference Title:	Advisory Org. Circular:
Filing Status Changed: 11/12/2008	
State Status Changed: 11/12/2008	Deemer Date:
Corresponding Filing Tracking Number:	

Filing Description:

Re: AAIS-2008-66

Homeowners Program

CW HO 09 08 Revised Forms and Endorsements

On behalf of our affiliated companies, the American Association of Insurance Services (AAIS) is filing revised mandatory forms and optional endorsements.

The revised materials being submitted will replace the versions of these forms and endorsements currently on file in your state.

The Filing Memorandum provides background for this submission and detailed descriptions of the materials being filed. Copies of the forms and endorsements are enclosed. Mockup copies of the revised forms and endorsements showing the changes made are also provided.

We propose that these forms and endorsements described in this filing become effective June 1, 2009. Companies will be advised to take the filing action outlined in the attached company action exhibit.

Please be advised that, once approved, the materials that are the subject of this filing will also be provided to affiliated companies in an electronic format. We will be happy to furnish you the same material electronically, upon request. Due to differences in printer configurations or other hardware or software differences, the appearance of the materials that are the subject of this filing may be altered slightly when produced by another system. Such alterations will be cosmetic only and will not affect the content of the filed materials.

Company and Contact

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CoCode: 31400
Group Code:
Group Name:
FEIN Number: 36-2021360

State of Domicile: Delaware
Company Type:
State ID Number:

Filing Fees

Fee Required?	Yes
Fee Amount:	$500.00

SERFF Tracking Number:	*AMAX-125898425*	*State:*	*Arkansas*
Filing Company:	*American Association of Insurance Services*	*State Tracking Number:*	*EFT $500*
Company Tracking Number:	*AAIS-2008-66*		
TOI:	*04.0 Homeowners*	*Sub-TOI:*	*04.0000 Homeowners Sub-TOI Combinations*
Product Name:	*Homeowners*		
Project Name/Number:	*CW HO 09 08 Forms and Endorsements - AAIS-2008-66/AAIS-2008-66*		

Retaliatory? No

Fee Explanation:

Per Company: No

SERFF Tracking Number:	*AMAX-125898425*	*State:*	*Arkansas*
Filing Company:	*American Association of Insurance Services*	*State Tracking Number:*	*EFT $500*
Company Tracking Number:	*AAIS-2008-66*		
TOI:	*04.0 Homeowners*	*Sub-TOI:*	*04.0000 Homeowners Sub-TOI Combinations*
Product Name:	*Homeowners*		
Project Name/Number:	*CW HO 09 08 Forms and Endorsements - AAIS-2008-66/AAIS-2008-66*		

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Association of Insurance Services	$500.00	11/11/2008	23856967

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Becky Harrington	11/12/2008	11/12/2008

Disposition

Disposition Date: 11/12/2008

Effective Date (New): 06/01/2009

Effective Date (Renewal):

Status: Approved

Comment: Subject to continued use of all previously approved AR exception endorsements.

Rate data does NOT apply to filing.

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	AR HO Forms Filing Memo	Approved	Yes
Supporting Document	HO 0001 09 08 to HO 0001 01 06	Approved	Yes
Supporting Document	HO 0002 09 08 to HO 0002 01 06	Approved	Yes
Supporting Document	HO 0003 09 08 to HO 0003 01 06	Approved	Yes
Supporting Document	HO 0004 09 08 to HO 0004 01 06	Approved	Yes
Supporting Document	HO 0005 09 08 to HO 0005 01 06	Approved	Yes
Supporting Document	HO 0006 09 08 to HO 0006 01 06	Approved	Yes
Supporting Document	HO 0008 09 08 to HO 0008 01 06	Approved	Yes
Supporting Document	HO 2708 09 08 to HO 2708 01 06	Approved	Yes
Supporting Document	HO 2730 09 08 to HO 2730 01 06	Approved	Yes
Supporting Document	HO 2770 09 08 to HO 2770 01 06	Approved	Yes
Supporting Document	HO 3542 09 08 to HO 3542 01 06	Approved	Yes
Supporting Document	HO 7029 09 08 to HO 7029 01 06	Approved	Yes
Supporting Document	HO 7032 09 08 to HO 7032 01 06	Approved	Yes
Supporting Document	Important Notice - Copyrighted Materials	Approved	Yes
Supporting Document	AR Forms Company Action Exhibit	Approved	Yes
Supporting Document	AR - REG 29 - CERT OF COMPLIANCE	Approved	Yes
Supporting Document	AR - FORM FILING ABSTRACT F-1	Approved	Yes
Form	Basic Form	Approved	Yes
Form	Broad Form	Approved	Yes
Form	Special Form	Approved	Yes
Form	Contents Broad Form	Approved	Yes
Form	Special Building and Contents Form	Approved	Yes
Form	Unit-Owners Form	Approved	Yes
Form	Limited Form	Approved	Yes
Form	Water Back Up and Sump Discharge or Overflow	Approved	Yes
Form	Coverage C -- Personal Property - Special Coverage	Approved	Yes
Form	Computer Coverage	Approved	Yes

Form	Office, Professional, Private School, Or Studio Occupancy - Described Location	Approved	Yes
Form	Unit-Owners Coverage C - Special Coverage	Approved	Yes
Form	Unit-Owners Coverage A - Special Coverage	Approved	Yes

Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type	Action	Action Specific Data	Readability	Attachment
Approved	Basic Form	HO 0001	09 08	Policy/Coverage Form	Replaced	Replaced Form #: Previous Filing #: AR-PC-06-020122	53.30	HO 0001.PDF
Approved	Broad Form	HO 0002	09 08	Policy/Coverage Form	Replaced	Replaced Form #: Previous Filing #: AR-PC-06-020122	54.12	HO 0002.PDF
Approved	Special Form	HO 0003	09 08	Policy/Coverage Form	Replaced	Replaced Form #: Previous Filing #: AR-PC-06-020122	53.57	HO 0003.PDF
Approved	Contents Broad Form	HO 0004	09 08	Policy/Coverage Form	Replaced	Replaced Form #: Previous Filing #: AR-PC-06-020122	53.80	HO 0004.PDF
Approved	Special Building and Contents Form	HO 0005	09 08	Policy/Coverage Form	Replaced	Replaced Form #: Previous Filing #: AR-PC-06-020122	53.63	HO 0005.PDF
Approved	Unit-Owners Form	HO 0006	09 08	Policy/Coverage Form	Replaced	Replaced Form #: Previous Filing #: AR-PC-06-020122	54.04	HO 0006.PDF
Approved	Limited Form	HO 0008	09 08	Policy/Coverage Form	Replaced	Replaced Form #: Previous Filing #:	54.19	HO 0008.PDF

						AR-PC-06-020122	
Approved	Water Back Up and Sump Discharge or Overflow	HO 2708	09 08	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:61.15 Previous Filing #: AR-PC-06-020122	HO 2708.PDF
Approved	Coverage C -- Personal Property - Special Coverage	HO 2730	09 08	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:49.30 Previous Filing #: AR-PC-06-020122	HO 2730.PDF
Approved	Computer Coverage	HO 2770	09 08	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:43.88 Previous Filing #: AR-PC-06-020122	HO 2770.PDF
Approved	Office, Professional, Private School, Or Studio Occupancy - Described Location	HO 3542	09 08	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:51.31 Previous Filing #: AR-PC-06-020122	HO 3542.PDF
Approved	Unit-Owners Coverage C - Special Coverage	HO 7029	09 08	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:48.92 Previous Filing #: AR-PC-06-020122	HO 7029.PDF
Approved	Unit-Owners Coverage A - Special Coverage	HO 7032	09 08	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:48.97 Previous Filing #: AR-PC-06-020122	HO 7032.PDF

BASIC FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".

Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.

AGREEMENT

This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.

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DEFINITIONS

1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household.

2. The words "we", "us", and "our" mean the company providing this insurance.

3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused.

4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include:

   a. a model aircraft that is not designed or used to carry people or cargo;

   b. a "hovercraft"; or

   c. a model hovercraft that is not designed or used to carry people or cargo.

5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services.

   However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person.

6. "Business" means:

   a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include:

      1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or
      2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or

   b. any other activity undertaken for money or other compensation, but this does not include:

      1) providing care services to a relative of an "insured";
      2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services;
      3) a volunteer activity for which:

         a) an "insured" receives no compensation; or
         b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or

      4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.

7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.

8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location.

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However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.

9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".

   However, "domestic employee" does not include a person who is furnished to an "insured":

   a. as a temporary substitute for a permanent "domestic employee" who is on leave; or

   b. to meet seasonal or short-term workloads.

10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".

11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.

    However, "hovercraft" does not include:

    a. a model hovercraft that is not designed or used to carry people or cargo;

    b. an "aircraft";

    c. a model aircraft that is not designed or used to carry people or cargo;

    d. a "motorized vehicle";

    e. a "watercraft"; or

    f. a model watercraft that is not designed or used to carry people or cargo.

13. "Insured" means:

    a. "you";

    b. "your" relatives if residents of "your" household;

    c. "your" relatives under the age of 25 years who:

       1) are financially dependent upon "you";
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school;

    d. persons, other than "your" relatives, under the age of 21 years who:

       1) reside in "your" household; and
       2) are in "your" care or in the care of "your" resident relatives;

    e. persons, other than "your" relatives, under the age of 21 years who:

       1) are in "your" care or in the care of "your" resident relatives;
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school; or

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f. solely with respect to the Liability Coverages provided by this policy:

1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties;
2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;
3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use;
4) persons or organizations accountable by law for "watercraft" or animals:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such "watercraft" or animals.

However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or

5) persons or organizations accountable by law for a motorized golf cart:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such golf cart.

However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.

The phrase an "insured", wherever it appears in this policy, means one or more "insureds".

14. "Insured premises" means:

a. the "described location";

b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";

c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;

d. premises used by "you" in connection with a premises described in a., b., or c. above;

e. cemetery lots and burial vaults of an "insured";

f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;

g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and

h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.

15. "Limit" means amount of insurance.

16. "Motorized vehicle" means:

a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a:

1) "hovercraft";
2) model hovercraft that is not designed or used to carry people or cargo;
3) "watercraft"; or

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4) model watercraft that is not designed or used to carry people or cargo; or

b. a trailer or semitrailer that:

1) is attached to or being carried on or towed by; or
2) becomes detached while being carried on or towed by;

a vehicle described in a. above.

17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.

18. "Pollutant" means:

a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and

b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.

19. "Property damage" means:

a. physical injury to or destruction of tangible property; or

b. the loss of use of tangible property whether or not it is physically damaged.

20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.

21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to:

a. armadillos;

b. bats;

c. opossums;

d. porcupines;

e. raccoons;

f. skunks; and

g. snakes.

22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include:

a. a model watercraft that is not designed or used to carry people or cargo;

b. a "hovercraft";

c. a model hovercraft that is not designed or used to carry people or cargo;

d. a "motorized vehicle";

e. an "aircraft"; or

f. a model aircraft that is not designed or used to carry people or cargo.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

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b. "We" do not cover:

1) land, including the land on which covered property is located;
2) underground water or surface water;
3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers.

c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.

2. **Coverage B -- Related Private Structures**

a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.

b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.

c. "We" do not cover:

1) land, including the land on which covered property is located;
2) underground water or surface water;
3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;
4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or
5) any structure:

a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes;
b) used, in whole or in part, for the direction or operation of a "business"; or
c) used, in whole or in part, for the storage of "business" property.

However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that:

(1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or
(2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and

does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.

d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.

3. **Coverage C -- Personal Property**

a. "We" cover personal property owned or used by an "insured". At "your" option:

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1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and
2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".

b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.

However, this limitation does not apply to personal property:

1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or
2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.

c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class.

1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.
2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.
3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers.

   However, this does not apply to:

   a) model watercraft that is not designed or used to carry people or cargo; or
   b) hovercraft.

6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.

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7) For loss by theft:

   a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;
   b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and
   c) $2,500 on guns and items related to guns.

8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others:

   a) $2,500 on property while on the "described location"; and
   b) $500 on property while away from the "described location".

      However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above.

   These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.

d. **Personal Property Not Covered** -- "We" do not cover:

   1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance;
   2) animals, birds, fish, or insects;
   3) "motorized vehicles".

      a) This includes:

         (1) their parts, equipment, and accessories, other than property described in c.3) above; and

         (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices;

         while in or on a "motorized vehicle".

      b) However, this does not include a "motorized vehicle":

         (1) that is designed to assist the handicapped; or
         (2) that is:

            (a) owned by an "insured";
            (b) designed only for use off of public roads; and
            (c) used only to service an "insured premises" or a premises of another;

         if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;

   4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.

      However, this does not include model aircraft that are not designed or used to carry people or cargo;

   5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached.

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However, this does not include model hovercraft that are not designed or used to carry people or cargo;

6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured";
7) property rented or held for rental to others by an "insured", but this does not include property in:

   a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes;
   b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or
   c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units;

8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers;
10) land, including the land on which covered property is located;
11) underground water or surface water; or
12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.

4. **Coverage D -- Additional Living Costs And Loss Of Rent**

   a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages.

      "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.

   b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages.

      However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.

      "We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.

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c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.

d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.

e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.

INCIDENTAL PROPERTY COVERAGES

This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated.

1. **Association Deductible**

a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible:

1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and
2) results from direct loss to property that:

a) would be eligible for coverage by this policy if it were owned by "you";
b) is covered under the insurance held by "your" association; and
c) is caused by a Peril Insured Against covered by this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption.

b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

2. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money**

a. "We" pay for loss if an "insured":

1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured";
2) has a loss resulting from the theft or unauthorized use of:

a) an electronic fund transfer card; or
b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

issued or registered in the name of an "insured";

3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or
4) accepts in good faith counterfeit United States or Canadian paper money.

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The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.

b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of:

1) a credit card;
2) an electronic fund transfer card; or
3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

issued or registered in an "insured's" name.

Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.

c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.

d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".

e. "We" do not pay for loss:

1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:

a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;
b) by a resident of "your" household; or
c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";

2) caused by the dishonesty of an "insured"; or
3) that results from the "business" of an "insured";

nor do "we" provide a defense for suits resulting from such loss.

3. **Debris Removal**

a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building.

"We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.

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This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location":

1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of Windstorm Or Hail; or
2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy.

Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence.

However, "we" pay no more than $500 of this "limit" to remove any one tree.

c. The coverage described in b. above applies only to a fallen tree that:

1) causes damage to a covered structure;
2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or
3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.

4. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires.

This coverage does not increase the "limits" that apply to the property being removed.

The Exclusions That Apply To Property Coverages do not apply to such property while removed.

However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

5. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.

However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response.

The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".

6. **Glass Or Safety Glazing Material**

a. "We" pay for:

1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and
2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.

b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.

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c. Under this Incidental Property Coverage, "we" do not pay for loss:

1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or
2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss.

However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement.

A residence being built is not vacant.

d. The most "we" pay is $100 per occurrence. This coverage does not increase the "limits" that apply to the property covered.

7. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.

8. **Increased Cost -- Ordinance Or Law**

a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure.

b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when:

1) loss to the residence or structure is caused by a Peril Insured Against; and
2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition.

This does not increase the "limit" that applies to this Incidental Property Coverage.

c. However, "we" do not pay for:

1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

9. **Loss Assessment**

a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment:

1) is levied during the policy period;
2) results from direct loss to property that is:

a) owned collectively by all association members;
b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and
c) caused by a Peril Insured Against covered by this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption; and

3) is levied against "you" as owner or tenant of the "described location".

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b. However, "we" do not pay for an assessment that:

1) results from a deductible in the insurance held by the association; or
2) is levied against "you" or the association by any governmental body or authority.

c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.

d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

10. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured" when the loss is caused by a Peril Insured Against, other than the peril of Theft.

The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged.

This coverage does not increase the "limits" that apply to the property covered.

11. **Reasonable Repairs**

a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.

b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against.

This coverage does not:

1) increase the "limit" that applies to the property covered; or
2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.

12. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by:

a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or

b. mechanical breakdown of the freezer or refrigerated unit.

Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss.

The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations".

The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.

13. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by:

a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft;

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b. Vehicles if not owned or operated by an occupant of the "described location"; or

c. Vandalism Or Malicious Mischief or Theft.

"You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item.

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

PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D

"We" insure against direct physical loss to property covered under Coverage A, Coverage B, or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages:

a. **Fire Or Lightning**

b. **Windstorm Or Hail**

However, "we" do not pay for loss:

1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or
2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.

c. **Explosion**

d. **Riot Or Civil Commotion**

e. **Aircraft** -- This includes self-propelled missiles and spacecraft.

f. **Vehicles**

However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".

g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment.

However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

h. **Volcanic Eruption**

However, this does not include loss caused by earthquake, land shock waves, or tremors.

i. **Vandalism Or Malicious Mischief**

However, "we" do not pay for loss to property on the "described location":

1) caused by vandalism or malicious mischief; or
2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.

j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred.

However, "we" do not pay for loss:

1) caused by theft by an "insured";
2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use;
3) of a precious or semiprecious stone from its setting;
4) that results from the theft of:

   a) a credit card;
   b) an electronic fund transfer card; or
   c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

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except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;

5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or
6) caused by theft that occurs away from the "described location" of:

   a) trailers or semitrailers;
   b) campers or camper bodies;
   c) watercraft or their furnishings, equipment, engines, or motors; or
   d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.

k. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.

   However, "we" do not cover the cost of filling sinkholes.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

"We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.

a. **Ordinance Or Law** -- "We" do not pay for:

   1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law;
   2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
   3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

   This exclusion applies whether or not there has been physical damage to covered property.

b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority.

   "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.

c. **Nuclear Hazard**

   1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination:

      a) whether controlled or uncontrolled; or
      b) however caused;

      or any consequence of such reaction, radiation, or contamination.

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2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by:

   a) fire;
   b) explosion; or
   c) smoke;

   even if this policy provides coverage for loss caused by one or more of these perils.

3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.

d. **War And Military Action** -- "We" do not pay for loss caused by:

   1) war, including undeclared or civil war;
   2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
   3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

   With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.

   Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.

f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature.

   Earth movement means:

   1) earthquake;
   2) land shock waves or tremors before, during, or after a volcanic eruption;
   3) landslide, mudflow, mudslide;
   4) subsidence, erosion; or
   5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

      However, this does not include Sinkhole Collapse as described under the Perils Insured Against.

   "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement.

   This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.

g. **Water**

   1) "We" do not pay for loss caused by:

      a) flood;
      b) surface water;
      c) waves, including but not limited to tidal wave and tsunami;
      d) tides;
      e) tidal water;
      f) overflow of any body of water; or
      g) spray from a) through f) above;

      whether driven by wind or not.

      This includes, but is not limited to, tidal surge, storm surge, and storm tide.

   2) "We" do not pay for loss caused by water that:

      a) backs up through sewers or drains; or
      b) overflows or otherwise discharges from:

         (1) a sump, sump pump, or related equipment; or
         (2) any other type of system designed to remove subsurface water which is drained from the foundation area.

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3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.
4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.
5) The exclusions set forth in 1) through 4) above:

   a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and
   b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

      (1) overtops;
      (2) escapes from;
      (3) is released from; or
      (4) is otherwise discharged from;

      a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.
7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.

h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location".

   "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.

i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed:

   1) by an "insured", alone or in collusion with another; or
   2) at the direction of an "insured";

   with the intent to cause a loss.

   This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against.

   "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.

LIABILITY COVERAGES

PRINCIPAL LIABILITY COVERAGES

1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies.

   "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.

   "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.

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2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.

   This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:

   a. a person on an "insured premises" with the permission of an "insured"; or

   b. a person away from an "insured premises" if the "bodily injury":

      1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises";
      2) is caused by an activity of an "insured";
      3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or
      4) is caused by an animal owned by or in the care of an "insured".

INCIDENTAL LIABILITY COVERAGES

This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.

1. **Business**

   a. "We" pay for "bodily injury" or "property damage" that arises out of:

      1) the rental or holding for rental of an "insured premises":
         a) on an occasional basis for use only as a residence;
         b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or
         c) in part for use as a school, studio, office, or private garage; or

      2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".

   b. This Incidental Liability Coverage for Business is subject to all of the:

      1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.;
      2) Additional Exclusions That Apply Only To Coverage L; and
      3) Additional Exclusions That Apply Only To Coverage M.

2. **Claims And Defense Cost** -- "We" pay for:

   a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;

   b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;

   c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;

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d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and

e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.

3. **Contracts**

a. "We" pay for "bodily injury" or "property damage":

1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or
2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others.

The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.

b. This Incidental Liability Coverage for Contracts is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M;
2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and
3) Additional Exclusions That Apply Only To Coverage M.

4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence".

The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.

However, "we" do not pay for "property damage":

a. covered under the Property Coverages section of this policy.

However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;

b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured";

c. caused intentionally by an "insured" who has attained the age of 13 years;

d. arising out of an act or omission in any way related to a:

1) "business" undertaken by an "insured"; or
2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or

e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft".

However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle":

1) that is not owned by an "insured" and is designed:

a) for recreational use off of public roads; or
b) to assist the handicapped; or

2) that is not owned by an "insured" and is used only to service:

a) an "insured premises"; or
b) a premises of another, not in the course of "business";

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if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.

5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.

6. **Loss Assessment**

   a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:

      1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or
      2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.

   b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.

   c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".

   d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of:

      1) any one accident, including repeated exposures to similar conditions; or
      2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.

   e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.

7. **Motorized Vehicles**

   a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:

      1) is in dead storage on an "insured premises";
      2) is used only to service:

         a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or
         b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;

      3) is designed to assist the handicapped;
      4) is designed for recreational use off of public roads and is:

         a) not owned by an "insured"; or
         b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;

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5) is operated only from electrical current supplied by a battery and is:

   a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and
   b) not a motorized bicycle, moped, or golf cart; or

6) is a motorized golf cart that:

   a) is owned by an "insured";
   b) is designed to carry no more than four persons;
   c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and
   d) at the time of the "occurrence", is within the legal boundaries of:

      (1) a golfing establishment and is:

         (a) parked or stored there; or
         (b) being used by an "insured" to:

            (i) play the game of golf or for other recreational or leisure activity allowed by the establishment;
            (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or
            (iii) cross public roads at designated points to access other parts of the golfing establishment; or

      (2) a private residential community, including its public roads upon which a motorized golf cart can legally travel:

         (a) that is subject to the authority of an association of property owners; and
         (b) in which an "insured premises" is located.

b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not:

   1) registered for use on public roads or property;
   2) required by law or governmental regulation to be registered for use at the location of the "occurrence";
   3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest;
   4) being rented to others;
   5) being used to carry people or cargo for a fee; or
   6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.

c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the:

   1) Exclusions That Apply To Coverage L And Coverage M, other than:

      a) exclusions c. and e.; and
      b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;

   2) Additional Exclusions That Apply Only To Coverage L; and
   3) Additional Exclusions That Apply Only To Coverage M.

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8. **Watercraft**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:

1) is in storage;
2) is a sailing vessel, with or without auxiliary power, that is:

a) less than 26 feet in overall length; or
b) 26 feet or more in overall length and not owned by or rented to an "insured"; or

3) is not a sailing vessel and is powered by:

a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of:

(1) 50 horsepower or less if not owned by an "insured"; or
(2) more than 50 horsepower if not owned by or rented to an "insured"; or

b) one or more outboard engines or motors with:

(1) 25 total horsepower or less;
(2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured";
(3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:

(a) it is listed on the "declarations" as insured for personal liability; or
(b) a written request for liability coverage is received by "us" within 45 days after it is acquired.

In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being:

1) rented to others;
2) used to carry people or cargo for a fee;
3) used for any "business" purpose; or
4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest.

However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.

c. This Incidental Liability Coverage for Watercraft is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.;
2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES

1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to:

a. "bodily injury" or "property damage" caused directly or indirectly by:

1) war, including undeclared or civil war;

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2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

b. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person;
3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

c. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;
3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to:

1) "aircraft"; or
2) "hovercraft".

This applies whether or not such liability is imposed by law.

e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a:

1) "motorized vehicle"; or
2) "watercraft".

This applies whether or not such liability is imposed by law.

However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.

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g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured".

   This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business".

   However, this exclusion does not apply to the extent that coverage is provided:

   1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or
   2) under the Incidental Liability Coverage for Business.

h. "bodily injury" or "property damage" that arises out of premises that are:

   1) owned by an "insured";
   2) rented to an "insured"; or
   3) rented to others by an "insured";

   and that are not "insured premises".

   However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

i. "bodily injury" or "property damage" that is:

   1) expected by, directed by, or intended by an "insured";
   2) the result of a criminal act of an "insured"; or
   3) the result of an intentional and malicious act by or at the direction of an "insured".

   This exclusion applies even if the "bodily injury" or "property damage":

   1) that occurs is different than what was expected, directed, or intended; or
   2) is suffered by persons, entities, or property not expected, directed, or intended.

   However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.

j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".

k. "bodily injury" or "property damage" that arises out of sexual molestation.

l. "bodily injury" or "property damage" that arises out of physical or mental abuse.

m. "bodily injury" or "property damage" that arises out of corporal punishment.

n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs.

   However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to:

   a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions.

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b. any claim made or suit brought against an "insured" seeking:

   1) reimbursement of; or
   2) contribution toward;

   damages for which another person may be liable because of "bodily injury" to an "insured".

c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.

d. "property damage" to property owned by an "insured".

e. cost or expense for measures performed on property owned by an "insured" to prevent:

   1) injury to a person; or
   2) damage to property of others;

   on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.

f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured".

   However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.

g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.

h. "bodily injury" to a person, including a "domestic employee", if:

   1) an "insured" has a workers' compensation policy covering the injury; or
   2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.

i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.

j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)

3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":

   a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".

   b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.

   c. to a "domestic employee" if the "bodily injury":

      1) occurs away from an "insured premises"; and
      2) does not arise out of or in the course of his or her employment by an "insured".

   d. from any:

      1) nuclear reaction;
      2) nuclear radiation; or
      3) radioactive contamination;

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whether controlled or uncontrolled or however caused; or

4) any consequence of 1), 2), or 3) above.

WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE

1. **Property Coverages**

The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice.

Notice must be given to the police when the loss involves theft.

Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.

b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss.

If the property must be repaired, "you" must:

1) make reasonable and necessary repairs to protect the property; and
2) keep an accurate record of the costs of such repairs.

c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.

d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the:

1) quantity;
2) description;
3) "actual cash value"; and
4) amount of loss.

Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.

e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be:

1) shown the damaged property; and
2) allowed to take samples of damaged property for inspection, testing, and analysis.

f. **Records And Documents** -- As often as "we" reasonably request, "we" must be:

1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and
2) permitted to make copies of such records and documents.

g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must:

1) submit to examination under oath in matters that relate to the loss or claim; and
2) sign such statement made under oath.

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If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".

h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that:

1) states, to the best of "your" knowledge and belief, the:

a) time and cause of the loss; and
b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;

2) identifies:

a) other policies that may cover the loss; and
b) any changes in title or use of the property during the policy period; and

3) provides:

a) available plans and specifications of damaged buildings;
b) detailed estimates for repair;
c) the inventory of damaged personal property described in d. above;
d) receipts for additional living costs incurred and records that prove the fair rental value; and
e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.

i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.

2. **Liability Coverages**

The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:

1) "your" name and the policy number;
2) reasonably available information regarding the time, location, and other details of the "occurrence"; and
3) the names and addresses of all known potential claimants and witnesses.

b. **Volunteer Payments** -- Any:

1) payments made;
2) rewards paid or offered; or
3) obligations or other costs assumed;

by an "insured" will be at the "insured's" own cost.

However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.

c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.

d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".

e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us":

1) to settle a claim;

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2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured";
3) to conduct suits. This includes being at trials and hearings;
4) in the securing of and giving of evidence; and
5) in obtaining the attendance of all witnesses.

f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.

HOW MUCH WE PAY FOR LOSS OR OCCURRENCE

1. **Property Coverages**

a. **Our Limit** -- "We" pay the lesser of:

1) the "limit" that applies; or
2) the amount determined under the applicable Loss Settlement Terms;

regardless of the number of "insureds" with an interest in the property.

However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss.

b. **Deductible**

1) This applies to all Principal Property Coverages and all Incidental Property Coverages except:

a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
b) Fire Department Service Charge; and
c) Refrigerated Property.

It applies to all Perils Insured Against unless otherwise stated.

2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies:

a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and
b) separately at each covered location. Only one deductible applies at each location.

c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.

d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.

e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms.

In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law.

1) **Replacement Cost Terms**

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a) The Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof.

However, Replacement Cost Terms do not apply to:

(1) window air-conditioners;
(2) awnings and canopies;
(3) appliances;
(4) carpets; and
(5) antennas;

whether or not attached to a building.

b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit:

(1) the "actual cash value" of the damaged part of the building just before the loss; or
(2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.

c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit:

(1) the amount actually and necessarily spent to repair or replace the damaged building; or
(2) the cost to repair or replace the damage:

(a) using materials of like kind and quality; and
(b) for like use.

However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.

d) In determining the replacement cost, do not include the cost of:

(1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are:

(a) below the undersurface of the lowest basement floor; or
(b) below the surface of the ground inside the foundation walls, if there is no basement; or

(2) underground flues, pipes, wiring, or drains.

e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above.

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f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so.

2) **Actual Cash Value Terms**

a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms.
b) The smaller of the following amounts is used in applying the "terms" under Our Limit:

(1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or
(2) the "actual cash value" of the lost or damaged part of the property just before the loss.

2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of:

a. persons insured under this policy;

b. parties who sustain injury or damage;

c. claims made or suits brought; or

d. policy periods involved.

All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".

3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident.

When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident.

The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".

4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".

5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.

6. **Insurance Under More Than One Policy**

a. **Property Coverages**

1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.

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However, this does not apply to loss, cost, or expense that is also covered by:

a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or
b) a government fund.

2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance.

However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.

b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy.

If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.

7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.

8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.

PAYMENT OF LOSS

1. **Property Coverages**

a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

1) "we" reach an agreement with "you";
2) there is an entry of a final judgment; or
3) there is a filing of an appraisal award with "us".

Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

b. "We" may:

1) pay the loss in money; or

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2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.

2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.

3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:

a. to "you" on behalf of the owner; or

b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".

POLICY CONDITIONS

CONDITIONS APPLICABLE TO ALL COVERAGES

1. **Assignment** -- This policy may not be assigned without "our" written consent.

2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

"We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice.

During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.

When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless:

a. the premium has not been paid when due;

b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or

c. there has been a material change or increase in hazard of the risk.

If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective.

If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective.

"Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

3. **Change, Modification, Or Waiver Of Policy Terms**

a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.

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b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".

However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing:

1) a subsequent edition of "our" policy; or
2) an endorsement that amends "our" policy.

c. "Our" request for an appraisal or examination under oath does not waive policy "terms".

4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws.

5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies.

a. "We" provide coverage for the legal representative of the deceased person:

1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and
2) only to the extent that coverage is provided by this policy.

b. "Insured" includes:

1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and
2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.

6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.

7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss:

a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or

b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof.

This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.

8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.

In the event that "we" require such an assignment, the "insured" must:

a. sign and give to "us" all related documents; and

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b. cooperate with "us".

Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.

CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY

1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.

2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.

   A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss.

   "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal.

   Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.

3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property.

   If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".

4. **Mortgage Clause**

   a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee.

   b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has:

      1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware;
      2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and
      3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so.

      All "terms" of this policy apply to the mortgagee unless changed by this clause.

   c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.

   d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

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At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.

6. **Policy Period** -- This policy covers only losses that occur during the policy period.

7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss.

   "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.

   At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us".

   If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.

8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss.

   If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.

9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.

CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY

1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.

2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must:

   a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and

   b. authorize "us" to get copies of medical records.

   The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.

3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.

4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by:

   a. a final judgment against the "insured" as a result of a trial; or

   b. a written agreement of the "insured", the claimant, and "us".

   No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".

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BROAD FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".

Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.

AGREEMENT

This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.

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DEFINITIONS

1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household.

2. The words "we", "us", and "our" mean the company providing this insurance.

3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused.

4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include:

   a. a model aircraft that is not designed or used to carry people or cargo;

   b. a "hovercraft"; or

   c. a model hovercraft that is not designed or used to carry people or cargo.

5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services.

   However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person.

6. "Business" means:

   a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include:

      1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or
      2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or

   b. any other activity undertaken for money or other compensation, but this does not include:

      1) providing care services to a relative of an "insured";
      2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services;
      3) a volunteer activity for which:

         a) an "insured" receives no compensation; or
         b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or

      4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.

7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.

8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location.

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However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.

9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".

   However, "domestic employee" does not include a person who is furnished to an "insured":

   a. as a temporary substitute for a permanent "domestic employee" who is on leave; or

   b. to meet seasonal or short-term workloads.

10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".

11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.

    However, "hovercraft" does not include:

    a. a model hovercraft that is not designed or used to carry people or cargo;

    b. an "aircraft";

    c. a model aircraft that is not designed or used to carry people or cargo;

    d. a "motorized vehicle";

    e. a "watercraft"; or

    f. a model watercraft that is not designed or used to carry people or cargo.

13. "Insured" means:

    a. "you";

    b. "your" relatives if residents of "your" household;

    c. "your" relatives under the age of 25 years who:

       1) are financially dependent upon "you";
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school;

    d. persons, other than "your" relatives, under the age of 21 years who:

       1) reside in "your" household; and
       2) are in "your" care or in the care of "your" resident relatives;

    e. persons, other than "your" relatives, under the age of 21 years who:

       1) are in "your" care or in the care of "your" resident relatives;
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school; or

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f. solely with respect to the Liability Coverages provided by this policy:

1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties;
2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;
3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use;
4) persons or organizations accountable by law for "watercraft" or animals:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such "watercraft" or animals.

However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or

5) persons or organizations accountable by law for a motorized golf cart:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such golf cart.

However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.

The phrase an "insured", wherever it appears in this policy, means one or more "insureds".

14. "Insured premises" means:

a. the "described location";

b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";

c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;

d. premises used by "you" in connection with a premises described in a., b., or c. above;

e. cemetery lots and burial vaults of an "insured";

f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;

g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and

h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.

15. "Limit" means amount of insurance.

16. "Motorized vehicle" means:

a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a:

1) "hovercraft";
2) model hovercraft that is not designed or used to carry people or cargo;
3) "watercraft"; or

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4) model watercraft that is not designed or used to carry people or cargo; or

b. a trailer or semitrailer that:

1) is attached to or being carried on or towed by; or
2) becomes detached while being carried on or towed by;

a vehicle described in a. above.

17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.

18. "Pollutant" means:

a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and

b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.

19. "Property damage" means:

a. physical injury to or destruction of tangible property; or

b. the loss of use of tangible property whether or not it is physically damaged.

20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.

21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to:

a. armadillos;

b. bats;

c. opossums;

d. porcupines;

e. raccoons;

f. skunks; and

g. snakes.

22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include:

a. a model watercraft that is not designed or used to carry people or cargo;

b. a "hovercraft";

c. a model hovercraft that is not designed or used to carry people or cargo;

d. a "motorized vehicle";

e. an "aircraft"; or

f. a model aircraft that is not designed or used to carry people or cargo.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

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b. "We" do not cover:

1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
2) underground water or surface water;
3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers.

c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.

2. **Coverage B -- Related Private Structures**

a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.

b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.

c. "We" do not cover:

1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
2) underground water or surface water;
3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;
4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or
5) any structure:

a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes;
b) used, in whole or in part, for the direction or operation of a "business"; or
c) used, in whole or in part, for the storage of "business" property.

However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that:

(1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or
(2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and

does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.

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d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.

3. **Coverage C -- Personal Property**

a. "We" cover personal property owned or used by an "insured". At "your" option:

1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and
2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".

b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.

However, this limitation does not apply to personal property:

1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or
2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.

c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class.

1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.
2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.
3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.

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5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers.

   However, this does not apply to:

   a) model watercraft that is not designed or used to carry people or cargo; or
   b) hovercraft.

6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.
7) For loss by theft:

   a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;
   b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and
   c) $2,500 on guns and items related to guns.

8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others:

   a) $2,500 on property while on the "described location"; and
   b) $500 on property while away from the "described location".

      However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above.

   These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.

d. **Personal Property Not Covered** -- "We" do not cover:

   1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance;
   2) animals, birds, fish, or insects;
   3) "motorized vehicles".

      a) This includes:

         (1) their parts, equipment, and accessories, other than property described in c.3) above; and
         (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices;

         while in or on a "motorized vehicle".

      b) However, this does not include a "motorized vehicle":

         (1) that is designed to assist the handicapped; or
         (2) that is:

            (a) owned by an "insured";
            (b) designed only for use off of public roads; and
            (c) used only to service an "insured premises" or a premises of another;

         if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;

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4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.

   However, this does not include model aircraft that are not designed or used to carry people or cargo;

5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached.

   However, this does not include model hovercraft that are not designed or used to carry people or cargo;

6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured";
7) property rented or held for rental to others by an "insured", but this does not include property in:

   a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes;
   b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or
   c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units;

8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers;
10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
11) underground water or surface water; or
12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.

4. **Coverage D -- Additional Living Costs And Loss Of Rent**

   a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages.

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"We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.

b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages.

However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.

"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.

c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.

d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.

e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.

INCIDENTAL PROPERTY COVERAGES

This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated.

1. **Association Deductible**

a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible:

1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and
2) results from direct loss to property that:

a) would be eligible for coverage by this policy if it were owned by "you";
b) is covered under the insurance held by "your" association; and
c) is caused by a Peril Insured Against covered by this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption.

b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

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2. **Collapse**

   a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following:

      1) a Peril Insured Against;
      2) insect, rodent, or "vermin" damage, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such damage prior to the collapse;
      3) decay, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such decay prior to the collapse;
      4) weight of animals, equipment, people, or personal property;
      5) weight of rain that collects on a roof; or
      6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair.

      However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.

   b. In this Incidental Property Coverage:

      1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and
      2) the following are not considered to be in a state of collapse:

         a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage;
         b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or
         c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.

   c. This coverage does not increase the "limits" that apply to the property covered.

   d. The Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion under Exclusions That Apply To Property Coverages does not apply to this Incidental Property Coverage.

3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money**

   a. "We" pay for loss if an "insured":

      1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured";

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2) has a loss resulting from the theft or unauthorized use of:

   a) an electronic fund transfer card; or
   b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

   issued or registered in the name of an "insured";

3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or
4) accepts in good faith counterfeit United States or Canadian paper money.

The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.

b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of:

   1) a credit card;
   2) an electronic fund transfer card; or
   3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

   issued or registered in an "insured's" name.

   Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.

c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.

d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".

e. "We" do not pay for loss:

   1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:

      a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;
      b) by a resident of "your" household; or
      c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";

   2) caused by the dishonesty of an "insured"; or
   3) that results from the "business" of an "insured";

   nor do "we" provide a defense for suits resulting from such loss.

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4. **Debris Removal**

   a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building.

      "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.

      This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

   b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location":

      1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of:

         a) Windstorm Or Hail; or
         b) Weight Of Ice, Snow, Or Sleet; or

      2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy.

      Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence.

      However, "we" pay no more than $500 of this "limit" to remove any one tree.

      With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.

   c. The coverage described in b. above applies only to a fallen tree that:

      1) causes damage to a covered structure;
      2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or
      3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.

5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires.

   This coverage does not increase the "limits" that apply to the property being removed.

   The Exclusions That Apply To Property Coverages do not apply to such property while removed.

   However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.

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However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response.

The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".

7. **Glass Or Safety Glazing Material**

   a. "We" pay for:

      1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and
      2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.

   b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.

   c. Under this Incidental Property Coverage, "we" do not pay for loss:

      1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or
      2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss.

         However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement.

         A residence being built is not vacant.

   d. This coverage does not increase the "limits" that apply to the property covered.

8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.

9. **Increased Cost -- Ordinance Or Law**

   a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure.

   b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when:

      1) loss to the residence or structure is caused by a Peril Insured Against; and
      2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition.

      This does not increase the "limit" that applies to this Incidental Property Coverage.

   c. However, "we" do not pay for:

      1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or

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2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

10. **Liquid Fuel Remediation**

a. "We" pay for loss to:

1) property covered under Coverage A, Coverage B, or Coverage C;
2) land:

a) within the "described location";
b) owned by an "insured"; and
c) on which the residence covered under Coverage A or a structure covered under Coverage B is located;

but this does not include farm land; or

3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;

caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".

b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for:

1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system;
2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area;
3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from:

a) property covered under Coverage A, Coverage B, or Coverage C;
b) land:

(1) within the "described location";
(2) owned by an "insured"; and
(3) on which the residence covered under Coverage A or a structure covered under Coverage B is located;

but this does not include farm land; or

c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

This includes cost or expense to remove the debris of such property or land;

4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled;
5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and

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6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.

   However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing:

   a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and
   b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above.

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

d. "We" do not pay for:

   1) loss, cost, or expense involving underground water or surface water;
   2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business";
   3) loss, cost, or expense due to the cancellation of a lease or an agreement;
   4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;
   5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;
   6) any damages resulting from:

      a) a loss of; or
      b) a reduction in value of;

      an agreement to sell property or land; or

   7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.

e. The "terms" and "limits" applicable to:

   1) Coverage D -- Additional Living Costs And Loss Of Rent; and
   2) the Incidental Property Coverage for Debris Removal;

   do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.

f. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation:

   1) is the most "we" pay for the total of:

      a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and
      b) all coverages described in a. and b. above; and

   2) applies regardless of the number of:

      a) claims made;
      b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or

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c) locations insured under this policy.

With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 5% of the Coverage A "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.

With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.

g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against.

11. **Loss Assessment**

a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment:

1) is levied during the policy period;
2) results from direct loss to property that is:

a) owned collectively by all association members;
b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and
c) caused by a Peril Insured Against covered by this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption; and

3) is levied against "you" as owner or tenant of the "described location".

b. However, "we" do not pay for an assessment that:

1) results from a deductible in the insurance held by the association; or
2) is levied against "you" or the association by any governmental body or authority.

c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.

d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

12. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured" when the loss is caused by a Peril Insured Against, other than the peril of Theft.

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The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged.

This coverage does not increase the "limits" that apply to the property covered.

13. **Reasonable Repairs**

    a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.

    b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against.

       This coverage does not:

       1) increase the "limit" that applies to the property covered; or
       2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.

14. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by:

    a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or

    b. mechanical breakdown of the freezer or refrigerated unit.

    Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss.

    The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations".

    The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.

15. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by:

    a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft;

    b. Vehicles if not owned or operated by an occupant of the "described location"; or

    c. Vandalism Or Malicious Mischief or Theft.

    "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item.

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

PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D

"We" insure against direct physical loss to property covered under Coverage A, Coverage B, or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages:

a. **Fire Or Lightning**

b. **Windstorm Or Hail**

However, "we" do not pay for loss:

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1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or
2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.

c. **Explosion**

d. **Riot Or Civil Commotion**

e. **Aircraft** -- This includes self-propelled missiles and spacecraft.

f. **Vehicles**

However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".

g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment.

However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

h. **Volcanic Eruption**

However, this does not include loss caused by earthquake, land shock waves, or tremors.

i. **Vandalism Or Malicious Mischief**

However, "we" do not pay for loss to property on the "described location":

1) caused by vandalism or malicious mischief; or
2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.

j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred.

However, "we" do not pay for loss:

1) caused by theft by an "insured";
2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use;
3) of a precious or semiprecious stone from its setting;
4) that results from the theft of:

   a) a credit card;
   b) an electronic fund transfer card; or
   c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

   except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;

5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or
6) caused by theft that occurs away from the "described location" of:

   a) trailers or semitrailers;
   b) campers or camper bodies;
   c) watercraft or their furnishings, equipment, engines, or motors; or

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d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.

k. **Falling Objects**

However, "we" do not pay for loss to:

1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or
2) the object that falls.

l. **Weight Of Ice, Snow, Or Sleet** that causes damage to a building or property inside a building.

However, "we" do not pay for loss to:

1) awnings;
2) fences, patios, paved areas, or swimming pools;
3) bulkheads, foundations, or retaining walls; or
4) docks, piers, or wharves.

m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater.

However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing.

n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. This includes the reasonable cost of removing and replacing those parts of a building or other structure on the "described location" needed to repair the system or appliance.

However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building on the "described location".

"We" do not pay for loss:

1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor;
2) on the "described location" if the residence covered under Coverage A has been vacant for more than 60 days in a row just before the loss. A residence being built is not vacant;
3) caused by or resulting from freezing, except as provided under the peril of Freezing;
4) on the "described location" caused by accidental discharge or overflow that comes from off the "described location"; or
5) to the system or appliance from which the water or steam escaped.

In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

1) When the building is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

a) maintain heat in the building; and
b) continue the water supply.

2) When the building is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

a) maintain heat in the building; or
b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents**

However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.

q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.

However, "we" do not cover the cost of filling sinkholes.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

"We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.

a. **Ordinance Or Law** -- "We" do not pay for:

1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law;
2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

This exclusion applies whether or not there has been physical damage to covered property.

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b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority.

"We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.

c. **Nuclear Hazard**

1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination:

a) whether controlled or uncontrolled; or
b) however caused;

or any consequence of such reaction, radiation, or contamination.

2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by:

a) fire;
b) explosion; or
c) smoke;

even if this policy provides coverage for loss caused by one or more of these perils.

3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.

d. **War And Military Action** -- "We" do not pay for loss caused by:

1) war, including undeclared or civil war;
2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.

f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature.

Earth movement means:

1) earthquake;
2) land shock waves or tremors before, during, or after a volcanic eruption;
3) landslide, mudflow, mudslide;
4) subsidence, erosion; or
5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

However, this does not include Sinkhole Collapse as described under the Perils Insured Against.

"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement.

This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.

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g. **Water**

1) "We" do not pay for loss caused by:

a) flood;
b) surface water;
c) waves, including but not limited to tidal wave and tsunami;
d) tides;
e) tidal water;
f) overflow of any body of water; or
g) spray from a) through f) above;

whether driven by wind or not.

This includes, but is not limited to, tidal surge, storm surge, and storm tide.

2) "We" do not pay for loss caused by water that:

a) backs up through sewers or drains; or
b) overflows or otherwise discharges from:

(1) a sump, sump pump, or related equipment; or
(2) any other type of system designed to remove subsurface water which is drained from the foundation area.

3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.
4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.
5) The exclusions set forth in 1) through 4) above:

a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and
b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

(1) overtops;
(2) escapes from;
(3) is released from; or
(4) is otherwise discharged from;

a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.
7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.

h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location".

"We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.

i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed:

1) by an "insured", alone or in collusion with another; or
2) at the direction of an "insured";

with the intent to cause a loss.

This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

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j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against.

"We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.

LIABILITY COVERAGES

PRINCIPAL LIABILITY COVERAGES

1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies.

   "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.

   "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.

2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.

   This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:

   a. a person on an "insured premises" with the permission of an "insured"; or

   b. a person away from an "insured premises" if the "bodily injury":

      1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises";
      2) is caused by an activity of an "insured";
      3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or
      4) is caused by an animal owned by or in the care of an "insured".

INCIDENTAL LIABILITY COVERAGES

This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.

1. **Business**

   a. "We" pay for "bodily injury" or "property damage" that arises out of:

      1) the rental or holding for rental of an "insured premises":

         a) on an occasional basis for use only as a residence;
         b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or
         c) in part for use as a school, studio, office, or private garage; or

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2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".

b. This Incidental Liability Coverage for Business is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.;
2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

2. **Claims And Defense Cost** -- "We" pay for:

a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;

b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;

c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;

d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and

e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.

3. **Contracts**

a. "We" pay for "bodily injury" or "property damage":

1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or
2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others.

The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.

b. This Incidental Liability Coverage for Contracts is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M;
2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and
3) Additional Exclusions That Apply Only To Coverage M.

4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence".

The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.

However, "we" do not pay for "property damage":

a. covered under the Property Coverages section of this policy.

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However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;

b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured";

c. caused intentionally by an "insured" who has attained the age of 13 years;

d. arising out of an act or omission in any way related to a:

1) "business" undertaken by an "insured"; or
2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or

e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft".

However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle":

1) that is not owned by an "insured" and is designed:

a) for recreational use off of public roads; or
b) to assist the handicapped; or

2) that is not owned by an "insured" and is used only to service:

a) an "insured premises"; or
b) a premises of another, not in the course of "business";

if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.

5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.

6. **Loss Assessment**

a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:

1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or
2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.

b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.

c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".

d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of:

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1) any one accident, including repeated exposures to similar conditions; or
2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.

e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.

7. **Motorized Vehicles**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:

1) is in dead storage on an "insured premises";
2) is used only to service:

a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or
b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;

3) is designed to assist the handicapped;
4) is designed for recreational use off of public roads and is:

a) not owned by an "insured"; or
b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;

5) is operated only from electrical current supplied by a battery and is:

a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and
b) not a motorized bicycle, moped, or golf cart; or

6) is a motorized golf cart that:

a) is owned by an "insured";
b) is designed to carry no more than four persons;
c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and
d) at the time of the "occurrence", is within the legal boundaries of:

(1) a golfing establishment and is:

(a) parked or stored there; or
(b) being used by an "insured" to:

(i) play the game of golf or for other recreational or leisure activity allowed by the establishment;
(ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or
(iii) cross public roads at designated points to access other parts of the golfing establishment; or

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(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel:

(a) that is subject to the authority of an association of property owners; and
(b) in which an "insured premises" is located.

b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not:

1) registered for use on public roads or property;
2) required by law or governmental regulation to be registered for use at the location of the "occurrence";
3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest;
4) being rented to others;
5) being used to carry people or cargo for a fee; or
6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.

c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than:

a) exclusions c. and e.; and
b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;

2) Additional Exclusions That Apply Only To Coverage L; and

3) Additional Exclusions That Apply Only To Coverage M.

8. **Watercraft**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:

1) is in storage;
2) is a sailing vessel, with or without auxiliary power, that is:

a) less than 26 feet in overall length; or
b) 26 feet or more in overall length and not owned by or rented to an "insured"; or

3) is not a sailing vessel and is powered by:

a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of:

(1) 50 horsepower or less if not owned by an "insured"; or
(2) more than 50 horsepower if not owned by or rented to an "insured"; or

b) one or more outboard engines or motors with:

(1) 25 total horsepower or less;
(2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured";
(3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or

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(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:

(a) it is listed on the "declarations" as insured for personal liability; or
(b) a written request for liability coverage is received by "us" within 45 days after it is acquired.

In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being:

1) rented to others;
2) used to carry people or cargo for a fee;
3) used for any "business" purpose; or
4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest.

However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.

c. This Incidental Liability Coverage for Watercraft is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.;
2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES

1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to:

a. "bodily injury" or "property damage" caused directly or indirectly by:

1) war, including undeclared or civil war;
2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

b. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person;
3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

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c. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;
3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to:

1) "aircraft"; or
2) "hovercraft".

This applies whether or not such liability is imposed by law.

e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a:

1) "motorized vehicle"; or
2) "watercraft".

This applies whether or not such liability is imposed by law.

However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.

g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business".

However, this exclusion does not apply to the extent that coverage is provided:

1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or
2) under the Incidental Liability Coverage for Business.

h. "bodily injury" or "property damage" that arises out of premises that are:

1) owned by an "insured";
2) rented to an "insured"; or
3) rented to others by an "insured";

and that are not "insured premises".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

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i. "bodily injury" or "property damage" that is:

1) expected by, directed by, or intended by an "insured";
2) the result of a criminal act of an "insured"; or
3) the result of an intentional and malicious act by or at the direction of an "insured".

This exclusion applies even if the "bodily injury" or "property damage":

1) that occurs is different than what was expected, directed, or intended; or
2) is suffered by persons, entities, or property not expected, directed, or intended.

However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.

j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".

k. "bodily injury" or "property damage" that arises out of sexual molestation.

l. "bodily injury" or "property damage" that arises out of physical or mental abuse.

m. "bodily injury" or "property damage" that arises out of corporal punishment.

n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to:

a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions.

b. any claim made or suit brought against an "insured" seeking:

1) reimbursement of; or
2) contribution toward;

damages for which another person may be liable because of "bodily injury" to an "insured".

c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.

d. "property damage" to property owned by an "insured".

e. cost or expense for measures performed on property owned by an "insured" to prevent:

1) injury to a person; or
2) damage to property of others;

on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.

f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured".

However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.

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g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.

h. "bodily injury" to a person, including a "domestic employee", if:

1) an "insured" has a workers' compensation policy covering the injury; or
2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.

i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.

j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)

3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":

a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".

b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.

c. to a "domestic employee" if the "bodily injury":

1) occurs away from an "insured premises"; and
2) does not arise out of or in the course of his or her employment by an "insured".

d. from any:

1) nuclear reaction;
2) nuclear radiation; or
3) radioactive contamination;

whether controlled or uncontrolled or however caused; or

4) any consequence of 1), 2), or 3) above.

WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE

1. **Property Coverages**

The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice.

Notice must be given to the police when the loss involves theft.

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Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.

b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss.

If the property must be repaired, "you" must:

1) make reasonable and necessary repairs to protect the property; and
2) keep an accurate record of the costs of such repairs.

c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.

d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the:

1) quantity;
2) description;
3) "actual cash value"; and
4) amount of loss.

Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.

e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be:

1) shown the damaged property; and
2) allowed to take samples of damaged property for inspection, testing, and analysis.

f. **Records And Documents** -- As often as "we" reasonably request, "we" must be:

1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and
2) permitted to make copies of such records and documents.

g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must:

1) submit to examination under oath in matters that relate to the loss or claim; and
2) sign such statement made under oath.

If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".

h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that:

1) states, to the best of "your" knowledge and belief, the:

   a) time and cause of the loss; and
   b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;

2) identifies:

   a) other policies that may cover the loss; and
   b) any changes in title or use of the property during the policy period; and

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3) provides:

a) available plans and specifications of damaged buildings;
b) detailed estimates for repair;
c) the inventory of damaged personal property described in d. above;
d) receipts for additional living costs incurred and records that prove the fair rental value; and
e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.

i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.

2. **Liability Coverages**

The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:

1) "your" name and the policy number;
2) reasonably available information regarding the time, location, and other details of the "occurrence"; and
3) the names and addresses of all known potential claimants and witnesses.

b. **Volunteer Payments** -- Any:

1) payments made;
2) rewards paid or offered; or
3) obligations or other costs assumed;

by an "insured" will be at the "insured's" own cost.

However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.

c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.

d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".

e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us":

1) to settle a claim;
2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured";
3) to conduct suits. This includes being at trials and hearings;
4) in the securing of and giving of evidence; and
5) in obtaining the attendance of all witnesses.

f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.

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HOW MUCH WE PAY FOR LOSS OR OCCURRENCE

1. **Property Coverages**

   a. **Our Limit** -- "We" pay the lesser of:

      1) the "limit" that applies; or
      2) the amount determined under the applicable Loss Settlement Terms;

      regardless of the number of "insureds" with an interest in the property.

      However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss.

   b. **Deductible**

      1) This applies to all Principal Property Coverages and all Incidental Property Coverages except:

         a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
         b) Fire Department Service Charge; and
         c) Refrigerated Property.

         It applies to all Perils Insured Against unless otherwise stated.

      2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies:

         a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and
         b) separately at each covered location. Only one deductible applies at each location.

   c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.

   d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.

   e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms.

      In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law.

      1) **Replacement Cost Terms**

         a) The Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof.

            However, Replacement Cost Terms do not apply to:

            (1) window air-conditioners;
            (2) awnings and canopies;
            (3) appliances;
            (4) carpets; and
            (5) antennas;

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whether or not attached to a building.

b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit:

(1) the "actual cash value" of the damaged part of the building just before the loss; or
(2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.

c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit:

(1) the amount actually and necessarily spent to repair or replace the damaged building; or
(2) the cost to repair or replace the damage:

(a) using materials of like kind and quality; and
(b) for like use.

However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.

d) In determining the replacement cost, do not include the cost of:

(1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are:

(a) below the undersurface of the lowest basement floor; or
(b) below the surface of the ground inside the foundation walls, if there is no basement; or

(2) underground flues, pipes, wiring, or drains.

e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above.

f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so.

2) **Actual Cash Value Terms**

a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms.

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b) The smaller of the following amounts is used in applying the "terms" under Our Limit:

(1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or
(2) the "actual cash value" of the lost or damaged part of the property just before the loss.

2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of:

a. persons insured under this policy;

b. parties who sustain injury or damage;

c. claims made or suits brought; or

d. policy periods involved.

All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".

3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident.

When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident.

The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".

4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".

5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.

6. **Insurance Under More Than One Policy**

a. **Property Coverages**

1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.

However, this does not apply to loss, cost, or expense that is also covered by:

a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or
b) a government fund.

2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance.

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However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.

b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy.

If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.

7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.

8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.

PAYMENT OF LOSS

1. **Property Coverages**

a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

1) "we" reach an agreement with "you";
2) there is an entry of a final judgment; or
3) there is a filing of an appraisal award with "us".

Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

b. "We" may:

1) pay the loss in money; or
2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.

2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.

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3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:

   a. to "you" on behalf of the owner; or

   b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".

POLICY CONDITIONS

CONDITIONS APPLICABLE TO ALL COVERAGES

1. **Assignment** -- This policy may not be assigned without "our" written consent.

2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

   "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice.

   During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.

   When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless:

   a. the premium has not been paid when due;

   b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or

   c. there has been a material change or increase in hazard of the risk.

   If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective.

   If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective.

   "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

3. **Change, Modification, Or Waiver Of Policy Terms**

   a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.

   b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".

      However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing:

      1) a subsequent edition of "our" policy; or
      2) an endorsement that amends "our" policy.

   c. "Our" request for an appraisal or examination under oath does not waive policy "terms".

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4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws.

5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies.

   a. "We" provide coverage for the legal representative of the deceased person:

      1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and
      2) only to the extent that coverage is provided by this policy.

   b. "Insured" includes:

      1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and
      2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.

6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.

7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss:

   a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or

   b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof.

   This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.

8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.

   In the event that "we" require such an assignment, the "insured" must:

   a. sign and give to "us" all related documents; and

   b. cooperate with "us".

   Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.

CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY

1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.

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2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.

   A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss.

   "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal.

   Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.

3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property.

   If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".

4. **Mortgage Clause**

   a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee.

   b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has:

      1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware;
      2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and
      3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so.

      All "terms" of this policy apply to the mortgagee unless changed by this clause.

   c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.

   d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

      At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.

6. **Policy Period** -- This policy covers only losses that occur during the policy period.

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7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss.

   "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.

   At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us".

   If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.

8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss.

   If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.

9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.

CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY

1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.

2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must:

   a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and

   b. authorize "us" to get copies of medical records.

   The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.

3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.

4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by:

   a. a final judgment against the "insured" as a result of a trial; or

   b. a written agreement of the "insured", the claimant, and "us".

   No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".

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SPECIAL FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".

Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.

AGREEMENT

This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.

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DEFINITIONS

1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household.

2. The words "we", "us", and "our" mean the company providing this insurance.

3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused.

4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include:

   a. a model aircraft that is not designed or used to carry people or cargo;

   b. a "hovercraft"; or

   c. a model hovercraft that is not designed or used to carry people or cargo.

5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services.

   However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person.

6. "Business" means:

   a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include:

      1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or
      2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or

   b. any other activity undertaken for money or other compensation, but this does not include:

      1) providing care services to a relative of an "insured";
      2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services;
      3) a volunteer activity for which:

         a) an "insured" receives no compensation; or
         b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or

      4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.

7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.

8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location.

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However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.

9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".

   However, "domestic employee" does not include a person who is furnished to an "insured":

   a. as a temporary substitute for a permanent "domestic employee" who is on leave; or

   b. to meet seasonal or short-term workloads.

10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".

11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.

    However, "hovercraft" does not include:

    a. a model hovercraft that is not designed or used to carry people or cargo;

    b. an "aircraft";

    c. a model aircraft that is not designed or used to carry people or cargo;

    d. a "motorized vehicle";

    e. a "watercraft"; or

    f. a model watercraft that is not designed or used to carry people or cargo.

13. "Insured" means:

    a. "you";

    b. "your" relatives if residents of "your" household;

    c. "your" relatives under the age of 25 years who:

       1) are financially dependent upon "you";
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school;

    d. persons, other than "your" relatives, under the age of 21 years who:

       1) reside in "your" household; and
       2) are in "your" care or in the care of "your" resident relatives;

    e. persons, other than "your" relatives, under the age of 21 years who:

       1) are in "your" care or in the care of "your" resident relatives;
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school; or

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f. solely with respect to the Liability Coverages provided by this policy:

1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties;
2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;
3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use;
4) persons or organizations accountable by law for "watercraft" or animals:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such "watercraft" or animals.

However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or

5) persons or organizations accountable by law for a motorized golf cart:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such golf cart.

However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.

The phrase an "insured", wherever it appears in this policy, means one or more "insureds".

14. "Insured premises" means:

a. the "described location";

b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";

c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;

d. premises used by "you" in connection with a premises described in a., b., or c. above;

e. cemetery lots and burial vaults of an "insured";

f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;

g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and

h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.

15. "Limit" means amount of insurance.

16. "Motorized vehicle" means:

a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a:

1) "hovercraft";
2) model hovercraft that is not designed or used to carry people or cargo;
3) "watercraft"; or

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4) model watercraft that is not designed or used to carry people or cargo; or

b. a trailer or semitrailer that:

1) is attached to or being carried on or towed by; or
2) becomes detached while being carried on or towed by;

a vehicle described in a. above.

17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.

18. "Pollutant" means:

a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and

b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.

19. "Property damage" means:

a. physical injury to or destruction of tangible property; or

b. the loss of use of tangible property whether or not it is physically damaged.

20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.

21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to:

a. armadillos;

b. bats;

c. opossums;

d. porcupines;

e. raccoons;

f. skunks; and

g. snakes.

22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include:

a. a model watercraft that is not designed or used to carry people or cargo;

b. a "hovercraft";

c. a model hovercraft that is not designed or used to carry people or cargo;

d. a "motorized vehicle";

e. an "aircraft"; or

f. a model aircraft that is not designed or used to carry people or cargo.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

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b. "We" do not cover:

1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
2) underground water or surface water;
3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers.

c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.

2. **Coverage B -- Related Private Structures**

a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.

b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.

c. "We" do not cover:

1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
2) underground water or surface water;
3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;
4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or
5) any structure:

a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes;
b) used, in whole or in part, for the direction or operation of a "business"; or
c) used, in whole or in part, for the storage of "business" property.

However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that:

(1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or
(2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and

does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.

d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.

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3. Coverage C -- Personal Property

a. "We" cover personal property owned or used by an "insured". At "your" option:

1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and
2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".

b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.

However, this limitation does not apply to personal property:

1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or
2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.

c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class.

1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.
2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.
3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers.

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However, this does not apply to:

a) model watercraft that is not designed or used to carry people or cargo; or
b) hovercraft.

6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.
7) For loss by theft:

a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;
b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and
c) $2,500 on guns and items related to guns.

8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others:

a) $2,500 on property while on the "described location"; and
b) $500 on property while away from the "described location".

However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above.

These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.

d. **Personal Property Not Covered** -- "We" do not cover:

1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance;
2) animals, birds, fish, or insects;
3) "motorized vehicles".

a) This includes:

(1) their parts, equipment, and accessories, other than property described in c.3) above; and
(2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices;

while in or on a "motorized vehicle".

b) However, this does not include a "motorized vehicle":

(1) that is designed to assist the handicapped; or
(2) that is:

(a) owned by an "insured";
(b) designed only for use off of public roads; and
(c) used only to service an "insured premises" or a premises of another;

if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;

4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.

However, this does not include model aircraft that are not designed or used to carry people or cargo;

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5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached.

   However, this does not include model hovercraft that are not designed or used to carry people or cargo;

6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured";
7) property rented or held for rental to others by an "insured", but this does not include property in:

   a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes;
   b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or
   c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units;

8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers;
10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
11) underground water or surface water; or
12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.

4. **Coverage D -- Additional Living Costs And Loss Of Rent**

   a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages.

      "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.

   b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages.

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However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.

"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.

c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.

d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.

e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.

INCIDENTAL PROPERTY COVERAGES

This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated.

1. **Association Deductible**

a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible:

1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and
2) results from direct loss to property that:

a) would be eligible for coverage by this policy if it were owned by "you";
b) is covered under the insurance held by "your" association; and
c) is caused by a Peril Insured Against described under Coverage A in this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption.

b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

2. **Collapse**

a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following:

1) a Peril Insured Against described under Coverage C;
2) insect, rodent, or "vermin" damage, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such damage prior to the collapse;
3) decay, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such decay prior to the collapse;

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4) weight of animals, equipment, people, or personal property;
5) weight of rain that collects on a roof; or
6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair.

However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.

b. In this Incidental Property Coverage:

1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and
2) the following are not considered to be in a state of collapse:

a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage;
b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or
c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.

However, the "terms" stated in 1) and 2) above do not limit coverage for direct loss to covered property caused by a Peril Insured Against described under Coverage C.

c. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes damage to a building.

d. This coverage does not increase the "limits" that apply to the property covered.

e. The Bacteria, Fungi, Wet Rot, Or Dry Rot and Errors, Omissions, And Defects exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.

3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money**

a. "We" pay for loss if an "insured":

1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured";
2) has a loss resulting from the theft or unauthorized use of:

a) an electronic fund transfer card; or
b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

issued or registered in the name of an "insured";

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3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or
4) accepts in good faith counterfeit United States or Canadian paper money.

The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.

b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of:

1) a credit card;
2) an electronic fund transfer card; or
3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

issued or registered in an "insured's" name.

Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.

c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.

d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".

e. "We" do not pay for loss:

1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:

a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;
b) by a resident of "your" household; or
c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";

2) caused by the dishonesty of an "insured"; or
3) that results from the "business" of an "insured";

nor do "we" provide a defense for suits resulting from such loss.

4. **Debris Removal**

a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building.

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"We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.

This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location":

   1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of:

      a) Windstorm Or Hail; or
      b) Weight Of Ice, Snow, Or Sleet; or

   2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against described under Coverage C in this policy.

   Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence.

   However, "we" pay no more than $500 of this "limit" to remove any one tree.

   With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.

c. The coverage described in b. above applies only to a fallen tree that:

   1) causes damage to a covered structure;
   2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or
   3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.

5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires.

   This coverage does not increase the "limits" that apply to the property being removed.

   The Exclusions That Apply To Coverage A And Coverage B and the Exclusions That Apply To Property Coverages do not apply to such property while removed.

   However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.

   However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response.

   The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".

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7. **Glass Or Safety Glazing Material**

   a. "We" pay for:

      1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and
      2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.

   b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.

   c. Under this Incidental Property Coverage, "we" do not pay for loss:

      1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or
      2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss.

         However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement.

         A residence being built is not vacant.

   d. This coverage does not increase the "limits" that apply to the property covered.

8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against described under Coverage C.

   With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet includes the weight of ice, snow, or sleet that causes damage to a mausoleum.

9. **Increased Cost -- Ordinance Or Law**

   a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure.

   b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when:

      1) loss to the residence or structure is caused by a Peril Insured Against; and
      2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition.

      This does not increase the "limit" that applies to this Incidental Property Coverage.

   c. However, "we" do not pay for:

      1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or

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2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

10. **Liquid Fuel Remediation**

a. "We" pay for loss to:

1) property covered under Coverage A, Coverage B, or Coverage C;
2) land:

a) within the "described location";
b) owned by an "insured"; and
c) on which the residence covered under Coverage A or a structure covered under Coverage B is located;

but this does not include farm land; or

3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;

caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".

b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for:

1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system;
2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area;
3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from:

a) property covered under Coverage A, Coverage B, or Coverage C;
b) land:

(1) within the "described location";
(2) owned by an "insured"; and
(3) on which the residence covered under Coverage A or a structure covered under Coverage B is located;

but this does not include farm land; or

c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

This includes cost or expense to remove the debris of such property or land;

4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled;
5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and

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6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.

However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing:

a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and
b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above.

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

d. Under Exclusions That Apply To Coverage A And Coverage B, the exclusion for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants" does not apply to the coverage provided under this Incidental Property Coverage for the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel.

e. "We" do not pay for:

1) loss, cost, or expense involving underground water or surface water;
2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business";
3) loss, cost, or expense due to the cancellation of a lease or an agreement;
4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;
5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;
6) any damages resulting from:

a) a loss of; or
b) a reduction in value of;

an agreement to sell property or land; or

7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.

f. The "terms" and "limits" applicable to:

1) Coverage D -- Additional Living Costs And Loss Of Rent; and
2) the Incidental Property Coverage for Debris Removal;

do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.

g. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation:

1) is the most "we" pay for the total of:

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a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and
b) all coverages described in a. and b. above; and

2) applies regardless of the number of:

a) claims made;
b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or
c) locations insured under this policy.

With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 5% of the Coverage A "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.

With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.

h. The "terms" stated in a. through g. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against described under Coverage C.

11. **Loss Assessment**

a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment:

1) is levied during the policy period;
2) results from direct loss to property that is:

a) owned collectively by all association members;
b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and
c) caused by a Peril Insured Against described under Coverage A in this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption; and

3) is levied against "you" as owner or tenant of the "described location".

b. However, "we" do not pay for an assessment that:

1) results from a deductible in the insurance held by the association; or
2) is levied against "you" or the association by any governmental body or authority.

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c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.

d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

12. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured" when the loss is caused by a Peril Insured Against described under Coverage C, other than the peril of Theft.

    The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged.

    This coverage does not increase the "limits" that apply to the property covered.

13. **Reasonable Repairs**

    a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.

    b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against.

    This coverage does not:

    1) increase the "limit" that applies to the property covered; or
    2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.

14. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by:

    a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or

    b. mechanical breakdown of the freezer or refrigerated unit.

    Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss.

    The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations".

    The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.

15. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by:

    a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft;

    b. Vehicles if not owned or operated by an occupant of the "described location"; or

    c. Vandalism Or Malicious Mischief or Theft.

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"You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item.

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

PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D

1. **Coverage A -- Residence And Coverage B -- Related Private Structures** -- "We" insure property covered under Coverage A or Coverage B for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage A And Coverage B.

   a. **Exclusions That Apply To Coverage A And Coverage B**

      1) "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages.
      2) **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in a) and b) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.

         a) When the building is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

            (1) maintain heat in the building; and
            (2) continue the water supply.

         b) When the building is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

            (1) maintain heat in the building; or
            (2) shut off the water supply and completely empty water from all systems, heaters, and appliances.

         With respect to this exclusion and the exceptions stated in a) and b) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

      3) **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to:

         a) fences, patios, paved areas, or swimming pools;
         b) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure;
         c) bulkheads or retaining walls that do not support all or part of a building or other structure; or
         d) docks, piers, or wharves.

      4) **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.

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5) **Vandalism Or Malicious Mischief** -- "We" do not pay for loss:

   a) caused by vandalism or malicious mischief; or
   b) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

   if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.

6) **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by:

   a) continuous or repeated discharge, seepage, or leakage of water; or
   b) the presence or condensation of humidity, moisture, or vapor;

   over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.

   Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

7) **Collapse Or Impairment** -- "We" do not pay for loss involving:

   a) collapse; or
   b) impairment of structural integrity, including but not limited to sagging, bowing, bending, leaning, or inadequacy of load bearing capacity;

   except as provided under the Incidental Property Coverage for Collapse.

8) **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of:

   a) bulkheads;
   b) ceilings;
   c) floors;
   d) footings;
   e) foundations;
   f) patios;
   g) paved areas;
   h) roofs; or
   i) walls.

9) **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by:

   a) birds;
   b) "vermin";
   c) rodents;
   d) insects; or
   e) any animal owned or kept by an "insured";

   except as provided under the Incidental Property Coverages.

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10) **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.
11) **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against described under Coverage C.
12) **Wear And Tear** -- "We" do not pay for loss caused by:

    a) wear and tear, marring, or deterioration;
    b) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;
    c) rust or other corrosion or smog; or
    d) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation.

b. **Exceptions To Exclusions That Apply To Coverage A And Coverage B**

1) "We" pay for an ensuing loss that results from a.2) through a.12) above, unless the ensuing loss itself is excluded.
2) Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage A or Coverage B that results from water or steam that, due to a cause or event excluded under a.8) through a.12) above, accidentally discharges or overflows from:

    a) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or
    b) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location". This includes the reasonable cost of removing and replacing those parts of a building or other structure on the "described location" needed to repair the system, heater, or appliance.

    However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building on the "described location".

    "We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.

    In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

2. **Coverage C -- Personal Property** -- "We" insure against direct physical loss to property covered under Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages:

a. **Fire Or Lightning**

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b. **Windstorm Or Hail**

However, "we" do not pay for loss:

1) to property inside a building caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or
2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.

c. **Explosion**

d. **Riot Or Civil Commotion**

e. **Aircraft** -- This includes self-propelled missiles and spacecraft.

f. **Vehicles**

g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment.

However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

h. **Volcanic Eruption**

However, this does not include loss caused by earthquake, land shock waves, or tremors.

i. **Vandalism Or Malicious Mischief**

j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred.

However, "we" do not pay for loss:

1) caused by theft by an "insured";
2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use;
3) of a precious or semiprecious stone from its setting;
4) that results from the theft of:

   a) a credit card;
   b) an electronic fund transfer card; or
   c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

   except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;

5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or
6) caused by theft that occurs away from the "described location" of:

   a) trailers or semitrailers;
   b) campers or camper bodies;
   c) watercraft or their furnishings, equipment, engines, or motors; or
   d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.

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k. **Falling Objects**

However, "we" do not pay for loss to:

1) property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or
2) the object that falls.

l. **Weight Of Ice, Snow, Or Sleet** that causes damage to property inside a building.

m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater.

However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing.

n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.

However, "we" do not pay for loss:

1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor;
2) caused by or resulting from freezing, except as provided under the peril of Freezing;
3) on the "described location" caused by accidental discharge or overflow that comes from off the "described location"; or
4) to the system or appliance from which the water or steam escaped.

In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

1) When the building is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

   a) maintain heat in the building; and
   b) continue the water supply.

2) When the building is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

   a) maintain heat in the building; or

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b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents**

However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.

q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.

However, "we" do not cover the cost of filling sinkholes.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

   These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.

a. **Ordinance Or Law** -- "We" do not pay for:

   1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law;
   2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
   3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

   This exclusion applies whether or not there has been physical damage to covered property.

b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority.

   "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.

c. **Nuclear Hazard**

   1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination:

      a) whether controlled or uncontrolled; or
      b) however caused;

      or any consequence of such reaction, radiation, or contamination.

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2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by:

   a) fire;
   b) explosion; or
   c) smoke;

   even if this policy provides coverage for loss caused by one or more of these perils.

3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.

d. **War And Military Action** -- "We" do not pay for loss caused by:

   1) war, including undeclared or civil war;
   2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
   3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

   With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.

   Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.

f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature.

   Earth movement means:

   1) earthquake;
   2) land shock waves or tremors before, during, or after a volcanic eruption;
   3) landslide, mudflow, mudslide;
   4) subsidence, erosion; or
   5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

      However, this does not include Sinkhole Collapse as described under the Perils Insured Against that apply to Coverage C.

   "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement.

   This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.

g. **Water**

   1) "We" do not pay for loss caused by:

      a) flood;
      b) surface water;
      c) waves, including but not limited to tidal wave and tsunami;
      d) tides;
      e) tidal water;
      f) overflow of any body of water; or
      g) spray from a) through f) above;

      whether driven by wind or not.

      This includes, but is not limited to, tidal surge, storm surge, and storm tide.

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2) "We" do not pay for loss caused by water that:

   a) backs up through sewers or drains; or
   b) overflows or otherwise discharges from:

      (1) a sump, sump pump, or related equipment; or
      (2) any other type of system designed to remove subsurface water which is drained from the foundation area.

3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.
4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.
5) The exclusions set forth in 1) through 4) above:

   a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and
   b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

      (1) overtops;
      (2) escapes from;
      (3) is released from; or
      (4) is otherwise discharged from;

      a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.
7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.
8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location".

   "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.

i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed:

   1) by an "insured", alone or in collusion with another; or
   2) at the direction of an "insured";

   with the intent to cause a loss.

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This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against.

"We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.

2. "We" do not pay for loss or damage to property covered under Coverage A or Coverage B that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss to property covered under Coverage A or Coverage B that is otherwise covered by this policy.

a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the preceding Exclusions That Apply To Property Coverages (Numbers 1.a. through 1.j).

b. **Errors, Omissions, And Defects** -- "We" do not pay for loss caused by one or more of the following:

1) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or
2) a defect, a weakness, the inadequacy, a fault, or unsoundness in the:

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

of any property, whether in whole or in part, and whether on or away from the "described location", except as provided under the Incidental Property Coverage for Collapse.

LIABILITY COVERAGES

PRINCIPAL LIABILITY COVERAGES

1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies.

"We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.

"We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.

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2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.

   This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:

   a. a person on an "insured premises" with the permission of an "insured"; or

   b. a person away from an "insured premises" if the "bodily injury":

      1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises";
      2) is caused by an activity of an "insured";
      3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or
      4) is caused by an animal owned by or in the care of an "insured".

INCIDENTAL LIABILITY COVERAGES

This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.

1. **Business**

   a. "We" pay for "bodily injury" or "property damage" that arises out of:

      1) the rental or holding for rental of an "insured premises":

         a) on an occasional basis for use only as a residence;
         b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or
         c) in part for use as a school, studio, office, or private garage; or

      2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".

   b. This Incidental Liability Coverage for Business is subject to all of the:

      1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.;
      2) Additional Exclusions That Apply Only To Coverage L; and
      3) Additional Exclusions That Apply Only To Coverage M.

2. **Claims And Defense Cost** -- "We" pay for:

   a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;

   b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;

   c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;

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d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and

e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.

3. **Contracts**

a. "We" pay for "bodily injury" or "property damage":

1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or
2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others.

The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.

b. This Incidental Liability Coverage for Contracts is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M;
2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and
3) Additional Exclusions That Apply Only To Coverage M.

4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence".

The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.

However, "we" do not pay for "property damage":

a. covered under the Property Coverages section of this policy.

However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;

b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured";

c. caused intentionally by an "insured" who has attained the age of 13 years;

d. arising out of an act or omission in any way related to a:

1) "business" undertaken by an "insured"; or
2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or

e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft".

However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle":

1) that is not owned by an "insured" and is designed:

a) for recreational use off of public roads; or
b) to assist the handicapped; or

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2) that is not owned by an "insured" and is used only to service:

a) an "insured premises"; or
b) a premises of another, not in the course of "business";

if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.

5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.

6. **Loss Assessment**

a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:

1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or
2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.

b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.

c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".

d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of:

1) any one accident, including repeated exposures to similar conditions; or
2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.

e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.

7. **Motorized Vehicles**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:

1) is in dead storage on an "insured premises";
2) is used only to service:

a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or
b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;

3) is designed to assist the handicapped;
4) is designed for recreational use off of public roads and is:

a) not owned by an "insured"; or

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b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;

5) is operated only from electrical current supplied by a battery and is:

a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and
b) not a motorized bicycle, moped, or golf cart; or

6) is a motorized golf cart that:

a) is owned by an "insured";
b) is designed to carry no more than four persons;
c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and
d) at the time of the "occurrence", is within the legal boundaries of:

(1) a golfing establishment and is:

(a) parked or stored there; or
(b) being used by an "insured" to:

(i) play the game of golf or for other recreational or leisure activity allowed by the establishment;
(ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or
(iii) cross public roads at designated points to access other parts of the golfing establishment; or

(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel:

(a) that is subject to the authority of an association of property owners; and
(b) in which an "insured premises" is located.

b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not:

1) registered for use on public roads or property;
2) required by law or governmental regulation to be registered for use at the location of the "occurrence";
3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest;
4) being rented to others;
5) being used to carry people or cargo for a fee; or
6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.

c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than:

a) exclusions c. and e.; and
b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;

2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

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8. **Watercraft**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:

1) is in storage;
2) is a sailing vessel, with or without auxiliary power, that is:

a) less than 26 feet in overall length; or
b) 26 feet or more in overall length and not owned by or rented to an "insured"; or

3) is not a sailing vessel and is powered by:

a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of:

(1) 50 horsepower or less if not owned by an "insured"; or
(2) more than 50 horsepower if not owned by or rented to an "insured"; or

b) one or more outboard engines or motors with:

(1) 25 total horsepower or less;
(2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured";
(3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:

(a) it is listed on the "declarations" as insured for personal liability; or
(b) a written request for liability coverage is received by "us" within 45 days after it is acquired.

In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being:

1) rented to others;
2) used to carry people or cargo for a fee;
3) used for any "business" purpose; or
4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest.

However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.

c. This Incidental Liability Coverage for Watercraft is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.;
2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

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EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES

1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to:

   a. "bodily injury" or "property damage" caused directly or indirectly by:

      1) war, including undeclared or civil war;
      2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
      3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

      Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

   b. "bodily injury" or "property damage" arising out of:

      1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured";
      2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person;
      3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or
      4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft".

      However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

   c. "bodily injury" or "property damage" arising out of:

      1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured";
      2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;
      3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or
      4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft".

      However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

   d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to:

      1) "aircraft"; or
      2) "hovercraft".

      This applies whether or not such liability is imposed by law.

   e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a:

      1) "motorized vehicle"; or
      2) "watercraft".

      This applies whether or not such liability is imposed by law.

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However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.

g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business".

However, this exclusion does not apply to the extent that coverage is provided:

1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or
2) under the Incidental Liability Coverage for Business.

h. "bodily injury" or "property damage" that arises out of premises that are:

1) owned by an "insured";
2) rented to an "insured"; or
3) rented to others by an "insured";

and that are not "insured premises".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

i. "bodily injury" or "property damage" that is:

1) expected by, directed by, or intended by an "insured";
2) the result of a criminal act of an "insured"; or
3) the result of an intentional and malicious act by or at the direction of an "insured".

This exclusion applies even if the "bodily injury" or "property damage":

1) that occurs is different than what was expected, directed, or intended; or
2) is suffered by persons, entities, or property not expected, directed, or intended.

However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.

j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".

k. "bodily injury" or "property damage" that arises out of sexual molestation.

l. "bodily injury" or "property damage" that arises out of physical or mental abuse.

m. "bodily injury" or "property damage" that arises out of corporal punishment.

n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs.

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However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to:

   a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions.

   b. any claim made or suit brought against an "insured" seeking:

      1) reimbursement of; or
      2) contribution toward;

      damages for which another person may be liable because of "bodily injury" to an "insured".

   c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.

   d. "property damage" to property owned by an "insured".

   e. cost or expense for measures performed on property owned by an "insured" to prevent:

      1) injury to a person; or
      2) damage to property of others;

      on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.

   f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured".

      However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.

   g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.

   h. "bodily injury" to a person, including a "domestic employee", if:

      1) an "insured" has a workers' compensation policy covering the injury; or
      2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.

   i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.

   j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)

3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":

   a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".

   b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.

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c. to a "domestic employee" if the "bodily injury":

1) occurs away from an "insured premises"; and
2) does not arise out of or in the course of his or her employment by an "insured".

d. from any:

1) nuclear reaction;
2) nuclear radiation; or
3) radioactive contamination;

whether controlled or uncontrolled or however caused; or

4) any consequence of 1), 2), or 3) above.

WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE

1. **Property Coverages**

The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice.

Notice must be given to the police when the loss involves theft.

Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.

b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss.

If the property must be repaired, "you" must:

1) make reasonable and necessary repairs to protect the property; and
2) keep an accurate record of the costs of such repairs.

c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.

d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the:

1) quantity;
2) description;
3) "actual cash value"; and
4) amount of loss.

Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.

e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be:

1) shown the damaged property; and
2) allowed to take samples of damaged property for inspection, testing, and analysis.

f. **Records And Documents** -- As often as "we" reasonably request, "we" must be:

1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and

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2) permitted to make copies of such records and documents.

g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must:

1) submit to examination under oath in matters that relate to the loss or claim; and
2) sign such statement made under oath.

If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".

h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that:

1) states, to the best of "your" knowledge and belief, the:

a) time and cause of the loss; and
b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;

2) identifies:

a) other policies that may cover the loss; and
b) any changes in title or use of the property during the policy period; and

3) provides:

a) available plans and specifications of damaged buildings;
b) detailed estimates for repair;
c) the inventory of damaged personal property described in d. above;
d) receipts for additional living costs incurred and records that prove the fair rental value; and
e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.

i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.

2. **Liability Coverages**

The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:

1) "your" name and the policy number;
2) reasonably available information regarding the time, location, and other details of the "occurrence"; and
3) the names and addresses of all known potential claimants and witnesses.

b. **Volunteer Payments** -- Any:

1) payments made;
2) rewards paid or offered; or
3) obligations or other costs assumed;

by an "insured" will be at the "insured's" own cost.

However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.

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c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.

d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".

e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us":

1) to settle a claim;
2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured";
3) to conduct suits. This includes being at trials and hearings;
4) in the securing of and giving of evidence; and
5) in obtaining the attendance of all witnesses.

f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.

HOW MUCH WE PAY FOR LOSS OR OCCURRENCE

1. **Property Coverages**

a. **Our Limit** -- "We" pay the lesser of:

1) the "limit" that applies; or
2) the amount determined under the applicable Loss Settlement Terms;

regardless of the number of "insureds" with an interest in the property.

However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss.

b. **Deductible**

1) This applies to all Principal Property Coverages and all Incidental Property Coverages except:

a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
b) Fire Department Service Charge; and
c) Refrigerated Property.

It applies to all Perils Insured Against unless otherwise stated.

2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies:

a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and
b) separately at each covered location. Only one deductible applies at each location.

c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.

d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.

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e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms.

In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law.

1) **Replacement Cost Terms**

a) The Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof.

However, Replacement Cost Terms do not apply to:

(1) window air-conditioners;
(2) awnings and canopies;
(3) appliances;
(4) carpets; and
(5) antennas;

whether or not attached to a building.

b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit:

(1) the "actual cash value" of the damaged part of the building just before the loss; or

(2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.

c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit:

(1) the amount actually and necessarily spent to repair or replace the damaged building; or
(2) the cost to repair or replace the damage:

(a) using materials of like kind and quality; and
(b) for like use.

However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.

d) In determining the replacement cost, do not include the cost of:

(1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are:

(a) below the undersurface of the lowest basement floor; or

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(b) below the surface of the ground inside the foundation walls, if there is no basement; or

(2) underground flues, pipes, wiring, or drains.

e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above.

f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so.

2) **Actual Cash Value Terms**

a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms.

b) The smaller of the following amounts is used in applying the "terms" under Our Limit:

(1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or

(2) the "actual cash value" of the lost or damaged part of the property just before the loss.

2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of:

a. persons insured under this policy;

b. parties who sustain injury or damage;

c. claims made or suits brought; or

d. policy periods involved.

All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".

3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident.

When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident.

The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".

4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".

5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.

6. **Insurance Under More Than One Policy**

a. **Property Coverages**

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1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.

   However, this does not apply to loss, cost, or expense that is also covered by:

   a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or
   b) a government fund.

2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance.

   However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.

b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy.

   If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.

7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.

8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.

PAYMENT OF LOSS

1. **Property Coverages**

   a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

      1) "we" reach an agreement with "you";
      2) there is an entry of a final judgment; or
      3) there is a filing of an appraisal award with "us".

      Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

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b. "We" may:

1) pay the loss in money; or
2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.

2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.

3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:

a. to "you" on behalf of the owner; or

b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".

POLICY CONDITIONS

CONDITIONS APPLICABLE TO ALL COVERAGES

1. **Assignment** -- This policy may not be assigned without "our" written consent.

2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

"We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice.

During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.

When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless:

a. the premium has not been paid when due;

b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or

c. there has been a material change or increase in hazard of the risk.

If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective.

If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective.

"Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

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3. **Change, Modification, Or Waiver Of Policy Terms**

   a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.

   b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".

      However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing:

      1) a subsequent edition of "our" policy; or
      2) an endorsement that amends "our" policy.

   c. "Our" request for an appraisal or examination under oath does not waive policy "terms".

4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws.

5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies.

   a. "We" provide coverage for the legal representative of the deceased person:

      1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and
      2) only to the extent that coverage is provided by this policy.

   b. "Insured" includes:

      1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and
      2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.

6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.

7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss:

   a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or

   b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof.

   This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.

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8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.

   In the event that "we" require such an assignment, the "insured" must:

   a. sign and give to "us" all related documents; and

   b. cooperate with "us".

   Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.

CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY

1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.

2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.

   A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss.

   "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal.

   Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.

3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property.

   If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".

4. **Mortgage Clause**

   a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee.

   b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has:

      1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware;
      2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and
      3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so.

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All "terms" of this policy apply to the mortgagee unless changed by this clause.

c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.

d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.

6. **Policy Period** -- This policy covers only losses that occur during the policy period.

7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss.

"You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.

At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us".

If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.

8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss.

If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.

9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.

CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY

1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.

2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must:

a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and

b. authorize "us" to get copies of medical records.

The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.

3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.

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4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by:

   a. a final judgment against the "insured" as a result of a trial; or

   b. a written agreement of the "insured", the claimant, and "us".

   No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".

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CONTENTS BROAD FORM

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".

Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.

AGREEMENT

This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.

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DEFINITIONS

1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household.

2. The words "we", "us", and "our" mean the company providing this insurance.

3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused.

4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include:

   a. a model aircraft that is not designed or used to carry people or cargo;

   b. a "hovercraft"; or

   c. a model hovercraft that is not designed or used to carry people or cargo.

5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services.

   However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person.

6. "Business" means:

   a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include:

      1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or
      2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or

   b. any other activity undertaken for money or other compensation, but this does not include:

      1) providing care services to a relative of an "insured";
      2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services;
      3) a volunteer activity for which:

         a) an "insured" receives no compensation; or
         b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or

      4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.

7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.

8. "Described location" means that part of a building in which "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.

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9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".

   However, "domestic employee" does not include a person who is furnished to an "insured":

   a. as a temporary substitute for a permanent "domestic employee" who is on leave; or

   b. to meet seasonal or short-term workloads.

10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".

11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.

    However, "hovercraft" does not include:

    a. a model hovercraft that is not designed or used to carry people or cargo;

    b. an "aircraft";

    c. a model aircraft that is not designed or used to carry people or cargo;

    d. a "motorized vehicle";

    e. a "watercraft"; or

    f. a model watercraft that is not designed or used to carry people or cargo.

13. "Insured" means:

    a. "you";

    b. "your" relatives if residents of "your" household;

    c. "your" relatives under the age of 25 years who:

       1) are financially dependent upon "you";
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school;

    d. persons, other than "your" relatives, under the age of 21 years who:

       1) reside in "your" household; and
       2) are in "your" care or in the care of "your" resident relatives;

    e. persons, other than "your" relatives, under the age of 21 years who:

       1) are in "your" care or in the care of "your" resident relatives;
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school; or

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f. solely with respect to the Liability Coverages provided by this policy:

1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties;
2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;
3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use;
4) persons or organizations accountable by law for "watercraft" or animals:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such "watercraft" or animals.

However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or

5) persons or organizations accountable by law for a motorized golf cart:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such golf cart.

However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.

The phrase an "insured", wherever it appears in this policy, means one or more "insureds".

14. "Insured premises" means:

a. the "described location";

b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";

c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;

d. premises used by "you" in connection with a premises described in a., b., or c. above;

e. cemetery lots and burial vaults of an "insured";

f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;

g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and

h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.

15. "Limit" means amount of insurance.

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16. "Motorized vehicle" means:

    a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a:

        1) "hovercraft";
        2) model hovercraft that is not designed or used to carry people or cargo;
        3) "watercraft"; or
        4) model watercraft that is not designed or used to carry people or cargo; or

    b. a trailer or semitrailer that:

        1) is attached to or being carried on or towed by; or
        2) becomes detached while being carried on or towed by;

        a vehicle described in a. above.

17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.

18. "Pollutant" means:

    a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and

    b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.

19. "Property damage" means:

    a. physical injury to or destruction of tangible property; or

    b. the loss of use of tangible property whether or not it is physically damaged.

20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.

21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to:

    a. armadillos;

    b. bats;

    c. opossums;

    d. porcupines;

    e. raccoons;

    f. skunks; and

    g. snakes.

22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include:

    a. a model watercraft that is not designed or used to carry people or cargo;

    b. a "hovercraft";

    c. a model hovercraft that is not designed or used to carry people or cargo;

    d. a "motorized vehicle";

    e. an "aircraft"; or

    f. a model aircraft that is not designed or used to carry people or cargo.

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PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage C -- Personal Property**

   a. "We" cover personal property owned or used by an "insured". At "your" option:

      1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and
      2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".

   b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.

      However, this limitation does not apply to personal property:

      1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or
      2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.

   c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class.

      1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.
      2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.
      3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
      4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
      5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers.

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However, this does not apply to:

a) model watercraft that is not designed or used to carry people or cargo; or
b) hovercraft.

6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.
7) For loss by theft:

a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;
b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and
c) $2,500 on guns and items related to guns.

8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others:

a) $2,500 on property while on the "described location"; and
b) $500 on property while away from the "described location".

However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above.

These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.

d. **Personal Property Not Covered** -- "We" do not cover:

1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance;
2) animals, birds, fish, or insects;
3) "motorized vehicles".

a) This includes:

(1) their parts, equipment, and accessories, other than property described in c.3) above; and
(2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices;

while in or on a "motorized vehicle".

b) However, this does not include a "motorized vehicle":

(1) that is designed to assist the handicapped; or
(2) that is:

(a) owned by an "insured";
(b) designed only for use off of public roads; and
(c) used only to service an "insured premises" or a premises of another;

if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;

4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.

However, this does not include model aircraft that are not designed or used to carry people or cargo;

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5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached.

   However, this does not include model hovercraft that are not designed or used to carry people or cargo;

6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured";
7) property rented or held for rental to others by an "insured", but this does not include property in:

   a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; or
   b) the portion of the "described location" that is rented or held for rental to no more than two roomers or boarders for use as a residence;

8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers;
10) land, including the land on which covered property is located;
11) underground water or surface water; or
12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.

2. **Coverage D -- Additional Living Costs And Loss Of Rent**

   a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence because of loss to covered property or the building containing covered property caused by a Peril Insured Against covered by this policy.

      "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.

   b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages.

      However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.

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"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.

c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.

d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.

e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.

INCIDENTAL PROPERTY COVERAGES

This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of Coverage C. These coverages provide additional insurance unless otherwise stated.

1. **Association Deductible**

a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible:

1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and
2) results from direct loss to property that:

a) would be eligible for coverage by this policy if it were owned by "you";
b) is covered under the insurance held by "your" association; and
c) is caused by a Peril Insured Against covered by this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption.

b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

2. **Collapse**

a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following:

1) a Peril Insured Against;
2) insect, rodent, or "vermin" damage, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such damage prior to the collapse;
3) decay, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such decay prior to the collapse;
4) weight of animals, equipment, people, or personal property;
5) weight of rain that collects on a roof; or

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6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair.

However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.

b. In this Incidental Property Coverage:

1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and
2) the following are not considered to be in a state of collapse:

a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage;
b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or
c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.

c. This coverage does not increase the "limits" that apply to the property covered.

d. The Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion under Exclusions That Apply To Property Coverages does not apply to this Incidental Property Coverage.

3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money**

a. "We" pay for loss if an "insured":

1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured";
2) has a loss resulting from the theft or unauthorized use of:

a) an electronic fund transfer card; or
b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

issued or registered in the name of an "insured";

3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or
4) accepts in good faith counterfeit United States or Canadian paper money.

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The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.

b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of:

1) a credit card;
2) an electronic fund transfer card; or
3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

issued or registered in an "insured's" name.

Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.

c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.

d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".

e. "We" do not pay for loss:

1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:

a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;
b) by a resident of "your" household; or
c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";

2) caused by the dishonesty of an "insured"; or
3) that results from the "business" of an "insured";

nor do "we" provide a defense for suits resulting from such loss.

4. **Debris Removal**

a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to property covered under the Incidental Property Coverage for Tenant's Improvements or covered property contained in a building.

"We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.

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This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location":

   1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of:

      a) Windstorm Or Hail; or
      b) Weight Of Ice, Snow, Or Sleet; or

   2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy.

   Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence.

   However, "we" pay no more than $500 of this "limit" to remove any one tree.

   With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.

c. The coverage described in b. above applies only to a fallen tree that:

   1) causes damage to a covered structure;
   2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or
   3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.

5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires.

   This coverage does not increase the "limits" that apply to the property being removed.

   The Exclusions That Apply To Property Coverages do not apply to such property while removed.

   However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.

   However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response.

   The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".

7. **Glass Or Safety Glazing Material**

   a. "We" pay for:

      1) the breakage of glass or safety glazing material that is part of a building or storm door or window and covered under the Incidental Coverage for Tenant's Improvements; and

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2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.

b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.

c. Under this Incidental Property Coverage, "we" do not pay for loss:

1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or
2) on the "described location" if the residence was vacant for more than 60 days in a row just before the loss.

However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement.

A residence being built is not vacant.

d. This coverage does not increase the "limits" that apply to the property covered.

8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.

9. **Increased Cost -- Ordinance Or Law**

a. When loss to a building or structure covered under the Incidental Property Coverage for Tenant's Improvements is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the "limit" that applies to the Incidental Property Coverage for Tenant's Improvements to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged building or structure.

b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the property when:

1) loss to a building or structure covered under the Incidental Property Coverage for Tenant's Improvements is caused by a Peril Insured Against; and
2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition.

This does not increase the "limit" that applies to this Incidental Property Coverage.

c. However, "we" do not pay for:

1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

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10. **Liquid Fuel Remediation**

a. "We" pay for loss to:

1) property covered under Coverage C;
2) property covered under the Incidental Property Coverage for Tenant's Improvements; or
3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;

caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".

b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for:

1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system;
2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area;
3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from:

a) property covered under Coverage C;
b) property covered under the Incidental Property Coverage for Tenant's Improvements; or
c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

This includes cost or expense to remove the debris of such property;

4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled;
5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and
6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.

However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing:

a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and
b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above.

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

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d. "We" do not pay for:

1) loss, cost, or expense involving land, underground water, or surface water;
2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business";
3) loss, cost, or expense due to the cancellation of a lease or an agreement;
4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;
5) any loss in the market value of property, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;
6) any damages resulting from:

   a) a loss of; or
   b) a reduction in value of;

   an agreement to sell property; or

7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.

e. The "terms" and "limits" applicable to:

1) Coverage D -- Additional Living Costs And Loss Of Rent; and
2) the Incidental Property Coverage for Debris Removal;

do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.

f. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation:

1) is the most "we" pay for the total of:

   a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and
   b) all coverages described in a. and b. above; and

2) applies regardless of the number of:

   a) claims made;
   b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or
   c) locations insured under this policy.

With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 10% of the Coverage C "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.

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With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.

g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against.

11. **Loss Assessment**

a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment:

1) is levied during the policy period;
2) results from direct loss to property that is:

a) owned collectively by all association members;
b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and
c) caused by a Peril Insured Against covered by this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption; and

3) is levied against "you" as owner or tenant of the "described location".

b. However, "we" do not pay for an assessment that:

1) results from a deductible in the insurance held by the association; or
2) is levied against "you" or the association by any governmental body or authority.

c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.

d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

12. **Reasonable Repairs**

a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.

b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against.

This coverage does not:

1) increase the "limit" that applies to the property covered; or
2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.

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13. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by:

    a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or

    b. mechanical breakdown of the freezer or refrigerated unit.

    Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss.

    The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations".

    The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.

14. **Tenant's Improvements**

    a. "We" pay for direct loss to permanent improvements, fixtures, alterations, decorations, or additions to the "described location" made or acquired at "your" expense. The loss must be caused by a Peril Insured Against.

    b. "We" do not cover:

        1) land, including the land on which covered property is located;
        2) underground water or surface water;
        3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;
        4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or
        5) any structure, other than "your" residence at the "described location":

            a) rented or held for rental to any person who is not a tenant of "your" residence at the "described location", but this does not include a structure used solely for private garage purposes;
            b) used, in whole or in part, for the direction or operation of a "business"; or
            c) used, in whole or in part, for the storage of "business" property.

            However, this exclusion does not apply to a structure used by an "insured" or a tenant of "your" residence at the "described location" to store "business" property that:

                (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or
                (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and

            does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.

    c. The most "we" pay per occurrence is 10% of the Coverage C "limit" unless a higher "limit" for Tenant's Improvements is shown on the "declarations".

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15. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by:

    a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft;

    b. Vehicles if not owned or operated by an occupant of the "described location"; or

    c. Vandalism Or Malicious Mischief or Theft.

    "You" may apply up to 10% of the Coverage C "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item.

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

PERILS INSURED AGAINST -- COVERAGES C AND D

"We" insure against direct physical loss to property covered under Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages:

a. **Fire Or Lightning**

b. **Windstorm Or Hail**

However, "we" do not pay for loss:

1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or
2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.

c. **Explosion**

d. **Riot Or Civil Commotion**

e. **Aircraft** -- This includes self-propelled missiles and spacecraft.

f. **Vehicles**

However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".

g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment.

However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

h. **Volcanic Eruption**

However, this does not include loss caused by earthquake, land shock waves, or tremors.

i. **Vandalism Or Malicious Mischief**

However, "we" do not pay for loss to property on the "described location":

1) caused by vandalism or malicious mischief; or
2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if that part of the "described location" in which "you" reside was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.

j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred.

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However, "we" do not pay for loss:

1) caused by theft by an "insured";
2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use;
3) of a precious or semiprecious stone from its setting;
4) that results from the theft of:

   a) a credit card;
   b) an electronic fund transfer card; or
   c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

   except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;

5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or
6) caused by theft that occurs away from the "described location" of:

   a) trailers or semitrailers;
   b) campers or camper bodies;
   c) watercraft or their furnishings, equipment, engines, or motors; or
   d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.

k. **Falling Objects**

   However, "we" do not pay for loss to:

   1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or
   2) the object that falls.

l. **Weight Of Ice, Snow, Or Sleet** that causes damage to a building or property inside a building.

   However, "we" do not pay for loss to:

   1) awnings;
   2) fences, patios, paved areas, or swimming pools;
   3) bulkheads, foundations, or retaining walls; or
   4) docks, piers, or wharves.

m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater.

   However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing.

n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.

   However, "we" do not pay for loss:

   1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor;

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2) caused by or resulting from freezing, except as provided under the peril of Freezing;
3) on the "described location" caused by accidental discharge or overflow that occurs away from the building where "your" residence is located; or
4) to the system or appliance from which the water or steam escaped.

In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

1) When the "described location" is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

a) maintain heat in the "described location"; and
b) continue the water supply.

2) When the "described location" is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

a) maintain heat in the "described location"; or
b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents**

However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.

q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.

However, "we" do not cover the cost of filling sinkholes.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

"We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.

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a. **Ordinance Or Law** -- "We" do not pay for:

1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law;
2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

This exclusion applies whether or not there has been physical damage to covered property.

b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage C by order of civil authority.

"We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.

c. **Nuclear Hazard**

1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination:

a) whether controlled or uncontrolled; or
b) however caused;

or any consequence of such reaction, radiation, or contamination.

2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by:

a) fire;
b) explosion; or
c) smoke;

even if this policy provides coverage for loss caused by one or more of these perils.

3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.

d. **War And Military Action** -- "We" do not pay for loss caused by:

1) war, including undeclared or civil war;
2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.

f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature.

Earth movement means:

1) earthquake;

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2) land shock waves or tremors before, during, or after a volcanic eruption;
3) landslide, mudflow, mudslide;
4) subsidence, erosion; or
5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

However, this does not include Sinkhole Collapse as described under the Perils Insured Against.

"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement.

This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.

g. **Water**

1) "We" do not pay for loss caused by:

a) flood;
b) surface water;
c) waves, including but not limited to tidal wave and tsunami;
d) tides;
e) tidal water;
f) overflow of any body of water; or
g) spray from a) through f) above;

whether driven by wind or not.

This includes, but is not limited to, tidal surge, storm surge, and storm tide.

2) "We" do not pay for loss caused by water that:

a) backs up through sewers or drains; or
b) overflows or otherwise discharges from:

(1) a sump, sump pump, or related equipment; or
(2) any other type of system designed to remove subsurface water which is drained from the foundation area.

3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.
4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.
5) The exclusions set forth in 1) through 4) above:

a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and
b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

(1) overtops;
(2) escapes from;
(3) is released from; or
(4) is otherwise discharged from;

a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.
7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.

h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location".

"We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.

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i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed:

1) by an "insured", alone or in collusion with another; or
2) at the direction of an "insured";

with the intent to cause a loss.

This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against.

"We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.

LIABILITY COVERAGES

PRINCIPAL LIABILITY COVERAGES

1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies.

   "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.

   "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.

2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.

   This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:

   a. a person on an "insured premises" with the permission of an "insured"; or

   b. a person away from an "insured premises" if the "bodily injury":

      1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises";
      2) is caused by an activity of an "insured";
      3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or
      4) is caused by an animal owned by or in the care of an "insured".

INCIDENTAL LIABILITY COVERAGES

This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.

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1. **Business**

   a. "We" pay for "bodily injury" or "property damage" that arises out of:

      1) the rental or holding for rental of an "insured premises":

         a) on an occasional basis for use only as a residence;
         b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or
         c) in part for use as a school, studio, office, or private garage; or

      2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".

   b. This Incidental Liability Coverage for Business is subject to all of the:

      1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.;
      2) Additional Exclusions That Apply Only To Coverage L; and
      3) Additional Exclusions That Apply Only To Coverage M.

2. **Claims And Defense Cost** -- "We" pay for:

   a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;

   b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;

   c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;

   d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and

   e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.

3. **Contracts**

   a. "We" pay for "bodily injury" or "property damage":

      1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or
      2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others.

      The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.

   b. This Incidental Liability Coverage for Contracts is subject to all of the:

      1) Exclusions That Apply To Coverage L And Coverage M;
      2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and
      3) Additional Exclusions That Apply Only To Coverage M.

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4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence".

   The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.

   However, "we" do not pay for "property damage":

   a. covered under the Property Coverages section of this policy.

      However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;

   b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured";

   c. caused intentionally by an "insured" who has attained the age of 13 years;

   d. arising out of an act or omission in any way related to a:

      1) "business" undertaken by an "insured"; or
      2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or

   e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft".

      However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle":

      1) that is not owned by an "insured" and is designed:

         a) for recreational use off of public roads; or
         b) to assist the handicapped; or

      2) that is not owned by an "insured" and is used only to service:

         a) an "insured premises"; or
         b) a premises of another, not in the course of "business";

      if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.

5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.

6. **Loss Assessment**

   a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:

      1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or
      2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.

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b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.

c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".

d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of:

1) any one accident, including repeated exposures to similar conditions; or
2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.

e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.

7. **Motorized Vehicles**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:

1) is in dead storage on an "insured premises";
2) is used only to service:

a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or
b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;

3) is designed to assist the handicapped;
4) is designed for recreational use off of public roads and is:

a) not owned by an "insured"; or
b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;

5) is operated only from electrical current supplied by a battery and is:

a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and
b) not a motorized bicycle, moped, or golf cart; or

6) is a motorized golf cart that:

a) is owned by an "insured";
b) is designed to carry no more than four persons;
c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and
d) at the time of the "occurrence", is within the legal boundaries of:

(1) a golfing establishment and is:

(a) parked or stored there; or
(b) being used by an "insured" to:

(i) play the game of golf or for other recreational or leisure activity allowed by the establishment;

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(ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or
(iii) cross public roads at designated points to access other parts of the golfing establishment; or

(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel:

(a) that is subject to the authority of an association of property owners; and
(b) in which an "insured premises" is located.

b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not:

1) registered for use on public roads or property;
2) required by law or governmental regulation to be registered for use at the location of the "occurrence";
3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest;
4) being rented to others;
5) being used to carry people or cargo for a fee; or
6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.

c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than:

a) exclusions c. and e.; and
b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;

2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

8. **Watercraft**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:

1) is in storage;
2) is a sailing vessel, with or without auxiliary power, that is:

a) less than 26 feet in overall length; or
b) 26 feet or more in overall length and not owned by or rented to an "insured"; or

3) is not a sailing vessel and is powered by:

a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of:

(1) 50 horsepower or less if not owned by an "insured"; or
(2) more than 50 horsepower if not owned by or rented to an "insured"; or

b) one or more outboard engines or motors with:

(1) 25 total horsepower or less;
(2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured";

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(3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:

(a) it is listed on the "declarations" as insured for personal liability; or
(b) a written request for liability coverage is received by "us" within 45 days after it is acquired.

In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being:

1) rented to others;
2) used to carry people or cargo for a fee;
3) used for any "business" purpose; or
4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest.

However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.

c. This Incidental Liability Coverage for Watercraft is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.;
2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES

1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to:

a. "bodily injury" or "property damage" caused directly or indirectly by:

1) war, including undeclared or civil war;
2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

b. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person;
3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft".

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However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

c. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;
3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to:

1) "aircraft"; or
2) "hovercraft".

This applies whether or not such liability is imposed by law.

e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a:

1) "motorized vehicle"; or
2) "watercraft".

This applies whether or not such liability is imposed by law.

However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.

g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business".

However, this exclusion does not apply to the extent that coverage is provided:

1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or
2) under the Incidental Liability Coverage for Business.

h. "bodily injury" or "property damage" that arises out of premises that are:

1) owned by an "insured";
2) rented to an "insured"; or
3) rented to others by an "insured";

and that are not "insured premises".

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However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

i. "bodily injury" or "property damage" that is:

1) expected by, directed by, or intended by an "insured";
2) the result of a criminal act of an "insured"; or
3) the result of an intentional and malicious act by or at the direction of an "insured".

This exclusion applies even if the "bodily injury" or "property damage":

1) that occurs is different than what was expected, directed, or intended; or
2) is suffered by persons, entities, or property not expected, directed, or intended.

However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.

j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".

k. "bodily injury" or "property damage" that arises out of sexual molestation.

l. "bodily injury" or "property damage" that arises out of physical or mental abuse.

m. "bodily injury" or "property damage" that arises out of corporal punishment.

n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to:

a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions.

b. any claim made or suit brought against an "insured" seeking:

1) reimbursement of; or
2) contribution toward;

damages for which another person may be liable because of "bodily injury" to an "insured".

c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.

d. "property damage" to property owned by an "insured".

e. cost or expense for measures performed on property owned by an "insured" to prevent:

1) injury to a person; or
2) damage to property of others;

on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.

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f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured".

However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.

g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.

h. "bodily injury" to a person, including a "domestic employee", if:

1) an "insured" has a workers' compensation policy covering the injury; or
2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.

i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.

j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)

3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":

a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".

b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.

c. to a "domestic employee" if the "bodily injury":

1) occurs away from an "insured premises"; and
2) does not arise out of or in the course of his or her employment by an "insured".

d. from any:

1) nuclear reaction;
2) nuclear radiation; or
3) radioactive contamination;

whether controlled or uncontrolled or however caused; or

4) any consequence of 1), 2), or 3) above.

WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE

1. **Property Coverages**

The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice.

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Notice must be given to the police when the loss involves theft.

Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.

b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss.

If the property must be repaired, "you" must:

1) make reasonable and necessary repairs to protect the property; and
2) keep an accurate record of the costs of such repairs.

c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.

d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the:

1) quantity;
2) description;
3) "actual cash value"; and
4) amount of loss.

Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.

e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be:

1) shown the damaged property; and
2) allowed to take samples of damaged property for inspection, testing, and analysis.

f. **Records And Documents** -- As often as "we" reasonably request, "we" must be:

1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and
2) permitted to make copies of such records and documents.

g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must:

1) submit to examination under oath in matters that relate to the loss or claim; and
2) sign such statement made under oath.

If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".

h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that:

1) states, to the best of "your" knowledge and belief, the:

   a) time and cause of the loss; and
   b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;

2) identifies:

   a) other policies that may cover the loss; and
   b) any changes in title or use of the property during the policy period; and

3) provides:

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a) available plans and specifications of damaged buildings;
b) detailed estimates for repair;
c) the inventory of damaged personal property described in d. above;
d) receipts for additional living costs incurred and records that prove the fair rental value; and
e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.

i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.

2. **Liability Coverages**

The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:

1) "your" name and the policy number;
2) reasonably available information regarding the time, location, and other details of the "occurrence"; and
3) the names and addresses of all known potential claimants and witnesses.

b. **Volunteer Payments** -- Any:

1) payments made;
2) rewards paid or offered; or
3) obligations or other costs assumed;

by an "insured" will be at the "insured's" own cost.

However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.

c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.

d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".

e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us":

1) to settle a claim;
2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured";
3) to conduct suits. This includes being at trials and hearings;
4) in the securing of and giving of evidence; and
5) in obtaining the attendance of all witnesses.

f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.

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HOW MUCH WE PAY FOR LOSS OR OCCURRENCE

1. **Property Coverages**

   a. **Our Limit** -- "We" pay the lesser of:

      1) the "limit" that applies; or
      2) the amount determined under the applicable Loss Settlement Terms;

      regardless of the number of "insureds" with an interest in the property.

      However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss.

   b. **Deductible**

      1) This applies to all Principal Property Coverages and all Incidental Property Coverages except:

         a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
         b) Fire Department Service Charge; and
         c) Refrigerated Property.

         It applies to all Perils Insured Against unless otherwise stated.

      2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies:

         a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and
         b) separately at each covered location. Only one deductible applies at each location.

   c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.

   d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.

   e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Actual Cash Value Terms.

      In the Actual Cash Value Terms, cost to repair or replace does not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law.

      Actual Cash Value Terms -- The smaller of the following amounts is used in applying the "terms" under Our Limit:

      1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or
      2) the "actual cash value" of the lost or damaged part of the property just before the loss.

2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of:

   a. persons insured under this policy;

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b. parties who sustain injury or damage;

c. claims made or suits brought; or

d. policy periods involved.

All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".

3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident.

   When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident.

   The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".

4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".

5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.

6. **Insurance Under More Than One Policy**

   a. **Property Coverages**

      1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.

         However, this does not apply to loss, cost, or expense that is also covered by:

         a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or
         b) a government fund.

      2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance.

         However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.

   b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy.

      If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.

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7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.

8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.

PAYMENT OF LOSS

1. **Property Coverages**

   a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

      1) "we" reach an agreement with "you";
      2) there is an entry of a final judgment; or
      3) there is a filing of an appraisal award with "us".

      Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

   b. "We" may:

      1) pay the loss in money; or
      2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

      If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

   c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.

2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.

3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:

   a. to "you" on behalf of the owner; or

   b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".

POLICY CONDITIONS

CONDITIONS APPLICABLE TO ALL COVERAGES

1. **Assignment** -- This policy may not be assigned without "our" written consent.

2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

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"We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice.

During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.

When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless:

a. the premium has not been paid when due;

b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or

c. there has been a material change or increase in hazard of the risk.

If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective.

If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective.

"Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

3. **Change, Modification, Or Waiver Of Policy Terms**

   a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.

   b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".

      However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing:

      1) a subsequent edition of "our" policy; or
      2) an endorsement that amends "our" policy.

   c. "Our" request for an appraisal or examination under oath does not waive policy "terms".

4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws.

5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies.

   a. "We" provide coverage for the legal representative of the deceased person:

      1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and
      2) only to the extent that coverage is provided by this policy.

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b. "Insured" includes:

1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and
2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.

6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.

7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss:

   a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or

   b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof.

   This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.

8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.

   In the event that "we" require such an assignment, the "insured" must:

   a. sign and give to "us" all related documents; and

   b. cooperate with "us".

   Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.

CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY

1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.

2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.

   A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss.

   "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal.

   Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.

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3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property.

   If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".

4. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.

5. **Policy Period** -- This policy covers only losses that occur during the policy period.

6. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss.

   "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.

   At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us".

   If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.

7. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss.

   If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.

8. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.

CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY

1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.

2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must:

   a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and

   b. authorize "us" to get copies of medical records.

   The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.

3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.

4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by:

   a. a final judgment against the "insured" as a result of a trial; or

   b. a written agreement of the "insured", the claimant, and "us".

   No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".

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SPECIAL BUILDING AND CONTENTS FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".

Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.

AGREEMENT

This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.

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DEFINITIONS

1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household.

2. The words "we", "us", and "our" mean the company providing this insurance.

3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused.

4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include:

   a. a model aircraft that is not designed or used to carry people or cargo;

   b. a "hovercraft"; or

   c. a model hovercraft that is not designed or used to carry people or cargo.

5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services.

   However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person.

6. "Business" means:

   a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include:

      1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or
      2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or

   b. any other activity undertaken for money or other compensation, but this does not include:

      1) providing care services to a relative of an "insured";
      2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services;
      3) a volunteer activity for which:

         a) an "insured" receives no compensation; or
         b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or

      4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.

7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.

8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location.

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However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.

9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".

   However, "domestic employee" does not include a person who is furnished to an "insured":

   a. as a temporary substitute for a permanent "domestic employee" who is on leave; or

   b. to meet seasonal or short-term workloads.

10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".

11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.

    However, "hovercraft" does not include:

    a. a model hovercraft that is not designed or used to carry people or cargo;

    b. an "aircraft";

    c. a model aircraft that is not designed or used to carry people or cargo;

    d. a "motorized vehicle";

    e. a "watercraft"; or

    f. a model watercraft that is not designed or used to carry people or cargo.

13. "Insured" means:

    a. "you";

    b. "your" relatives if residents of "your" household;

    c. "your" relatives under the age of 25 years who:

       1) are financially dependent upon "you";
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school;

    d. persons, other than "your" relatives, under the age of 21 years who:

       1) reside in "your" household; and
       2) are in "your" care or in the care of "your" resident relatives;

    e. persons, other than "your" relatives, under the age of 21 years who:

       1) are in "your" care or in the care of "your" resident relatives;
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school; or

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f. solely with respect to the Liability Coverages provided by this policy:

1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties;
2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;
3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use;
4) persons or organizations accountable by law for "watercraft" or animals:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such "watercraft" or animals.

However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or

5) persons or organizations accountable by law for a motorized golf cart:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such golf cart.

However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.

The phrase an "insured", wherever it appears in this policy, means one or more "insureds".

14. "Insured premises" means:

a. the "described location";

b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";

c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;

d. premises used by "you" in connection with a premises described in a., b., or c. above;

e. cemetery lots and burial vaults of an "insured";

f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;

g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and

h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.

15. "Limit" means amount of insurance.

16. "Motorized vehicle" means:

a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a:

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1) "hovercraft";
2) model hovercraft that is not designed or used to carry people or cargo;
3) "watercraft"; or
4) model watercraft that is not designed or used to carry people or cargo; or

b. a trailer or semitrailer that:

1) is attached to or being carried on or towed by; or
2) becomes detached while being carried on or towed by;

a vehicle described in a. above.

17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.

18. "Pollutant" means:

a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and

b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.

19. "Property damage" means:

a. physical injury to or destruction of tangible property; or

b. the loss of use of tangible property whether or not it is physically damaged.

20. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.

"Sinkhole collapse" does not include the cost of filling sinkholes.

21. "Specified perils" means the following perils:

a. Accidental Discharge Or Overflow Of Water Or Steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.

However, "we" do not pay for loss:

1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor;
2) on the "described location" if the residence covered under Coverage A has been vacant for more than 60 days in a row just before the loss. A residence being built is not vacant;
3) caused by or resulting from freezing, except as provided in f. below; or
4) to the system or appliance from which the water or steam escaped.

In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

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b. Aircraft -- This includes self-propelled missiles and spacecraft.

c. Explosion

d. Falling Objects

However, "we" do not pay for loss to:

1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or
2) the object that falls.

e. Fire Or Lightning

f. Freezing -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

1) When the building is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

a) maintain heat in the building; and
b) continue the water supply.

2) When the building is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

a) maintain heat in the building; or
b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

g. Riot Or Civil Commotion

h. "Sinkhole collapse"

i. Sudden And Accidental Damage From Smoke -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment.

However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

j. Sudden And Accidental Damage From Artificially Generated Electrical Currents

However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.

k. Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater.

However, "we" do not pay for loss caused by or resulting from freezing under this peril.

l. Theft -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred.

However, "we" do not pay for loss caused by:

1) theft by an "insured";

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2) theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use;
3) theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or
4) theft that occurs away from the "described location" of property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there.

m. Vandalism Or Malicious Mischief

However, "we" do not pay for loss to property on the "described location":

1) caused by vandalism or malicious mischief; or
2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.

n. Vehicles

o. Volcanic Eruption

However, this does not include loss caused by earthquake, land shock waves, or tremors.

p. Weight Of Ice, Snow, Or Sleet that causes damage to a building or property inside a building.

q. Windstorm Or Hail

However, "we" do not pay for loss:

1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or
2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.

22. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.

23. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to:

a. armadillios;

b. bats;

c. opossums;

d. porcupines;

e. raccoons;

f. skunks; and

g. snakes.

24. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include:

a. a model watercraft that is not designed or used to carry people or cargo;

b. a "hovercraft";

c. a model hovercraft that is not designed or used to carry people or cargo;

d. a "motorized vehicle";

e. an "aircraft"; or

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f. a model aircraft that is not designed or used to carry people or cargo.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

   a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

   b. "We" do not cover:

      1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
      2) underground water or surface water;
      3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
      4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers.

   c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.

2. **Coverage B -- Related Private Structures**

   a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.

   b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.

   c. "We" do not cover:

      1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
      2) underground water or surface water;
      3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;
      4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or
      5) any structure:

         a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes;
         b) used, in whole or in part, for the direction or operation of a "business"; or
         c) used, in whole or in part, for the storage of "business" property.

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However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that:

(1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or
(2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and

does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.

d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.

3. **Coverage C -- Personal Property**

a. "We" cover personal property owned or used by an "insured". At "your" option:

1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and
2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".

b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.

However, this limitation does not apply to personal property:

1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or
2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.

c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class.

1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.
2) $2,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.

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3) $2,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
4) $2,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
5) $2,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers.

   However, this does not apply to:

   a) model watercraft that is not designed or used to carry people or cargo; or
   b) hovercraft.

6) $2,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.
7) For loss by theft, misplacing, or losing:

   a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;
   b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and
   c) $2,500 on guns and items related to guns.

8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others:

   a) $2,500 on property while on the "described location"; and
   b) $500 on property while away from the "described location".

   However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above.

   These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.

d. **Personal Property Not Covered** -- "We" do not cover:

   1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance;
   2) animals, birds, fish, or insects;
   3) "motorized vehicles".

      a) This includes:

         (1) their parts, equipment, and accessories, other than property described in c.3) above; and
         (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices;

      while in or on a "motorized vehicle".

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b) However, this does not include a "motorized vehicle":

(1) that is designed to assist the handicapped; or
(2) that is:

(a) owned by an "insured";
(b) designed only for use off of public roads; and
(c) used only to service an "insured premises" or a premises of another;

if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;

4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.

However, this does not include model aircraft that are not designed or used to carry people or cargo;

5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached.

However, this does not include model hovercraft that are not designed or used to carry people or cargo;

6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured";
7) property rented or held for rental to others by an "insured", but this does not include property in:

a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes;
b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or
c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units;

8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers;
10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
11) underground water or surface water; or
12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

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e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.

4. **Coverage D -- Additional Living Costs And Loss Of Rent**

a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages.

"We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.

b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages.

However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.

"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.

c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.

d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.

e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.

INCIDENTAL PROPERTY COVERAGES

This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated.

1. **Association Deductible**

a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible:

1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and
2) results from direct loss to property that:

a) would be eligible for coverage by this policy if it were owned by "you";
b) is covered under the insurance held by "your" association; and

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c) is caused by a Peril Insured Against covered by this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption.

b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

2. **Collapse**

a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following:

1) a Peril Insured Against described under Coverage A and Coverage B;
2) insect, rodent, or "vermin" damage, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such damage prior to the collapse;
3) decay, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such decay prior to the collapse;
4) weight of animals, equipment, people, or personal property;
5) weight of rain that collects on a roof; or
6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair.

However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.

b. In this Incidental Property Coverage:

1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and
2) the following are not considered to be in a state of collapse:

a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage;
b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or
c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.

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However, the "terms" stated in 1) and 2) above do not limit coverage for direct loss to covered property caused by one or more of the "specified perils" and not otherwise excluded under this policy.

c. This coverage does not increase the "limits" that apply to the property covered.

d. The Bacteria, Fungi, Wet Rot, Or Dry Rot and Errors, Omissions, And Defects exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.

3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money**

a. "We" pay for loss if an "insured":

1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured";
2) has a loss resulting from the theft or unauthorized use of:

a) an electronic fund transfer card; or
b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

issued or registered in the name of an "insured";

3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or
4) accepts in good faith counterfeit United States or Canadian paper money.

The most "we" pay is $5,000 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.

b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of:

1) a credit card;
2) an electronic fund transfer card; or
3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

issued or registered in an "insured's" name.

Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.

c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.

d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".

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e. "We" do not pay for loss:

1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:

a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;
b) by a resident of "your" household; or
c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";

2) caused by the dishonesty of an "insured"; or
3) that results from the "business" of an "insured";

nor do "we" provide a defense for suits resulting from such loss.

4. **Debris Removal**

a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building.

"We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.

This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location":

1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of:

a) Windstorm Or Hail; or
b) Weight Of Ice, Snow, Or Sleet; or

2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy.

Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence.

However, "we" pay no more than $500 of this "limit" to remove any one tree.

With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.

c. The coverage described in b. above applies only to a fallen tree that:

1) causes damage to a covered structure;
2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or
3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.

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5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires.

   This coverage does not increase the "limits" that apply to the property being removed.

   The Exclusions That Apply To Coverage A, Coverage B, And Coverage C; the Exclusions That Apply Only To Coverage A And Coverage B; the Exclusions That Apply Only To Coverage C; and the Exclusions That Apply To Property Coverages do not apply to such property while removed.

   However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.

   However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response.

   The most "we" pay is $1,000 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".

7. **Glass Or Safety Glazing Material**

   a. "We" pay for:

      1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and

      2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.

   b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.

   c. Under this Incidental Property Coverage, "we" do not pay for loss:

      1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or
      2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss.

         However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement.

         A residence being built is not vacant.

   d. This coverage does not increase the "limits" that apply to the property covered.

8. **Grave Markers** -- "We" pay up to $5,000 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.

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9. **Increased Cost -- Ordinance Or Law**

   a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure.

   b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when:

      1) loss to the residence or structure is caused by a Peril Insured Against; and
      2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition.

      This does not increase the "limit" that applies to this Incidental Property Coverage.

   c. However, "we" do not pay for:

      1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
      2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

10. **Liquid Fuel Remediation**

   a. "We" pay for loss to:

      1) property covered under Coverage A, Coverage B, or Coverage C;
      2) land:

         a) within the "described location";
         b) owned by an "insured"; and
         c) on which the residence covered under Coverage A or a structure covered under Coverage B is located;

         but this does not include farm land; or

      3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;

      caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".

   b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for:

      1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system;
      2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area;

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3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from:

   a) property covered under Coverage A, Coverage B, or Coverage C;
   b) land:

      (1) within the "described location";
      (2) owned by an "insured"; and
      (3) on which the residence covered under Coverage A or a structure covered under Coverage B is located;

      but this does not include farm land; or

   c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

   This includes cost or expense to remove the debris of such property or land;

4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled;
5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and
6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.

   However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing:

   a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and
   b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above.

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

d. Under Exclusions That Apply To Coverage A, Coverage B, And Coverage C, the exclusion for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants" does not apply to the coverage provided under this Incidental Property Coverage for the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel.

e. "We" do not pay for:

   1) loss, cost, or expense involving underground water or surface water;
   2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business";
   3) loss, cost, or expense due to the cancellation of a lease or an agreement;
   4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;
   5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;

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6) any damages resulting from:

   a) a loss of; or
   b) a reduction in value of;

   an agreement to sell property or land; or

7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.

f. The "terms" and "limits" applicable to:

   1) Coverage D -- Additional Living Costs And Loss Of Rent; and
   2) the Incidental Property Coverage for Debris Removal;

   do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.

g. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation:

   1) is the most "we" pay for the total of:

      a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and
      b) all coverages described in a. and b. above; and

   2) applies regardless of the number of:

      a) claims made;
      b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or
      c) locations insured under this policy.

   With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 5% of the Coverage A "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.

   With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.

h. The "terms" stated in a. through g. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by one or more of the "specified perils" and is not otherwise excluded under this policy.

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11. **Lock And Garage Door Transmitter Replacement** -- "We" pay to replace the locks on exterior doors of the residence covered under Coverage A if the keys to such locks are lost or stolen. "We" also pay to replace a portable transmitter that is part of an automatic garage door opening system on the "described location" if such transmitter is lost or stolen.

    "You" must notify "us" in writing within 72 hours of discovering the loss. The most "we" pay is $500 per occurrence.

12. **Loss Assessment**

    a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment:

        1) is levied during the policy period;
        2) results from direct loss to property that is:

            a) owned collectively by all association members;
            b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and
            c) caused by a Peril Insured Against covered by this policy, but this does not include:

                (1) earthquake; or
                (2) land shock waves or tremors before, during, or after a volcanic eruption; and

        3) is levied against "you" as owner or tenant of the "described location".

    b. However, "we" do not pay for an assessment that:

        1) results from a deductible in the insurance held by the association; or
        2) is levied against "you" or the association by any governmental body or authority.

    c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.

    d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

13. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only when the loss is caused by one or more of the "specified perils", other than Theft, and is not otherwise excluded under this policy.

    The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged.

    This coverage does not increase the "limits" that apply to the property covered.

14. **Reasonable Repairs**

    a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.

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b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against.

This coverage does not:

1) increase the "limit" that applies to the property covered; or
2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.

15. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by:

a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or

b. mechanical breakdown of the freezer or refrigerated unit.

Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss.

The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations".

The reference to mechanical breakdown in the Wear And Tear exclusion under Exclusions That Apply To Coverage A, Coverage B, And Coverage C and the Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.

16. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by:

a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft;

b. Vehicles if not owned or operated by an occupant of the "described location"; or

c. Vandalism Or Malicious Mischief or Theft.

"You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item.

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

PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D

Coverage A -- Residence, Coverage B -- Related Private Structures, And Coverage C -- Personal Property -- "We" insure property covered under Coverage A, Coverage B, or Coverage C for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage A, Coverage B, And Coverage C, the Exclusions That Apply Only To Coverage A And Coverage B, or the Exclusions That Apply Only To Coverage C.

1. **Exclusions That Apply To Coverage A, Coverage B, And Coverage C**

a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages.

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b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.

1) When the building is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

a) maintain heat in the building; and
b) continue the water supply.

2) When the building is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

a) maintain heat in the building; or
b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to:

1) fences, patios, paved areas, or swimming pools;
2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure;
3) bulkheads or retaining walls that do not support all or part of a building or other structure; or
4) docks, piers, or wharves.

d. **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.

e. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by:

1) continuous or repeated discharge, seepage, or leakage of water; or
2) the presence or condensation of humidity, moisture, or vapor;

over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove

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subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

f. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of:

1) bulkheads;
2) ceilings;
3) floors;
4) footings;
5) foundations;
6) patios;
7) paved areas;
8) roofs; or
9) walls.

g. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by:

1) birds;
2) "vermin";
3) rodents;
4) insects; or
5) any animal owned or kept by an "insured";

except as provided under the Incidental Property Coverages.

h. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

i. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by one or more of the "specified perils" and is not otherwise excluded under this policy.

j. **Wear And Tear** -- "We" do not pay for loss caused by:

1) wear and tear, marring, or deterioration;
2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;
3) rust or other corrosion or smog; or
4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation.

2. **Exceptions To Exclusions That Apply To Coverage A, Coverage B, And Coverage C**

a. "We" pay for an ensuing loss that results from 1.b. through 1.j. above, unless the ensuing loss itself is excluded.

b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage A, Coverage B, or Coverage C that results from water or steam that, due to a cause or event excluded under 1.f. through 1.j. above, accidentally discharges or overflows from:

1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or
2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location". This includes the reasonable cost of removing and replacing those parts of a building or other structure on the "described location" needed to repair the system, heater, or appliance.

However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building on the "described location".

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"We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.

In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

3. **Exclusions That Apply Only To Coverage A And Coverage B**

a. **Vandalism Or Malicious Mischief** -- "We" do not pay for loss:

1) caused by vandalism or malicious mischief; or
2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.

b. **Collapse Or Impairment** -- "We" do not pay for loss involving:

1) collapse; or
2) impairment of structural integrity, including but not limited to sagging, bowing, bending, leaning, or inadequacy of load bearing capacity;

except as provided under the Incidental Property Coverage for Collapse.

However, "we" do pay for an ensuing loss to property covered under Coverage A or Coverage B unless the ensuing loss itself is excluded.

4. **Exclusions That Apply Only To Coverage C**

a. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains, and similar fragile articles.

However, this exclusion does not apply to:

1) jewelry; watches; bronzes; cameras and photographic lenses; or
2) loss caused by or resulting from:

a) the collapse of a building or a part of a building or the impairment of the structural integrity of a building or a part of a building; or
b) one or more of the "specified perils", other than Falling Objects, that is not otherwise excluded under this policy.

b. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, semitrailers, furnishings, equipment, engines, and motors, caused by collision, sinking, swamping, or stranding. This exclusion does not apply to collision of watercraft with a land vehicle.

c. **Dampness And Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. This does not apply to loss caused directly by rain, snow, sleet, or hail.

d. **Refinishing, Renovating, Or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches, and furs, caused by a refinishing, renovating, or repairing process.

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However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

   These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.

   a. **Ordinance Or Law** -- "We" do not pay for:

      1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law;
      2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
      3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

      This exclusion applies whether or not there has been physical damage to covered property.

   b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority.

      "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.

   c. **Nuclear Hazard**

      1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination:

         a) whether controlled or uncontrolled; or
         b) however caused;

         or any consequence of such reaction, radiation, or contamination.

      2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by:

         a) fire;
         b) explosion; or
         c) smoke;

         even if this policy provides coverage for loss caused by one or more of these perils.

      3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.

   d. **War And Military Action** -- "We" do not pay for loss caused by:

      1) war, including undeclared or civil war;

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2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.

f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature.

Earth movement means:

1) earthquake;
2) land shock waves or tremors before, during, or after a volcanic eruption;
3) landslide, mudflow, mudslide;
4) subsidence, erosion; or
5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

However, this does not include "sinkhole collapse".

"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement.

This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.

g. **Water**

1) "We" do not pay for loss caused by:

a) flood;
b) surface water;
c) waves, including but not limited to tidal wave and tsunami;
d) tides;
e) tidal water;
f) overflow of any body of water; or
g) spray from a) through f) above;

whether driven by wind or not.

This includes, but is not limited to, tidal surge, storm surge, and storm tide.

2) "We" do not pay for loss caused by water that:

a) backs up through sewers or drains; or
b) overflows or otherwise discharges from:

(1) a sump, sump pump, or related equipment; or
(2) any other type of system designed to remove subsurface water which is drained from the foundation area.

3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.

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4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.
5) The exclusions set forth in 1) through 4) above:

   a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and
   b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

      (1) overtops;
      (2) escapes from;
      (3) is released from; or
      (4) is otherwise discharged from;

      a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.
7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.
8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.
9) These exclusions do not apply with respect to direct physical loss to property covered under Coverage C while such property is away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Exclusions That Apply To Property Coverages does not apply.

h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location".

   "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.

i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed:

   1) by an "insured", alone or in collusion with another; or
   2) at the direction of an "insured";

   with the intent to cause a loss.

   This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against.

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"We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.

2. "We" do not pay for loss or damage caused by or resulting from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.

   a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the preceding Exclusions That Apply To Property Coverages (Numbers 1.a. through 1.j).

   b. **Errors, Omissions, And Defects** -- "We" do not pay for loss caused by one or more of the following:

      1) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or
      2) a defect, a weakness, the inadequacy, a fault, or unsoundness in the:

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

         of any property, whether in whole or in part, and whether on or away from the "described location", except as provided under the Incidental Property Coverage for Collapse.

LIABILITY COVERAGES

PRINCIPAL LIABILITY COVERAGES

1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies.

   "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.

   "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.

2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.

   This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:

   a. a person on an "insured premises" with the permission of an "insured"; or

   b. a person away from an "insured premises" if the "bodily injury":

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1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises";
2) is caused by an activity of an "insured";
3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or
4) is caused by an animal owned by or in the care of an "insured".

INCIDENTAL LIABILITY COVERAGES

This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.

1. **Business**

a. "We" pay for "bodily injury" or "property damage" that arises out of:

1) the rental or holding for rental of an "insured premises":

a) on an occasional basis for use only as a residence;
b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or
c) in part for use as a school, studio, office, or private garage; or

2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".

b. This Incidental Liability Coverage for Business is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.;
2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

2. **Claims And Defense Cost** -- "We" pay for:

a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;

b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;

c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;

d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and

e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.

3. **Contracts**

a. "We" pay for "bodily injury" or "property damage":

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1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or
2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others.

The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.

b. This Incidental Liability Coverage for Contracts is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M;
2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and
3) Additional Exclusions That Apply Only To Coverage M.

4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence".

The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.

However, "we" do not pay for "property damage":

a. covered under the Property Coverages section of this policy.

However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;

b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured";

c. caused intentionally by an "insured" who has attained the age of 13 years;

d. arising out of an act or omission in any way related to a:

1) "business" undertaken by an "insured"; or
2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or

e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft".

However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle":

1) that is not owned by an "insured" and is designed:

a) for recreational use off of public roads; or
b) to assist the handicapped; or

2) that is not owned by an "insured" and is used only to service:

a) an "insured premises"; or
b) a premises of another, not in the course of "business";

if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.

5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.

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6. **Loss Assessment**

   a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:

      1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or
      2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.

   b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.

   c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".

   d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of:

      1) any one accident, including repeated exposures to similar conditions; or
      2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.

   e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.

7. **Motorized Vehicles**

   a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:

      1) is in dead storage on an "insured premises";
      2) is used only to service:

         a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or
         b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;

      3) is designed to assist the handicapped;
      4) is designed for recreational use off of public roads and is:

         a) not owned by an "insured"; or
         b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;

      5) is operated only from electrical current supplied by a battery and is:

         a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and
         b) not a motorized bicycle, moped, or golf cart; or

      6) is a motorized golf cart that:

         a) is owned by an "insured";
         b) is designed to carry no more than four persons;

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c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and
d) at the time of the "occurrence", is within the legal boundaries of:

(1) a golfing establishment and is:

(a) parked or stored there; or
(b) being used by an "insured" to:

(i) play the game of golf or for other recreational or leisure activity allowed by the establishment;
(ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or
(iii) cross public roads at designated points to access other parts of the golfing establishment; or

(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel:

(a) that is subject to the authority of an association of property owners; and
(b) in which an "insured premises" is located.

b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not:

1) registered for use on public roads or property;
2) required by law or governmental regulation to be registered for use at the location of the "occurrence";
3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest;
4) being rented to others;
5) being used to carry people or cargo for a fee; or
6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.

c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than:

a) exclusions c. and e.; and
b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;

2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

8. **Watercraft**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:

1) is in storage;
2) is a sailing vessel, with or without auxiliary power, that is:

a) less than 26 feet in overall length; or
b) 26 feet or more in overall length and not owned by or rented to an "insured"; or

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3) is not a sailing vessel and is powered by:

   a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of:

      (1) 50 horsepower or less if not owned by an "insured"; or
      (2) more than 50 horsepower if not owned by or rented to an "insured"; or

   b) one or more outboard engines or motors with:

      (1) 25 total horsepower or less;
      (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured";
      (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
      (4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:

         (a) it is listed on the "declarations" as insured for personal liability; or
         (b) a written request for liability coverage is received by "us" within 45 days after it is acquired.

In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being:

   1) rented to others;
   2) used to carry people or cargo for a fee;
   3) used for any "business" purpose; or
   4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest.

   However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.

c. This Incidental Liability Coverage for Watercraft is subject to all of the:

   1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.;
   2) Additional Exclusions That Apply Only To Coverage L; and
   3) Additional Exclusions That Apply Only To Coverage M.

EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES

1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to:

   a. "bodily injury" or "property damage" caused directly or indirectly by:

      1) war, including undeclared or civil war;
      2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or

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3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

b. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person;
3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

c. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;
3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to:

1) "aircraft"; or
2) "hovercraft".

This applies whether or not such liability is imposed by law.

e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a:

1) "motorized vehicle"; or
2) "watercraft".

This applies whether or not such liability is imposed by law.

However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.

g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured".

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This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business".

However, this exclusion does not apply to the extent that coverage is provided:

1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or
2) under the Incidental Liability Coverage for Business.

h. "bodily injury" or "property damage" that arises out of premises that are:

1) owned by an "insured";
2) rented to an "insured"; or
3) rented to others by an "insured";

and that are not "insured premises".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

i. "bodily injury" or "property damage" that is:

1) expected by, directed by, or intended by an "insured";
2) the result of a criminal act of an "insured"; or
3) the result of an intentional and malicious act by or at the direction of an "insured".

This exclusion applies even if the "bodily injury" or "property damage":

1) that occurs is different than what was expected, directed, or intended; or
2) is suffered by persons, entities, or property not expected, directed, or intended.

However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.

j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".

k. "bodily injury" or "property damage" that arises out of sexual molestation.

l. "bodily injury" or "property damage" that arises out of physical or mental abuse.

m. "bodily injury" or "property damage" that arises out of corporal punishment.

n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to:

a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions.

b. any claim made or suit brought against an "insured" seeking:

1) reimbursement of; or
2) contribution toward;

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damages for which another person may be liable because of "bodily injury" to an "insured".

c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.

d. "property damage" to property owned by an "insured".

e. cost or expense for measures performed on property owned by an "insured" to prevent:

1) injury to a person; or
2) damage to property of others;

on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.

f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured".

However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.

g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.

h. "bodily injury" to a person, including a "domestic employee", if:

1) an "insured" has a workers' compensation policy covering the injury; or
2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.

i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.

j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)

3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":

a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".

b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.

c. to a "domestic employee" if the "bodily injury":

1) occurs away from an "insured premises"; and
2) does not arise out of or in the course of his or her employment by an "insured".

d. from any:

1) nuclear reaction;
2) nuclear radiation; or
3) radioactive contamination;

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whether controlled or uncontrolled or however caused; or

4) any consequence of 1), 2), or 3) above.

WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE

1. **Property Coverages**

The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice.

Notice must be given to the police when the loss involves theft.

Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.

b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss.

If the property must be repaired, "you" must:

1) make reasonable and necessary repairs to protect the property; and
2) keep an accurate record of the costs of such repairs.

c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.

d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the:

1) quantity;
2) description;
3) "actual cash value"; and
4) amount of loss.

Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.

e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be:

1) shown the damaged property; and
2) allowed to take samples of damaged property for inspection, testing, and analysis.

f. **Records And Documents** -- As often as "we" reasonably request, "we" must be:

1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and
2) permitted to make copies of such records and documents.

g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must:

1) submit to examination under oath in matters that relate to the loss or claim; and
2) sign such statement made under oath.

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If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".

h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that:

1) states, to the best of "your" knowledge and belief, the:

a) time and cause of the loss; and
b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;

2) identifies:

a) other policies that may cover the loss; and
b) any changes in title or use of the property during the policy period; and

3) provides:

a) available plans and specifications of damaged buildings;
b) detailed estimates for repair;
c) the inventory of damaged personal property described in d. above;
d) receipts for additional living costs incurred and records that prove the fair rental value; and
e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.

i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.

2. **Liability Coverages**

The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:

1) "your" name and the policy number;
2) reasonably available information regarding the time, location, and other details of the "occurrence"; and
3) the names and addresses of all known potential claimants and witnesses.

b. **Volunteer Payments** -- Any:

1) payments made;
2) rewards paid or offered; or
3) obligations or other costs assumed;

by an "insured" will be at the "insured's" own cost.

However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.

c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.

d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".

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e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us":

1) to settle a claim;
2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured";
3) to conduct suits. This includes being at trials and hearings;
4) in the securing of and giving of evidence; and
5) in obtaining the attendance of all witnesses.

f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.

HOW MUCH WE PAY FOR LOSS OR OCCURRENCE

1. **Property Coverages**

a. **Our Limit** -- "We" pay the lesser of:

1) the "limit" that applies; or
2) the amount determined under the applicable Loss Settlement Terms;

regardless of the number of "insureds" with an interest in the property.

However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss.

b. **Deductible**

1) This applies to all Principal Property Coverages and all Incidental Property Coverages except:

a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
b) Fire Department Service Charge;
c) Lock And Garage Door Transmitter Replacement; and
d) Refrigerated Property.

It applies to all Perils Insured Against unless otherwise stated.

2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies:

a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and
b) separately at each covered location. Only one deductible applies at each location.

c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.

d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.

e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms.

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In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law.

1) **Replacement Cost Terms That Apply To Coverage A And Coverage B Only**

   a) These Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof.
   b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit:

      (1) the "actual cash value" of the damaged part of the building just before the loss; or
      (2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.

   c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit:

      (1) the amount actually and necessarily spent to repair or replace the damaged building; or
      (2) the cost to repair or replace the damage:

         (a) using materials of like kind and quality; and
         (b) for like use.

         However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.

   d) In determining the replacement cost, do not include the cost of:

      (1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are:

         (a) below the undersurface of the lowest basement floor; or
         (b) below the surface of the ground inside the foundation walls, if there is no basement; or

      (2) underground flues, pipes, wiring, or drains.

   e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above.

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f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so.

2) **Replacement Cost Terms That Apply To Personal Property Only**

a) These "terms" apply to:

(1) property covered under Coverage C; and
(2) the following classes of personal property, if covered under this policy by scheduled insurance and such coverage is not subject to Agreed Value Loss Settlement Terms:

(a) jewelry;
(b) furs and garments trimmed with fur or consisting principally of fur;
(c) cameras, projection machines, films, and related items of equipment;
(d) musical instruments and related items of equipment;
(e) silverware, goldware, platinumware, pewterware, and items plated with silver, gold, or platinum;
(f) golf clubs, golf clothing, and golf equipment; and
(g) bicycles.

b) However, these "terms" do not apply to:

(1) items of antiquity, art, or rarity that cannot be duplicated;
(2) memorabilia, souvenirs, collector's items, and similar items whose age or history contribute to their value;
(3) items not maintained in good or workable condition; or
(4) items that are outdated or obsolete and are stored or not being used.

Property described in (1) through (4) above is subject to Actual Cash Value Terms.

c) The smaller of the following amounts is used in applying the "terms" under Our Limit:

(1) the cost, at the time of loss, to replace the lost or damaged part of the property, without deduction for depreciation; or
(2) the full cost, at the time of loss, to repair the damaged part of the property.

d) When the total cost to repair or replace all property involved in any one occurrence is more than $500, "we" do not pay for more than the "actual cash value" of the loss until actual repair or replacement is completed.

e) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so.

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3) **Actual Cash Value Terms**

a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms.
b) The smaller of the following amounts is used in applying the "terms" under Our Limit:

(1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or
(2) the "actual cash value" of the lost or damaged part of the property just before the loss.

2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of:

a. persons insured under this policy;

b. parties who sustain injury or damage;

c. claims made or suits brought; or

d. policy periods involved.

All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".

3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident.

When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident.

The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".

4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".

5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.

6. **Insurance Under More Than One Policy**

a. **Property Coverages**

1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.

However, this does not apply to loss, cost, or expense that is also covered by:

a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or
b) a government fund.

2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance.

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However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.

b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy.

If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.

7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.

8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.

PAYMENT OF LOSS

1. **Property Coverages**

a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

1) "we" reach an agreement with "you";
2) there is an entry of a final judgment; or
3) there is a filing of an appraisal award with "us".

Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

b. "We" may:

1) pay the loss in money; or
2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.

2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.

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3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:

   a. to "you" on behalf of the owner; or

   b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".

POLICY CONDITIONS

CONDITIONS APPLICABLE TO ALL COVERAGES

1. **Assignment** -- This policy may not be assigned without "our" written consent.

2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

   "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice.

   During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.

   When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless:

   a. the premium has not been paid when due;

   b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or

   c. there has been a material change or increase in hazard of the risk.

   If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective.

   If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective.

   "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

3. **Change, Modification, Or Waiver Of Policy Terms**

   a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.

   b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".

      However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing:

      1) a subsequent edition of "our" policy; or
      2) an endorsement that amends "our" policy.

   c. "Our" request for an appraisal or examination under oath does not waive policy "terms".

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4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws.

5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies.

   a. "We" provide coverage for the legal representative of the deceased person:

      1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and
      2) only to the extent that coverage is provided by this policy.

   b. "Insured" includes:

      1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and
      2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.

6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.

7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss:

   a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or

   b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof.

   This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.

8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.

   In the event that "we" require such an assignment, the "insured" must:

   a. sign and give to "us" all related documents; and

   b. cooperate with "us".

   Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.

CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY

1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.

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2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.

   A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss.

   "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal.

   Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.

3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property.

   If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".

4. **Mortgage Clause**

   a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee.

   b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has:

      1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware;
      2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and
      3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so.

      All "terms" of this policy apply to the mortgagee unless changed by this clause.

   c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.

   d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

      At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.

6. **Policy Period** -- This policy covers only losses that occur during the policy period.

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7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss.

   "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.

   At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us".

   If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.

8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss.

   If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.

9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.

CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY

1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.

2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must:

   a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and

   b. authorize "us" to get copies of medical records.

   The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.

3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.

4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by:

   a. a final judgment against the "insured" as a result of a trial; or

   b. a written agreement of the "insured", the claimant, and "us".

   No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".

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UNIT-OWNERS FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".

Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.

AGREEMENT

This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.

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DEFINITIONS

1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household.

2. The words "we", "us", and "our" mean the company providing this insurance.

3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused.

4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include:

   a. a model aircraft that is not designed or used to carry people or cargo;

   b. a "hovercraft"; or

   c. a model hovercraft that is not designed or used to carry people or cargo.

5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services.

   However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person.

6. "Business" means:

   a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include:

      1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or
      2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or

   b. any other activity undertaken for money or other compensation, but this does not include:

      1) providing care services to a relative of an "insured";
      2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services;
      3) a volunteer activity for which:

         a) an "insured" receives no compensation; or
         b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or

      4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.

7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.

8. "Described location" means the unit in which "you" reside and which is shown on the "declarations" as the "described location".

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9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".

   However, "domestic employee" does not include a person who is furnished to an "insured":

   a. as a temporary substitute for a permanent "domestic employee" who is on leave; or

   b. to meet seasonal or short-term workloads.

10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".

11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.

    However, "hovercraft" does not include:

    a. a model hovercraft that is not designed or used to carry people or cargo;

    b. an "aircraft";

    c. a model aircraft that is not designed or used to carry people or cargo;

    d. a "motorized vehicle";

    e. a "watercraft"; or

    f. a model watercraft that is not designed or used to carry people or cargo.

13. "Insured" means:

    a. "you";

    b. "your" relatives if residents of "your" household;

    c. "your" relatives under the age of 25 years who:

       1) are financially dependent upon "you";
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school;

    d. persons, other than "your" relatives, under the age of 21 years who:

       1) reside in "your" household; and
       2) are in "your" care or in the care of "your" resident relatives;

    e. persons, other than "your" relatives, under the age of 21 years who:

       1) are in "your" care or in the care of "your" resident relatives;
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school; or

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f. solely with respect to the Liability Coverages provided by this policy:

1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties;
2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;
3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use;
4) persons or organizations accountable by law for "watercraft" or animals:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such "watercraft" or animals.

However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or

5) persons or organizations accountable by law for a motorized golf cart:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such golf cart.

However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.

The phrase an "insured", wherever it appears in this policy, means one or more "insureds".

14. "Insured premises" means:

a. the "described location";

b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";

c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;

d. premises used by "you" in connection with a premises described in a., b., or c. above;

e. cemetery lots and burial vaults of an "insured";

f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;

g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and

h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.

15. "Limit" means amount of insurance.

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16. "Motorized vehicle" means:

    a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a:

        1) "hovercraft";
        2) model hovercraft that is not designed or used to carry people or cargo;
        3) "watercraft"; or
        4) model watercraft that is not designed or used to carry people or cargo; or

    b. a trailer or semitrailer that:

        1) is attached to or being carried on or towed by; or
        2) becomes detached while being carried on or towed by;

        a vehicle described in a. above.

17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.

18. "Pollutant" means:

    a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and

    b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.

19. "Property damage" means:

    a. physical injury to or destruction of tangible property; or

    b. the loss of use of tangible property whether or not it is physically damaged.

20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.

21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to:

    a. armadillos;

    b. bats;

    c. opossums;

    d. porcupines;

    e. raccoons;

    f. skunks; and

    g. snakes.

22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include:

    a. a model watercraft that is not designed or used to carry people or cargo;

    b. a "hovercraft";

    c. a model hovercraft that is not designed or used to carry people or cargo;

    d. a "motorized vehicle";

    e. an "aircraft"; or

    f. a model aircraft that is not designed or used to carry people or cargo.

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PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

   a. "We" cover:

      1) fixtures, alterations, decorations, additions, installations, and appliances that are part of the building included within the "described location";
      2) structures at the site of the "described location" owned solely by "you", other than the "described location";
      3) property that is "your" insurance responsibility under an agreement with an association or a corporation of property owners; and
      4) items of real property pertaining exclusively to the "described location".

   b. "We" do not cover:

      1) land, including the land on which:

         a) the "described location";
         b) real property; or
         c) any other structure;

         is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;

      2) underground water or surface water;
      3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;
      4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or
      5) any structure at the site of the "described location":

         a) rented or held for rental to any person who is not a tenant of the "described location", other than a structure used solely for private garage purposes;
         b) used, in whole or in part, for the direction or operation of a "business"; or
         c) used, in whole or in part, for the storage of "business" property.

         However, this exclusion does not apply to a structure used by an "insured" or a tenant of the "described location" to store "business" property that:

         (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or
         (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and

         does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.

   c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.

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2. **Coverage C -- Personal Property**

   a. "We" cover personal property owned or used by an "insured". At "your" option:

      1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and
      2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".

   b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.

      However, this limitation does not apply to personal property:

      1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or
      2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.

   c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class.

      1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.
      2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.
      3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
      4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
      5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers.

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However, this does not apply to:

a) model watercraft that is not designed or used to carry people or cargo; or
b) hovercraft.

6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.
7) For loss by theft:

a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;
b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and
c) $2,500 on guns and items related to guns.

8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others:

a) $2,500 on property while on the "described location"; and
b) $500 on property while away from the "described location".

However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above.

These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.

d. **Personal Property Not Covered** -- "We" do not cover:

1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance;
2) animals, birds, fish, or insects;
3) "motorized vehicles".

a) This includes:

(1) their parts, equipment, and accessories, other than property described in c.3) above; and
(2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices;

while in or on a "motorized vehicle".

b) However, this does not include a "motorized vehicle":

(1) that is designed to assist the handicapped; or
(2) that is:

(a) owned by an "insured";
(b) designed only for use off of public roads; and
(c) used only to service an "insured premises" or a premises of another;

if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;

4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.

However, this does not include model aircraft that are not designed or used to carry people or cargo;

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5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached.

   However, this does not include model hovercraft that are not designed or used to carry people or cargo;

6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured";
7) property rented or held for rental to others by an "insured", but this does not include property in:

   a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; or
   b) the portion of the "described location" that is rented or held for rental to no more than two roomers or boarders for use as a residence;

8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers;
10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
11) underground water or surface water; or
12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.

3. **Coverage D -- Additional Living Costs And Loss Of Rent**

   a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence because of loss to covered property or the building containing covered property caused by a Peril Insured Against covered by this policy.

      "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.

   b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages.

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However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.

"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.

c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.

d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.

e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.

INCIDENTAL PROPERTY COVERAGES

This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A or Coverage C. These coverages provide additional insurance unless otherwise stated.

1. **Association Deductible**

a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible:

1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and
2) results from direct loss to property that:

a) would be eligible for coverage by this policy if it were owned by "you";
b) is covered under the insurance held by "your" association; and
c) is caused by a Peril Insured Against described under Coverage A in this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption.

b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

2. **Collapse**

a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following:

1) a Peril Insured Against described under Coverage C;
2) insect, rodent, or "vermin" damage, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such damage prior to the collapse;

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3) decay, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such decay prior to the collapse;
4) weight of animals, equipment, people, or personal property;
5) weight of rain that collects on a roof; or
6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair.

However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.

b. In this Incidental Property Coverage:

1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and

2) the following are not considered to be in a state of collapse:

a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage;
b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or
c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.

c. This coverage does not increase the "limits" that apply to the property covered.

d. The Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion under Exclusions That Apply To Property Coverages does not apply to this Incidental Property Coverage.

3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money**

a. "We" pay for loss if an "insured":

1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured";
2) has a loss resulting from the theft or unauthorized use of:

a) an electronic fund transfer card; or
b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

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issued or registered in the name of an "insured";

3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or
4) accepts in good faith counterfeit United States or Canadian paper money.

The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.

b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of:

1) a credit card;
2) an electronic fund transfer card; or
3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

issued or registered in an "insured's" name.

Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.

c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.

d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".

e. "We" do not pay for loss:

1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:

a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;
b) by a resident of "your" household; or
c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";

2) caused by the dishonesty of an "insured"; or
3) that results from the "business" of an "insured";

nor do "we" provide a defense for suits resulting from such loss.

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4. **Debris Removal**

   a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building.

      "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.

      This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

   b. "We" also pay for the reasonable cost to remove from the site of the "described location":

      1) a fallen tree or trees owned solely by "you" if the falling of the tree or trees is caused by the peril of:

         a) Windstorm Or Hail; or
         b) Weight Of Ice, Snow, Or Sleet; or

      2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against described under Coverage C in this policy;

      and the tree causes damage to a covered structure.

      Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence.

      However, "we" pay no more than $500 of this "limit" to remove any one tree.

      With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.

5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires.

   This coverage does not increase the "limits" that apply to the property being removed.

   The Exclusions That Apply To Property Coverages do not apply to such property while removed.

   However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.

   However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response.

   The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".

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7. **Glass Or Safety Glazing Material**

   a. "We" pay for:

      1) the breakage of glass or safety glazing material that is part of a building or storm door or window and covered under Coverage A; and
      2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.

   b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.

   c. Under this Incidental Property Coverage, "we" do not pay for loss:

      1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or
      2) to the "described location" if the building containing the "described location" was vacant for more than 60 days in a row just before the loss.

         However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement.

         A building being built is not vacant.

   d. This coverage does not increase the "limits" that apply to the property covered.

8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.

9. **Increased Cost -- Ordinance Or Law**

   a. When loss to property covered under Coverage A is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged property.

   b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of covered property:

      1) when loss to property covered under Coverage A is caused by a Peril Insured Against; and
      2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition.

      This does not increase the "limit" that applies to this Incidental Property Coverage.

   c. However, "we" do not pay for:

      1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
      2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

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10. **Liquid Fuel Remediation**

a. "We" pay for loss to:

1) property covered under Coverage A or Coverage C;
2) land owned solely by an "insured" and on which the "described location" or property covered under Coverage A is located, but this does not include farm land; or
3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;

caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".

b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for:

1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system;
2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area;
3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from:

a) property covered under Coverage A or Coverage C;
b) land owned solely by an "insured" and on which the "described location" or property covered under Coverage A is located, but this does not include farm land; or
c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

This includes cost or expense to remove the debris of such property or land;

4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled;
5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and
6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.

However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing:

a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and

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b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above.

c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

d. "We" do not pay for:

1) loss, cost, or expense involving underground water or surface water;
2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business";
3) loss, cost, or expense due to the cancellation of a lease or an agreement;
4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;
5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;
6) any damages resulting from:

a) a loss of; or
b) a reduction in value of;

an agreement to sell property or land; or

7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.

e. The "terms" and "limits" applicable to:

1) Coverage D -- Additional Living Costs And Loss Of Rent; and
2) the Incidental Property Coverage for Debris Removal;

do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.

f. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation:

1) is the most "we" pay for the total of:

a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and
b) all coverages described in a. and b. above; and

2) applies regardless of the number of:

a) claims made;
b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or
c) locations insured under this policy.

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With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 10% of the Coverage C "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.

With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.

g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against.

11. **Loss Assessment**

a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment:

1) is levied during the policy period;
2) results from direct loss to property that is:

a) owned collectively by all association members;
b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and
c) caused by a Peril Insured Against described under Coverage A in this policy, but this does not include:

(1) earthquake; or
(2) land shock waves or tremors before, during, or after a volcanic eruption; and

3) is levied against "you" as owner or tenant of the "described location".

b. However, "we" do not pay for an assessment that:

1) results from a deductible in the insurance held by the association; or
2) is levied against "you" or the association by any governmental body or authority.

c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.

d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

12. **Reasonable Repairs**

a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.

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b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against.

This coverage does not:

1) increase the "limit" that applies to the property covered; or
2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.

13. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" or the site of the "described location" caused by:

a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or

b. mechanical breakdown of the freezer or refrigerated unit.

Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss.

The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations".

The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.

14. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns owned solely by "you" at the site of the "described location" caused by:

a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft;

b. Vehicles if not owned or operated by an occupant of the "described location"; or

c. Vandalism Or Malicious Mischief or Theft.

"You" may apply up to 10% of the Coverage C "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item.

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

PERILS INSURED AGAINST -- COVERAGES A, C, AND D

"We" insure against direct physical loss to property covered under Coverage A or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages:

a. **Fire Or Lightning**

b. **Windstorm Or Hail**

However, "we" do not pay for loss:

1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or
2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.

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c. **Explosion**

d. **Riot Or Civil Commotion**

e. **Aircraft** -- This includes self-propelled missiles and spacecraft.

f. **Vehicles**

However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".

g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment.

However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

h. **Volcanic Eruption**

However, this does not include loss caused by earthquake, land shock waves, or tremors.

i. **Vandalism Or Malicious Mischief**

However, "we" do not pay for loss to property that pertains to the "described location":

1) caused by vandalism or malicious mischief; or
2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if the building containing the "described location" was vacant for more than 60 days in a row just before the loss. A building being built is not vacant.

j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred.

However, "we" do not pay for loss:

1) caused by theft by an "insured";
2) caused by theft in or to a "described location" being built, or theft of materials or supplies for use in construction of a "described location", until the "described location" is occupied for its intended use;
3) of a precious or semiprecious stone from its setting;
4) that results from the theft of:

   a) a credit card;
   b) an electronic fund transfer card; or
   c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

   except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;

5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or
6) caused by theft that occurs away from the "described location" or the site of the "described location" of:

   a) trailers or semitrailers;
   b) campers or camper bodies;
   c) watercraft or their furnishings, equipment, engines, or motors; or
   d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.

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k. **Falling Objects**

However, "we" do not pay for loss to:

1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or
2) the object that falls.

l. **Weight Of Ice, Snow, Or Sleet** that causes damage to a building or property inside a building.

However, "we" do not pay for loss to:

1) awnings;
2) fences, patios, paved areas, or swimming pools;
3) bulkheads, foundations, or retaining walls; or
4) docks, piers, or wharves.

m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater.

However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing.

n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. This includes the reasonable cost of removing and replacing those parts of a building or other structure, owned solely by "you", covered by Coverage A, and on the site of the "described location", needed to repair the system or appliance.

However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building that is owned solely by "you" and on the site of the "described location".

"We" do not pay for loss:

1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor;
2) to or within the "described location" if the building containing the "described location" has been vacant for more than 60 days in a row just before the loss. A building being built is not vacant;
3) caused by or resulting from freezing, except as provided under the peril of Freezing;
4) to or within the "described location" caused by accidental discharge or overflow that occurs away from the building where the "described location" is located; or
5) to the system or appliance from which the water or steam escaped.

In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

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o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

1) When the "described location" is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

a) maintain heat in the "described location"; and
b) continue the water supply.

2) When the "described location" is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to:

a) maintain heat in the "described location"; or
b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents**

However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.

q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.

However, "we" do not cover the cost of filling sinkholes.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

"We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.

a. **Ordinance Or Law** -- "We" do not pay for:

1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law;
2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

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This exclusion applies whether or not there has been physical damage to covered property.

b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A or Coverage C by order of civil authority.

"We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.

c. **Nuclear Hazard**

1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination:

a) whether controlled or uncontrolled; or
b) however caused;

or any consequence of such reaction, radiation, or contamination.

2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by:

a) fire;
b) explosion; or
c) smoke;

even if this policy provides coverage for loss caused by one or more of these perils.

3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.

d. **War And Military Action** -- "We" do not pay for loss caused by:

1) war, including undeclared or civil war;
2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.

f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature.

Earth movement means:

1) earthquake;
2) land shock waves or tremors before, during, or after a volcanic eruption;
3) landslide, mudflow, mudslide;
4) subsidence, erosion; or
5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

However, this does not include Sinkhole Collapse as described under the Perils Insured Against.

"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement.

This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.

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g. **Water**

1) "We" do not pay for loss caused by:

a) flood;
b) surface water;
c) waves, including but not limited to tidal wave and tsunami;
d) tides;
e) tidal water;
f) overflow of any body of water; or
g) spray from a) through f) above;

whether driven by wind or not.

This includes, but is not limited to, tidal surge, storm surge, and storm tide.

2) "We" do not pay for loss caused by water that:

a) backs up through sewers or drains; or
b) overflows or otherwise discharges from:

(1) a sump, sump pump, or related equipment; or
(2) any other type of system designed to remove subsurface water which is drained from the foundation area.

3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.
4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.
5) The exclusions set forth in 1) through 4) above:

a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and
b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

(1) overtops;
(2) escapes from;
(3) is released from; or
(4) is otherwise discharged from;

a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.
7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.

h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location".

"We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.

i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed:

1) by an "insured", alone or in collusion with another; or
2) at the direction of an "insured";

with the intent to cause a loss.

This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

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j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against.

"We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.

LIABILITY COVERAGES

PRINCIPAL LIABILITY COVERAGES

1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies.

   "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.

   "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.

2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.

   This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:

   a. a person on an "insured premises" with the permission of an "insured"; or

   b. a person away from an "insured premises" if the "bodily injury":

      1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises";
      2) is caused by an activity of an "insured";
      3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or
      4) is caused by an animal owned by or in the care of an "insured".

INCIDENTAL LIABILITY COVERAGES

This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.

1. **Business**

   a. "We" pay for "bodily injury" or "property damage" that arises out of:

      1) the rental or holding for rental of an "insured premises":

         a) on an occasional basis for use only as a residence;
         b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or
         c) in part for use as a school, studio, office, or private garage; or

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2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".

b. This Incidental Liability Coverage for Business is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.;
2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

2. **Claims And Defense Cost** -- "We" pay for:

a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;

b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;

c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;

d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and

e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.

3. **Contracts**

a. "We" pay for "bodily injury" or "property damage":

1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or
2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others.

The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.

b. This Incidental Liability Coverage for Contracts is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M;
2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and
3) Additional Exclusions That Apply Only To Coverage M.

4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence".

The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.

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However, "we" do not pay for "property damage":

a. covered under the Property Coverages section of this policy.

   However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;

b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured";

c. caused intentionally by an "insured" who has attained the age of 13 years;

d. arising out of an act or omission in any way related to a:

   1) "business" undertaken by an "insured"; or
   2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or

e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft".

   However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle":

   1) that is not owned by an "insured" and is designed:

      a) for recreational use off of public roads; or
      b) to assist the handicapped; or

   2) that is not owned by an "insured" and is used only to service:

      a) an "insured premises"; or
      b) a premises of another, not in the course of "business";

   if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.

5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.

6. **Loss Assessment**

   a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:

      1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or
      2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.

   b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.

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c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".

d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of:

1) any one accident, including repeated exposures to similar conditions; or
2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.

e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.

7. **Motorized Vehicles**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:

1) is in dead storage on an "insured premises";
2) is used only to service:

a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or
b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;

3) is designed to assist the handicapped;

4) is designed for recreational use off of public roads and is:

a) not owned by an "insured"; or
b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;

5) is operated only from electrical current supplied by a battery and is:

a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and
b) not a motorized bicycle, moped, or golf cart; or

6) is a motorized golf cart that:

a) is owned by an "insured";
b) is designed to carry no more than four persons;
c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and
d) at the time of the "occurrence", is within the legal boundaries of:

(1) a golfing establishment and is:

(a) parked or stored there; or
(b) being used by an "insured" to:

(i) play the game of golf or for other recreational or leisure activity allowed by the establishment;

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(ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or
(iii) cross public roads at designated points to access other parts of the golfing establishment; or

(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel:

(a) that is subject to the authority of an association of property owners; and
(b) in which an "insured premises" is located.

b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not:

1) registered for use on public roads or property;
2) required by law or governmental regulation to be registered for use at the location of the "occurrence";
3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest;
4) being rented to others;
5) being used to carry people or cargo for a fee; or
6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.

c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than:

a) exclusions c. and e.; and
b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;

2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

8. **Watercraft**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:

1) is in storage;
2) is a sailing vessel, with or without auxiliary power, that is:

a) less than 26 feet in overall length; or
b) 26 feet or more in overall length and not owned by or rented to an "insured"; or

3) is not a sailing vessel and is powered by:

a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of:

(1) 50 horsepower or less if not owned by an "insured"; or
(2) more than 50 horsepower if not owned by or rented to an "insured"; or

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b) one or more outboard engines or motors with:

(1) 25 total horsepower or less;
(2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured";
(3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:

(a) it is listed on the "declarations" as insured for personal liability; or
(b) a written request for liability coverage is received by "us" within 45 days after it is acquired.

In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being:

1) rented to others;
2) used to carry people or cargo for a fee;
3) used for any "business" purpose; or
4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest.

However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.

c. This Incidental Liability Coverage for Watercraft is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.;
2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES

1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to:

a. "bodily injury" or "property damage" caused directly or indirectly by:

1) war, including undeclared or civil war;
2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

b. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person;
3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or

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4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

c. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;
3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to:

1) "aircraft"; or
2) "hovercraft".

This applies whether or not such liability is imposed by law.

e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a:

1) "motorized vehicle"; or
2) "watercraft".

This applies whether or not such liability is imposed by law.

However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.

g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business".

However, this exclusion does not apply to the extent that coverage is provided:

1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or

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2) under the Incidental Liability Coverage for Business.

h. "bodily injury" or "property damage" that arises out of premises that are:

1) owned by an "insured";
2) rented to an "insured"; or
3) rented to others by an "insured";

and that are not "insured premises".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

i. "bodily injury" or "property damage" that is:

1) expected by, directed by, or intended by an "insured";
2) the result of a criminal act of an "insured"; or
3) the result of an intentional and malicious act by or at the direction of an "insured".

This exclusion applies even if the "bodily injury" or "property damage":

1) that occurs is different than what was expected, directed, or intended; or
2) is suffered by persons, entities, or property not expected, directed, or intended.

However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.

j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".

k. "bodily injury" or "property damage" that arises out of sexual molestation.

l. "bodily injury" or "property damage" that arises out of physical or mental abuse.

m. "bodily injury" or "property damage" that arises out of corporal punishment.

n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to:

a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions.

b. any claim made or suit brought against an "insured" seeking:

1) reimbursement of; or
2) contribution toward;

damages for which another person may be liable because of "bodily injury" to an "insured".

c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.

d. "property damage" to property owned by an "insured".

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e. cost or expense for measures performed on property owned by an "insured" to prevent:

   1) injury to a person; or
   2) damage to property of others;

   on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.

f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured".

   However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.

g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.

h. "bodily injury" to a person, including a "domestic employee", if:

   1) an "insured" has a workers' compensation policy covering the injury; or
   2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.

i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.

j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)

3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":

   a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".

   b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.

   c. to a "domestic employee" if the "bodily injury":

      1) occurs away from an "insured premises"; and
      2) does not arise out of or in the course of his or her employment by an "insured".

   d. from any:

      1) nuclear reaction;
      2) nuclear radiation; or
      3) radioactive contamination;

      whether controlled or uncontrolled or however caused; or

      4) any consequence of 1), 2), or 3) above.

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WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE

1. **Property Coverages**

   The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.

   "We" are not obligated to provide the coverages described in this policy if these duties are not performed.

   a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice.

      Notice must be given to the police when the loss involves theft.

      Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.

   b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss.

      If the property must be repaired, "you" must:

      1) make reasonable and necessary repairs to protect the property; and
      2) keep an accurate record of the costs of such repairs.

   c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.

   d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the:

      1) quantity;
      2) description;
      3) "actual cash value"; and
      4) amount of loss.

      Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.

   e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be:

      1) shown the damaged property; and
      2) allowed to take samples of damaged property for inspection, testing, and analysis.

   f. **Records And Documents** -- As often as "we" reasonably request, "we" must be:

      1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and
      2) permitted to make copies of such records and documents.

   g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must:

      1) submit to examination under oath in matters that relate to the loss or claim; and
      2) sign such statement made under oath.

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If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".

h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that:

1) states, to the best of "your" knowledge and belief, the:

a) time and cause of the loss; and
b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;

2) identifies:

a) other policies that may cover the loss; and
b) any changes in title or use of the property during the policy period; and

3) provides:

a) available plans and specifications of damaged buildings;
b) detailed estimates for repair;
c) the inventory of damaged personal property described in d. above;
d) receipts for additional living costs incurred and records that prove the fair rental value; and
e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.

i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.

2. **Liability Coverages**

The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:

1) "your" name and the policy number;
2) reasonably available information regarding the time, location, and other details of the "occurrence"; and
3) the names and addresses of all known potential claimants and witnesses.

b. **Volunteer Payments** -- Any:

1) payments made;
2) rewards paid or offered; or
3) obligations or other costs assumed;

by an "insured" will be at the "insured's" own cost.

However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.

c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.

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d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".

e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us":

1) to settle a claim;
2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured";
3) to conduct suits. This includes being at trials and hearings;
4) in the securing of and giving of evidence; and
5) in obtaining the attendance of all witnesses.

f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.

HOW MUCH WE PAY FOR LOSS OR OCCURRENCE

1. **Property Coverages**

a. **Our Limit** -- "We" pay the lesser of:

1) the "limit" that applies; or
2) the amount determined under the applicable Loss Settlement Terms;

regardless of the number of "insureds" with an interest in the property.

However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss.

b. **Deductible**

1) This applies to all Principal Property Coverages and all Incidental Property Coverages except:

a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
b) Fire Department Service Charge; and
c) Refrigerated Property.

It applies to all Perils Insured Against unless otherwise stated.

2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies:

a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and
b) separately at each covered location. Only one deductible applies at each location.

c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.

d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.

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e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms.

In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law.

1) **Replacement Cost Terms**

a) The Replacement Cost Terms apply only to property covered under Coverage A.
b) If the damage is repaired or replaced within a reasonable time, the amount used in applying the "terms" under Our Limit is the actual cost to repair or replace the damage.
c) If the damage is not repaired or replaced within a reasonable time, the smaller of the following amounts is used in applying the "terms" under Our Limit:

(1) the cost to repair or replace the damaged part of the property with materials of like kind and quality, to the extent practical; or
(2) the "actual cash value" of the damaged part of the property just before the loss.

2) **Actual Cash Value Terms**

a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms.
b) The smaller of the following amounts is used in applying the "terms" under Our Limit:

(1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or
(2) the "actual cash value" of the lost or damaged part of the property just before the loss.

2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of:

a. persons insured under this policy;

b. parties who sustain injury or damage;

c. claims made or suits brought; or

d. policy periods involved.

All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".

3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident.

When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident.

The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".

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4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".

5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.

6. **Insurance Under More Than One Policy**

   a. **Property Coverages**

      1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.

         However, this does not apply to loss, cost, or expense that is also covered by:

         a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or
         b) a government fund.

      2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance.

         However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.

   b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy.

      If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.

7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, including a warranty, plan, or agreement in the name of an association or a corporation of property owners, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.

8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.

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PAYMENT OF LOSS

1. **Property Coverages**

   a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

      1) "we" reach an agreement with "you";
      2) there is an entry of a final judgment; or
      3) there is a filing of an appraisal award with "us".

      Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

   b. "We" may:

      1) pay the loss in money; or
      2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

      If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

   c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.

2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.

3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:

   a. to "you" on behalf of the owner; or

   b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".

POLICY CONDITIONS

CONDITIONS APPLICABLE TO ALL COVERAGES

1. **Assignment** -- This policy may not be assigned without "our" written consent.

2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

   "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice.

   During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.

   When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless:

   a. the premium has not been paid when due;

   b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or

   c. there has been a material change or increase in hazard of the risk.

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If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective.

If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective.

"Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

3. **Change, Modification, Or Waiver Of Policy Terms**

   a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.

   b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".

      However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing:

      1) a subsequent edition of "our" policy; or
      2) an endorsement that amends "our" policy.

   c. "Our" request for an appraisal or examination under oath does not waive policy "terms".

4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws.

5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies.

   a. "We" provide coverage for the legal representative of the deceased person:

      1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and
      2) only to the extent that coverage is provided by this policy.

   b. "Insured" includes:

      1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and
      2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.

6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.

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7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss:

   a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or

   b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof.

   This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.

8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.

   In the event that "we" require such an assignment, the "insured" must:

   a. sign and give to "us" all related documents; and

   b. cooperate with "us".

   Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.

CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY

1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.

2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.

   A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss.

   "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal.

   Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.

3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property.

   If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".

4. **Mortgage Clause**

   a. If a mortgagee is named on the "declarations", a loss payable under Coverage A will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee.

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b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has:

1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware;
2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and
3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so.

All "terms" of this policy apply to the mortgagee unless changed by this clause.

c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.

d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.

6. **Policy Period** -- This policy covers only losses that occur during the policy period.

7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss.

"You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.

At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us".

If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.

8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss.

If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.

9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.

CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY

1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.

2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must:

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a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and

b. authorize "us" to get copies of medical records.

The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.

3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.

4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by:

   a. a final judgment against the "insured" as a result of a trial; or

   b. a written agreement of the "insured", the claimant, and "us".

   No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".

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LIMITED FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".

Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.

AGREEMENT

This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.

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DEFINITIONS

1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household.

2. The words "we", "us", and "our" mean the company providing this insurance.

3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused.

4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include:

   a. a model aircraft that is not designed or used to carry people or cargo;

   b. a "hovercraft"; or

   c. a model hovercraft that is not designed or used to carry people or cargo.

5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services.

   However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person.

6. "Business" means:

   a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include:

      1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or
      2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or

   b. any other activity undertaken for money or other compensation, but this does not include:

      1) providing care services to a relative of an "insured";
      2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services;
      3) a volunteer activity for which:

         a) an "insured" receives no compensation; or
         b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or

      4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.

7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.

8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location.

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However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.

9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".

   However, "domestic employee" does not include a person who is furnished to an "insured":

   a. as a temporary substitute for a permanent "domestic employee" who is on leave; or

   b. to meet seasonal or short-term workloads.

10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".

11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.

    However, "hovercraft" does not include:

    a. a model hovercraft that is not designed or used to carry people or cargo;

    b. an "aircraft";

    c. a model aircraft that is not designed or used to carry people or cargo;

    d. a "motorized vehicle";

    e. a "watercraft"; or

    f. a model watercraft that is not designed or used to carry people or cargo.

13. "Insured" means:

    a. "you";

    b. "your" relatives if residents of "your" household;

    c. "your" relatives under the age of 25 years who:

       1) are financially dependent upon "you";
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school;

    d. persons, other than "your" relatives, under the age of 21 years who:

       1) reside in "your" household; and
       2) are in "your" care or in the care of "your" resident relatives;

    e. persons, other than "your" relatives, under the age of 21 years who:

       1) are in "your" care or in the care of "your" resident relatives;
       2) are students enrolled in school full time, as defined by the school; and
       3) were residents of "your" household just before moving out to attend school; or

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f. solely with respect to the Liability Coverages provided by this policy:

1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties;
2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;
3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use;
4) persons or organizations accountable by law for "watercraft" or animals:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such "watercraft" or animals.

However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or

5) persons or organizations accountable by law for a motorized golf cart:

a) owned by an "insured" as defined in a., b., c., d., or e. above; and
b) to which this insurance applies;

but only with respect to such golf cart.

However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.

The phrase an "insured", wherever it appears in this policy, means one or more "insureds".

14. "Insured premises" means:

a. the "described location";

b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";

c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;

d. premises used by "you" in connection with a premises described in a., b., or c. above;

e. cemetery lots and burial vaults of an "insured";

f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;

g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and

h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.

15. "Limit" means amount of insurance.

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16. "Motorized vehicle" means:

    a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a:

        1) "hovercraft";
        2) model hovercraft that is not designed or used to carry people or cargo;
        3) "watercraft"; or
        4) model watercraft that is not designed or used to carry people or cargo; or

    b. a trailer or semitrailer that:

        1) is attached to or being carried on or towed by; or
        2) becomes detached while being carried on or towed by;

        a vehicle described in a. above.

17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.

18. "Pollutant" means:

    a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and

    b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.

19. "Property damage" means:

    a. physical injury to or destruction of tangible property; or

    b. the loss of use of tangible property whether or not it is physically damaged.

20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.

21. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include:

    a. a model watercraft that is not designed or used to carry people or cargo;

    b. a "hovercraft";

    c. a model hovercraft that is not designed or used to carry people or cargo;

    d. a "motorized vehicle";

    e. an "aircraft"; or

    f. a model aircraft that is not designed or used to carry people or cargo.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

    a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

    b. "We" do not cover:

        1) land, including the land on which covered property is located;
        2) underground water or surface water;

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3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
4) grave markers or mausoleums.

c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.

2. **Coverage B -- Related Private Structures**

a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.

b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.

c. "We" do not cover:

1) land, including the land on which covered property is located;
2) underground water or surface water;
3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns;
4) grave markers or mausoleums; or
5) any structure:

a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes;
b) used, in whole or in part, for the direction or operation of a "business"; or
c) used, in whole or in part, for the storage of "business" property.

However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that:

(1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or
(2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and

does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.

d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.

3. **Coverage C -- Personal Property**

a. **While On The Described Location** -- "We" cover personal property owned or used by an "insured" while on the "described location".

At "your" option personal property owned by others is covered while it is in that part of the "described location" occupied by an "insured".

b. **While Away From The Described Location** -- "We" also cover personal property owned or used by an "insured" while it is away from the "described location".

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However, coverage is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater. This limitation does not apply to personal property:

1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or
2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.

c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class.

1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.
2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.
3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.
5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers.

   However, this does not apply to:

   a) model watercraft that is not designed or used to carry people or cargo; or
   b) hovercraft.

6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.
7) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others:

   a) $2,500 on property while on the "described location"; and
   b) $500 on property while away from the "described location".

   However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above.

These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.

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d. **Personal Property Not Covered** --
"We" do not cover:

1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance;
2) animals, birds, fish, or insects;
3) "motorized vehicles".

a) This includes:

(1) their parts, equipment, and accessories, other than property described in c.3) above; and
(2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices;

while in or on a "motorized vehicle".

b) However, this does not include a "motorized vehicle":

(1) that is designed to assist the handicapped; or
(2) that is:

(a) owned by an "insured";
(b) designed only for use off of public roads; and
(c) used only to service an "insured premises" or a premises of another;

if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;

4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.

However, this does not include model aircraft that are not designed or used to carry people or cargo;

5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached.

However, this does not include model hovercraft that are not designed or used to carry people or cargo;

6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured";
7) property rented or held for rental to others by an "insured", but this does not include property in:

a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; or
b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence;

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8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
9) grave markers or mausoleums;
10) land, including the land on which covered property is located;
11) underground water or surface water; or
12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.

e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.

4. **Coverage D -- Additional Living Costs And Loss Of Rent**

a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages.

"We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.

b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages.

However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.

"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.

c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.

d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.

e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.

INCIDENTAL PROPERTY COVERAGES

This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated.

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1. **Association Deductible**

   a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible:

      1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and
      2) results from direct loss to property that:

         a) would be eligible for coverage by this policy if it were owned by "you";
         b) is covered under the insurance held by "your" association; and
         c) is caused by a Peril Insured Against covered by this policy, but this does not include:

            (1) earthquake; or
            (2) land shock waves or tremors before, during, or after a volcanic eruption.

   b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".

   c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

2. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money**

   a. "We" pay for loss if an "insured":

      1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured";
      2) has a loss resulting from the theft or unauthorized use of:

         a) an electronic fund transfer card; or
         b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

         issued or registered in the name of an "insured";

      3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or
      4) accepts in good faith counterfeit United States or Canadian paper money.

      The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.

   b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of:

      1) a credit card;
      2) an electronic fund transfer card; or
      3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

      issued or registered in an "insured's" name.

      Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.

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c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.

d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".

e. "We" do not pay for loss:

1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:

a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;
b) by a resident of "your" household; or
c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";

2) caused by the dishonesty of an "insured"; or
3) that results from the "business" of an "insured";

nor do "we" provide a defense for suits resulting from such loss.

3. **Debris Removal**

a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building.

"We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.

This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location":

1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of Windstorm Or Hail; or
2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy.

Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence.

However, "we" pay no more than $500 of this "limit" to remove any one tree.

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c. The coverage described in b. above applies only to a fallen tree that:

1) causes damage to a covered structure;
2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or
3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.

4. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires.

This coverage does not increase the "limits" that apply to the property being removed.

The Exclusions That Apply To Property Coverages do not apply to such property while removed.

However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

5. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.

However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response.

The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".

6. **Glass Or Safety Glazing Material**

a. "We" pay for:

1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window. "We" pay to replace damaged glass with safety glazing materials if required by code, ordinance, or law; and
2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.

b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.

c. Under this Incidental Property Coverage, "we" do not pay for loss:

1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or
2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss.

However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement.

A residence being built is not vacant.

d. The most "we" pay is $100 per occurrence. This coverage does not increase the "limits" that apply to the property covered.

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7. **Loss Assessment**

   a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment:

      1) is levied during the policy period;
      2) results from direct loss to property that is:

         a) owned collectively by all association members;
         b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and
         c) caused by a Peril Insured Against covered by this policy, but this does not include:

            (1) earthquake; or
            (2) land shock waves or tremors before, during, or after a volcanic eruption; and

      3) is levied against "you" as owner or tenant of the "described location".

   b. However, "we" do not pay for an assessment that:

      1) results from a deductible in the insurance held by the association; or
      2) is levied against "you" or the association by any governmental body or authority.

   c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.

   d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.

8. **Reasonable Repairs**

   a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.

   b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against.

      This coverage does not:

      1) increase the "limit" that applies to the property covered; or
      2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.

9. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by:

   a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or

   b. mechanical breakdown of the freezer or refrigerated unit.

   Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss.

   The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations".

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The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.

10. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by:

    a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft;

    b. Vehicles if not owned or operated by an occupant of the "described location"; or

    c. Vandalism Or Malicious Mischief or Theft.

    "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item.

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

PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D

"We" insure against direct physical loss to property covered under Coverage A, Coverage B, or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages:

a. **Fire Or Lightning**

b. **Windstorm Or Hail**

However, "we" do not pay for loss:

1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or

2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.

c. **Explosion**

d. **Riot Or Civil Commotion**

e. **Aircraft** -- This includes self-propelled missiles and spacecraft.

f. **Vehicles**

However, "we" do not pay for loss caused by a vehicle owned or operated by an occupant of the "described location".

g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment.

However, "we" do not pay for loss caused by smoke from fireplaces or from agricultural smudging or industrial operations.

h. **Volcanic Eruption**

However, this does not include loss caused by earthquake, land shock waves, or tremors.

i. **Vandalism Or Malicious Mischief**

However, "we" do not pay for loss to property on the "described location":

1) caused by vandalism or malicious mischief; or
2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.

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j. **Theft** -- This includes attempted theft and loss of property from a known place on the "described location" when it is likely that theft occurred.

However, "we" do not pay for loss:

1) caused by theft by an "insured";
2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use;
3) of a precious or semiprecious stone from its setting;
4) that results from the theft of:

   a) a credit card;
   b) an electronic fund transfer card; or
   c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;

   except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;

5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or
6) caused by theft that occurs away from the "described location".

Under this peril, personal property placed for safekeeping in a bank, trust or safe deposit company, or public warehouse is considered on the "described location".

The most "we" pay for loss caused by theft is $1,000 per occurrence.

k. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.

However, "we" do not cover the cost of filling sinkholes.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

"We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.

a. **Ordinance Or Law** -- "We" do not pay for:

1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Glass Or Safety Glazing Material;
2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or
3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".

This exclusion applies whether or not there has been physical damage to covered property.

b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority.

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"We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.

c. **Nuclear Hazard**

1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination:

   a) whether controlled or uncontrolled; or
   b) however caused;

   or any consequence of such reaction, radiation, or contamination.

2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by:

   a) fire;
   b) explosion; or
   c) smoke;

   even if this policy provides coverage for loss caused by one or more of these perils.

3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.

d. **War And Military Action** -- "We" do not pay for loss caused by:

1) war, including undeclared or civil war;
2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.

f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature.

Earth movement means:

1) earthquake;
2) land shock waves or tremors before, during, or after a volcanic eruption;
3) landslide, mudflow, mudslide;
4) subsidence, erosion; or
5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

   However, this does not include Sinkhole Collapse as described under the Perils Insured Against.

"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement.

This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.

g. **Water**

1) "We" do not pay for loss caused by:

   a) flood;
   b) surface water;
   c) waves, including but not limited to tidal wave and tsunami;

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d) tides;
e) tidal water;
f) overflow of any body of water; or
g) spray from a) through f) above;

whether driven by wind or not.

This includes, but is not limited to, tidal surge, storm surge, and storm tide.

2) "We" do not pay for loss caused by water that:

a) backs up through sewers or drains; or
b) overflows or otherwise discharges from:

(1) a sump, sump pump, or related equipment; or
(2) any other type of system designed to remove subsurface water which is drained from the foundation area.

3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.
4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.
5) The exclusions set forth in 1) through 4) above:

a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and
b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

(1) overtops;
(2) escapes from;
(3) is released from; or
(4) is otherwise discharged from;

a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.
7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.

h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location".

"We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.

i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed:

1) by an "insured", alone or in collusion with another; or
2) at the direction of an "insured";

with the intent to cause a loss.

This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.

j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against.

"We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.

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LIABILITY COVERAGES

PRINCIPAL LIABILITY COVERAGES

1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies.

   "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.

   "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.

2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.

   This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:

   a. a person on an "insured premises" with the permission of an "insured"; or

   b. a person away from an "insured premises" if the "bodily injury":

      1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises";
      2) is caused by an activity of an "insured";
      3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or
      4) is caused by an animal owned by or in the care of an "insured".

INCIDENTAL LIABILITY COVERAGES

This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.

1. **Business**

   a. "We" pay for "bodily injury" or "property damage" that arises out of:

      1) the rental or holding for rental of an "insured premises":

         a) on an occasional basis for use only as a residence;
         b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or
         c) in part for use as a school, studio, office, or private garage; or

      2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".

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b. This Incidental Liability Coverage for Business is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.;
2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

2. **Claims And Defense Cost** -- "We" pay for:

a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;

b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;

c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;

d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and

e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.

3. **Contracts**

a. "We" pay for "bodily injury" or "property damage":

1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or
2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others.

The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.

b. This Incidental Liability Coverage for Contracts is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M;
2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and
3) Additional Exclusions That Apply Only To Coverage M.

4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence".

The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.

However, "we" do not pay for "property damage":

a. covered under the Property Coverages section of this policy.

However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;

b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured";

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c. caused intentionally by an "insured" who has attained the age of 13 years;

d. arising out of an act or omission in any way related to a:

1) "business" undertaken by an "insured"; or
2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or

e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft".

However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle":

1) that is not owned by an "insured" and is designed:

a) for recreational use off of public roads; or
b) to assist the handicapped; or

2) that is not owned by an "insured" and is used only to service:

a) an "insured premises"; or
b) a premises of another, not in the course of "business";

if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.

5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.

6. **Loss Assessment**

a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:

1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or
2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.

b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.

c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".

d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of:

1) any one accident, including repeated exposures to similar conditions; or
2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.

e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.

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7. **Motorized Vehicles**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:

1) is in dead storage on an "insured premises";
2) is used only to service:

a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or
b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;

3) is designed to assist the handicapped;
4) is designed for recreational use off of public roads and is:

a) not owned by an "insured"; or
b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;

5) is operated only from electrical current supplied by a battery and is:

a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and
b) not a motorized bicycle, moped, or golf cart; or

6) is a motorized golf cart that:

a) is owned by an "insured";
b) is designed to carry no more than four persons;
c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and
d) at the time of the "occurrence", is within the legal boundaries of:

(1) a golfing establishment and is:

(a) parked or stored there; or
(b) being used by an "insured" to:

(i) play the game of golf or for other recreational or leisure activity allowed by the establishment;
(ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or
(iii) cross public roads at designated points to access other parts of the golfing establishment; or

(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel:

(a) that is subject to the authority of an association of property owners; and
(b) in which an "insured premises" is located.

b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not:

1) registered for use on public roads or property;

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2) required by law or governmental regulation to be registered for use at the location of the "occurrence";
3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest;
4) being rented to others;
5) being used to carry people or cargo for a fee; or
6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.

c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than:

a) exclusions c. and e.; and
b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;

2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

8. **Watercraft**

a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:

1) is in storage;
2) is a sailing vessel, with or without auxiliary power, that is:

a) less than 26 feet in overall length; or
b) 26 feet or more in overall length and not owned by or rented to an "insured"; or

3) is not a sailing vessel and is powered by:

a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of:

(1) 50 horsepower or less if not owned by an "insured"; or
(2) more than 50 horsepower if not owned by or rented to an "insured"; or

b) one or more outboard engines or motors with:

(1) 25 total horsepower or less;
(2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured";
(3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:

(a) it is listed on the "declarations" as insured for personal liability; or
(b) a written request for liability coverage is received by "us" within 45 days after it is acquired.

In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

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b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being:

1) rented to others;
2) used to carry people or cargo for a fee;
3) used for any "business" purpose; or
4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest.

However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.

c. This Incidental Liability Coverage for Watercraft is subject to all of the:

1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.;
2) Additional Exclusions That Apply Only To Coverage L; and
3) Additional Exclusions That Apply Only To Coverage M.

EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES

1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to:

a. "bodily injury" or "property damage" caused directly or indirectly by:

1) war, including undeclared or civil war;
2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

b. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person;
3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

c. "bodily injury" or "property damage" arising out of:

1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured";
2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;
3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or
4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

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d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to:

1) "aircraft"; or
2) "hovercraft".

This applies whether or not such liability is imposed by law.

e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a:

1) "motorized vehicle"; or
2) "watercraft".

This applies whether or not such liability is imposed by law.

However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.

f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.

g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business".

However, this exclusion does not apply to the extent that coverage is provided:

1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or
2) under the Incidental Liability Coverage for Business.

h. "bodily injury" or "property damage" that arises out of premises that are:

1) owned by an "insured";
2) rented to an "insured"; or
3) rented to others by an "insured";

and that are not "insured premises".

However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".

i. "bodily injury" or "property damage" that is:

1) expected by, directed by, or intended by an "insured";
2) the result of a criminal act of an "insured"; or
3) the result of an intentional and malicious act by or at the direction of an "insured".

This exclusion applies even if the "bodily injury" or "property damage":

1) that occurs is different than what was expected, directed, or intended; or
2) is suffered by persons, entities, or property not expected, directed, or intended.

However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.

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j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".

k. "bodily injury" or "property damage" that arises out of sexual molestation.

l. "bodily injury" or "property damage" that arises out of physical or mental abuse.

m. "bodily injury" or "property damage" that arises out of corporal punishment.

n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to:

a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions.

b. any claim made or suit brought against an "insured" seeking:

1) reimbursement of; or
2) contribution toward;

damages for which another person may be liable because of "bodily injury" to an "insured".

c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.

d. "property damage" to property owned by an "insured".

e. cost or expense for measures performed on property owned by an "insured" to prevent:

1) injury to a person; or
2) damage to property of others;

on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.

f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured".

However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.

g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.

h. "bodily injury" to a person, including a "domestic employee", if:

1) an "insured" has a workers' compensation policy covering the injury; or
2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.

i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.

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j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)

3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":

a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".

b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.

c. to a "domestic employee" if the "bodily injury":

1) occurs away from an "insured premises"; and
2) does not arise out of or in the course of his or her employment by an "insured".

d. from any:

1) nuclear reaction;
2) nuclear radiation; or
3) radioactive contamination;

whether controlled or uncontrolled or however caused; or

4) any consequence of 1), 2), or 3) above.

WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE

1. **Property Coverages**

The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice.

Notice must be given to the police when the loss involves theft.

Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.

b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss.

If the property must be repaired, "you" must:

1) make reasonable and necessary repairs to protect the property; and
2) keep an accurate record of the costs of such repairs.

c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.

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d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the:

1) quantity;
2) description;
3) "actual cash value"; and
4) amount of loss.

Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.

e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be:

1) shown the damaged property; and
2) allowed to take samples of damaged property for inspection, testing, and analysis.

f. **Records And Documents** -- As often as "we" reasonably request, "we" must be:

1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and
2) permitted to make copies of such records and documents.

g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must:

1) submit to examination under oath in matters that relate to the loss or claim; and
2) sign such statement made under oath.

If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".

h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that:

1) states, to the best of "your" knowledge and belief, the:

a) time and cause of the loss; and
b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;

2) identifies:

a) other policies that may cover the loss; and
b) any changes in title or use of the property during the policy period; and

3) provides:

a) available plans and specifications of damaged buildings;
b) detailed estimates for repair;
c) the inventory of damaged personal property described in d. above;
d) receipts for additional living costs incurred and records that prove the fair rental value; and
e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.

i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.

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2. **Liability Coverages**

The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.

"We" are not obligated to provide the coverages described in this policy if these duties are not performed.

a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:

1) "your" name and the policy number;
2) reasonably available information regarding the time, location, and other details of the "occurrence"; and
3) the names and addresses of all known potential claimants and witnesses.

b. **Volunteer Payments** -- Any:

1) payments made;
2) rewards paid or offered; or
3) obligations or other costs assumed;

by an "insured" will be at the "insured's" own cost.

However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.

c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.

d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".

e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us":

1) to settle a claim;
2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured";
3) to conduct suits. This includes being at trials and hearings;
4) in the securing of and giving of evidence; and
5) in obtaining the attendance of all witnesses.

f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.

HOW MUCH WE PAY FOR LOSS OR OCCURRENCE

1. **Property Coverages**

a. **Our Limit** -- "We" pay the lesser of:

1) the "limit" that applies; or
2) the amount determined under the applicable Loss Settlement Terms;

regardless of the number of "insureds" with an interest in the property.

However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss.

b. **Deductible**

1) This applies to all Principal Property Coverages and all Incidental Property Coverages except:

a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;
b) Fire Department Service Charge; and

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c) Refrigerated Property.

It applies to all Perils Insured Against unless otherwise stated.

2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies:

a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and
b) separately at each covered location. Only one deductible applies at each location.

c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.

d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.

e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Actual Cash Value Terms.

In the Actual Cash Value Terms, cost to repair or replace does not include any increased cost that results from the enforcement of a code, ordinance, or law.

Actual Cash Value Terms

The smaller of the following amounts is used in applying the "terms" under Our Limit:

1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or
2) the "actual cash value" of the lost or damaged part of the property just before the loss.

2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of:

a. persons insured under this policy;

b. parties who sustain injury or damage;

c. claims made or suits brought; or

d. policy periods involved.

All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".

3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident.

When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident.

The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".

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4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".

5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.

6. **Insurance Under More Than One Policy**

   a. **Property Coverages**

      1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.

         However, this does not apply to loss, cost, or expense that is also covered by:

         a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or
         b) a government fund.

      2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance.

         However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.

   b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy.

      If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.

7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.

8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.

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PAYMENT OF LOSS

1. **Property Coverages**

   a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

      1) "we" reach an agreement with "you";
      2) there is an entry of a final judgment; or
      3) there is a filing of an appraisal award with "us".

      Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

   b. "We" may:

      1) pay the loss in money; or
      2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

      If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

   c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.

2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.

3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:

   a. to "you" on behalf of the owner; or

   b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".

POLICY CONDITIONS

CONDITIONS APPLICABLE TO ALL COVERAGES

1. **Assignment** -- This policy may not be assigned without "our" written consent.

2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

   "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice.

   During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.

   When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless:

   a. the premium has not been paid when due;

   b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or

   c. there has been a material change or increase in hazard of the risk.

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If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective.

If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective.

"Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

3. **Change, Modification, Or Waiver Of Policy Terms**

   a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.

   b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".

      However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing:

      1) a subsequent edition of "our" policy; or
      2) an endorsement that amends "our" policy.

   c. "Our" request for an appraisal or examination under oath does not waive policy "terms".

4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws.

5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies.

   a. "We" provide coverage for the legal representative of the deceased person:

      1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and
      2) only to the extent that coverage is provided by this policy.

   b. "Insured" includes:

      1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and
      2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.

6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.

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7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss:

   a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or

   b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof.

   This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.

8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.

   In the event that "we" require such an assignment, the "insured" must:

   a. sign and give to "us" all related documents; and

   b. cooperate with "us".

   Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.

CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY

1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.

2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.

   A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss.

   "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal.

   Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.

3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property.

   If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".

4. **Mortgage Clause**

   a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee.

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b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has:

1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware;
2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and
3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so.

All "terms" of this policy apply to the mortgagee unless changed by this clause.

c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.

d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.

6. **Policy Period** -- This policy covers only losses that occur during the policy period.

7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss.

"You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.

At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us".

If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.

8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss.

If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.

9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.

CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY

1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.

2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must:

a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and

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b. authorize "us" to get copies of medical records.

The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.

3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.

4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by:

   a. a final judgment against the "insured" as a result of a trial; or

   b. a written agreement of the "insured", the claimant, and "us".

   No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".

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This endorsement changes the policy
-- PLEASE READ THIS CAREFULLY --

WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

PROPERTY COVERAGES

The following is added:

1. "We" insure against direct physical loss to property covered under the Property Coverages caused by water or matter present in or carried or otherwise moved by water that:

   a. backs up through sewers or drains; or

   b. overflows or otherwise discharges from:

      1) a sump, sump pump, or related equipment; or
      2) any other type of system designed to remove subsurface water which is drained from the foundation area;

      even if such overflow or discharge results from mechanical breakdown.

   The most "we" pay for such direct physical loss is $5,000 per occurrence. This does not increase the "limits" that apply to the property covered, nor does this coverage increase the "limit" that applies to Coverage D.

2. However, this coverage does not apply to:

   a. loss caused by the negligence of an "insured"; or

   b. loss of:

      1) a sump, sump pump, or related equipment; or
      2) any other type of system designed to remove subsurface water which is drained from the foundation area;

      that is caused by mechanical breakdown.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

With respect to the limited coverage provided by this endorsement, item 2) under Water is deleted and replaced by the following:

2) "We" do not pay for loss caused by water that:

   a) backs up through sewers or drains; or
   b) overflows or otherwise discharges from:

      (1) a sump, sump pump, or related equipment; or
      (2) any other type of system designed to remove subsurface water which is drained from the foundation area;

   as a direct or indirect result of flood.

HOW MUCH WE PAY FOR LOSS OR OCCURRENCE

With respect to the coverage provided by this endorsement, Deductible is deleted and replaced by the following:

Deductible -- "We" pay only that part of the total of all loss payable under the Property Coverages that exceeds $250. No other deductible applies to this coverage.

However, the deductible does not apply to loss covered under Coverage D.

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This endorsement changes
the policy
-- PLEASE READ THIS CAREFULLY --

COVERAGE C -- PERSONAL PROPERTY
SPECIAL COVERAGE

This policy is amended to include the following "terms".

"We" agree to provide the coverage described in this endorsement with the understanding that the part of the residence or building in which the property covered under Coverage C is usually located is occupied by "you" and is not rented or sublet to another.

All other "terms" of the policy apply, except as amended by this endorsement.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

Coverage C -- Personal Property

Limitations On Certain Property

Item 7) is deleted and replaced by the following:

7) For loss by theft, misplacing, or losing:

   a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;
   b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and
   c) $2,500 on guns and items related to guns.

INCIDENTAL PROPERTY COVERAGES

1. Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, the Incidental Property Coverage for Collapse is deleted.

2. Item g. under the Incidental Property Coverage for Liquid Fuel Remediation is deleted and replaced by the following:

   g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

PERILS INSURED AGAINST -- COVERAGES C AND D

Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, the Perils Insured Against are deleted and replaced by the following:

"We" insure property covered under Coverage C for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage C.

1. **Exclusions That Apply To Coverage C**

   a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages or the Additional Exclusions That Apply To Property Coverages.

   b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.

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1) When the "described location" is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

   a) maintain heat in the "described location"; and
   b) continue the water supply.

2) When the "described location" is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

   a) maintain heat in the "described location"; or
   b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to:

   1) fences, patios, paved areas, or swimming pools;
   2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure;
   3) bulkheads or retaining walls that do not support all or part of a building or other structure; or
   4) docks, piers, or wharves.

d. **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.

e. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by:

   1) continuous or repeated discharge, seepage, or leakage of water; or
   2) the presence or condensation of humidity, moisture, or vapor;

   over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.

   Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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f. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of:

1) bulkheads;
2) ceilings;
3) floors;
4) footings;
5) foundations;
6) patios;
7) paved areas;
8) roofs; or
9) walls.

g. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by:

1) birds;
2) "vermin";
3) rodents;
4) insects; or
5) any animal owned or kept by an "insured";

except as provided under the Incidental Property Coverage for Glass Or Safety Glazing Material.

However, this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.

h. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

i. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

However, this exclusion does not apply with respect to the Incidental Property Coverage for Liquid Fuel Remediation.

j. **Wear And Tear** -- "We" do not pay for loss caused by:

1) wear and tear, marring, or deterioration;
2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;
3) rust or other corrosion or smog; or
4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation.

However, the reference to mechanical breakdown in this exclusion does not apply with respect to the Incidental Property Coverage for Refrigerated Property.

k. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains, and similar fragile articles.

However, this exclusion does not apply to:

1) jewelry; watches; bronzes; cameras and photographic lenses; or
2) loss caused by or resulting from:

a) fire; lightning; windstorm; hail; smoke (other than smoke from agricultural smudging or industrial operations); explosion; riot; civil commotion; aircraft; vehicles; vandalism and malicious mischief; collapse or the impairment of structural integrity of a building or any part of a building; water not otherwise excluded; theft or attempted theft; or sudden and accidental tearing apart, cracking, burning or bulging of a

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steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater; or

b) Sinkhole Collapse or Volcanic Eruption as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

l. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment, and outboard engines or motors, caused by collision, sinking, swamping, or stranding. This exclusion does not apply to collision of watercraft with a land vehicle.

m. **Dampness And Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. This does not apply to loss caused directly by rain, snow, sleet, or hail.

n. **Refinishing, Renovating, Or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches, and furs, caused by a refinishing, renovating, or repairing process.

However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.

2. **Exceptions To Exclusions That Apply To Coverage C**

a. "We" pay for an ensuing loss that results from 1.b. through 1.j. above, unless the ensuing loss itself is excluded.

b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage C that results from water or steam that, due to a cause or event excluded under 1.f. through 1.j. above, accidentally discharges or overflows from:

1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or

2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located.

"We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.

In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, the Exclusions That Apply To Property Coverages are amended as follows.

1. Item 5) under Earth Movement is deleted and replaced by the following:

5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

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2. The following is added to Water:

   8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.
   9) These exclusions do not apply with respect to direct physical loss to property covered under Coverage C while such property is away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Additional Exclusions That Apply To Property Coverages does not apply.

3. The following is added to Bacteria, Fungi, Wet Rot, Or Dry Rot:

   However, this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.

Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, Property Coverages is amended to include the following section, entitled Additional Exclusions That Apply To Property Coverages.

ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

"We" do not pay for loss or damage that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.

a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages.

b. **Errors, Omissions, And Defects**

   1) "We" do not pay for loss caused by one or more of the following:

      a) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or
      b) a defect, a weakness, the inadequacy, a fault, or unsoundness in the:

         (1) development, planning, siting, surveying, zoning;
         (2) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship;
         (3) materials used in construction, remodeling, renovation, or repair; or
         (4) maintenance;

         of any property, whether in whole or in part, and whether on or away from the "described location".

   2) However, this exclusion does not apply with respect to:

      a) direct physical loss to covered property involving the collapse of a building or a part of a building; or
      b) the Incidental Property Coverage for Emergency Removal.

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COMPUTER COVERAGE

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

The coverage provided by this endorsement does not:

1. increase the Coverage C "limit"; or

2. change the "terms" under Limitations On Certain Property or Personal Property Not Covered.

DEFINITIONS

The following definition is added with respect to the coverage provided by this endorsement:

"Computer equipment" means:

a. computer hardware, including but not limited to:

   1) personal computers and workstations;
   2) laptops and other portable computer devices and accessories; and
   3) peripheral data processing equipment, such as printers, keyboards, monitors, and modems; and

b. computer software, including but not limited to the following types of property used with computer hardware:

   1) media;
   2) programs; and
   3) data.

PROPERTY COVERAGES

PERILS INSURED AGAINST

With respect to "computer equipment", the Perils Insured Against that apply to Coverage C are deleted and replaced by the following:

"We" cover an "insured's" "computer equipment" for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Computer Equipment.

a. **Exclusions That Apply To Computer Equipment**

   1) "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages or the Additional Exclusions That Apply To Property Coverages.
   2) "We" do not pay for loss caused by:

      a) freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance in the building where "computer equipment" is located, except as stated in (1) and (2) below.

         (1) When the building is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

            (a) maintain heat in the building; and
            (b) continue the water supply.

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(2) When the building is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

(a) maintain heat in the building; or
(b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

With respect to this exclusion and the exceptions stated in (1) and (2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment;

b) theft in or to a residence being built until the residence is occupied for its intended use;
c) continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment;

d) dampness of atmosphere or extremes of temperature.

However, this does not apply to loss caused directly by rain, snow, sleet, or hail;

e) a process to repair, refinish, or renovate the covered property.

However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion;

f) the collision, sinking, swamping, or stranding of a watercraft, but this does not include collision of a watercraft with a land vehicle; or
g) any of the following:

(1) wear and tear, marring, or deterioration;
(2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;
(3) rust or other corrosion or smog;
(4) smoke from agricultural smudging or industrial operations;

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(5) discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to "computer equipment" if this endorsement was not attached to the policy; or

(6) animals owned or kept by an "insured", birds, "vermin", rodents, or insects.

However, this exclusion does not apply with respect to direct physical loss to "computer equipment" involving the collapse of a building or a part of a building.

b. **Exceptions To Exclusions That Apply To Computer Equipment**

1) "We" pay for an ensuing loss that results from a cause or event excluded under exclusions 2)a), 2)b), 2)c), or 2)g) above, unless the ensuing loss itself is excluded.

2) Unless the loss is otherwise excluded by this policy, "we" pay for loss to "computer equipment" that results from water or steam that, due to a cause or event excluded under 2)g) above, accidentally discharges or overflows from:

a) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or

b) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location".

In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

With respect to "computer equipment", the Exclusions That Apply To Property Coverages are amended as follows.

1. Item 5) under Earth Movement is deleted and replaced by the following:

5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to "computer equipment" if this endorsement was not attached to the policy.

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2. The following is added to Water:

   With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

   These exclusions do not apply with respect to direct physical loss to "computer equipment" while the "computer equipment" is away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Additional Exclusions That Apply To Property Coverages does not apply.

3. The following is added to Bacteria, Fungi, Wet Rot, Or Dry Rot:

   However, this exclusion does not apply with respect to direct physical loss to "computer equipment" involving the collapse of a building or a part of a building.

With respect to "computer equipment", Property Coverages is amended to include the following section, entitled Additional Exclusions That Apply To Property Coverages.

ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

"We" do not pay for loss or damage that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.

a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages.

b. **Errors, Omissions, And Defects**

   1) "We" do not pay for loss caused by one or more of the following:

      a) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or
      b) a defect, a weakness, the inadequacy, a fault, or unsoundness in the:

         (1) development, planning, siting, surveying, zoning;
         (2) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship;
         (3) materials used in construction, remodeling, renovation, or repair; or
         (4) maintenance;

         of any property, whether in whole or in part, and whether on or away from the "described location".

   2) However, this exclusion does not apply with respect to:

      a) direct physical loss to "computer equipment" involving the collapse of a building or a part of a building; or
      b) the Incidental Property Coverage for Emergency Removal.

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OFFICE, PROFESSIONAL, PRIVATE SCHOOL, OR STUDIO OCCUPANCY
DESCRIBED LOCATION

(Entries required to complete the Schedule will be shown below or on the "declarations".)

Schedule

Description of "business":

The "business" is conducted in:

[ ] the residence or unit in which the "insured" resides and which is shown on the "declarations" as the "described location"; or

[ ] a related private structure on the "described location".

Related private structure:

Limit $

Description:

Subject to the "terms" of this endorsement, this policy covers the "business" described in the Schedule above which is conducted by an "insured" on the "described location".

All other "terms" of the policy apply, except as amended by this endorsement.

PROPERTY COVERAGES

1. If the "business" described in the Schedule above is conducted in a related private structure described in the Schedule, "we" cover that structure for direct physical loss caused by a Peril Insured Against described under:

   a. Coverage A, if this policy includes form HO 0006; or

   b. Coverage B, if this policy does not include form HO 0006.

2. Except as amended by this endorsement, all of the "terms" of:

   a. Coverage A, if this policy includes form HO 0006; or

   b. Coverage B, if this policy does not include form HO 0006;

   apply to a related private structure described in the Schedule above.

   However, with respect to the coverage provided by this endorsement, the exclusions applicable to structures used for the direction or operation of a "business" and structures used for the storage of "business" property do not apply.

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3. The "limit" shown on the "declarations" for:

   a. Coverage A, if this policy includes form HO 0006; or

   b. Coverage B, if this policy does not include form HO 0006;

   does not apply to a related private structure described in the Schedule above. "We" will pay no more for loss to a structure described in the Schedule than the "limit" shown in the Schedule for that structure.

4. With respect to the coverage provided by this endorsement, under Coverage C -- Personal Property, Limitations On Certain Property, the "limit" that applies to personal property used primarily for "business" purposes while on the "described location" does not apply to furnishings, supplies, and equipment pertaining to the "business" described in the Schedule above.

LIABILITY COVERAGES

INCIDENTAL LIABILITY COVERAGES

With respect to the coverage provided by this endorsement, the following is added under the Incidental Liability Coverage for Business:

"We" pay for "bodily injury" or "property damage" that arises out of the use of the "described location" to conduct the "business" described in the Schedule above.

EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES

Exclusions That Apply To Coverage L And Coverage M

With respect to the coverage provided by this endorsement, the following exclusion is added:

Coverage L and Coverage M do not apply to "bodily injury" to any "employee" arising out of the "business" described in the Schedule above.

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UNIT-OWNERS COVERAGE C
SPECIAL COVERAGE

This policy is amended to include the following "terms".

"We" agree to provide the coverage described in this endorsement with the understanding that the unit in which the property covered under Coverage C is usually located is occupied by "you".

All other "terms" of the policy apply, except as amended by this endorsement.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

Coverage C -- Personal Property

Limitations On Certain Property

Item 7) is deleted and replaced by the following:

7) For loss by theft, misplacing, or losing:

   a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;
   b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and
   c) $2,500 on guns and items related to guns.

INCIDENTAL PROPERTY COVERAGES

1. With respect to property covered under Coverage C, other than property in a unit that "you" regularly rent or hold for rental to others, the Incidental Property Coverage for Collapse is deleted.

2. With respect to covered property, other than property covered under Coverage C, Collapse is amended as follows:

   a. Item a.1) is deleted and replaced by the following:

      1) a Peril Insured Against described under Coverage A;

   b. When this policy includes an endorsement providing Unit-Owners Coverage A -- Special Coverage, the following is added under item b.:

      However, the "terms" stated in 1) and 2) of this provision do not limit coverage for direct loss to covered property caused by one or more of the Perils Insured Against that would apply to property covered under Coverage A if this endorsement was not attached to the policy.

3. Item g. under Liquid Fuel Remediation is deleted and replaced by the following:

   g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

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PERILS INSURED AGAINST

With respect to Coverage C, other than property in a unit that "you" regularly rent or hold for rental to others, the Perils Insured Against are deleted and replaced by the following:

"We" insure property covered under Coverage C for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage C.

1. **Exclusions That Apply To Coverage C**

   a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages or the Additional Exclusions That Apply To Property Coverages.

   b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.

      1) When the "described location" is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

         a) maintain heat in the "described location"; and
         b) continue the water supply.

      2) When the "described location" is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

         a) maintain heat in the "described location"; or
         b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

      With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

   c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to:

      1) fences, patios, paved areas, or swimming pools;
      2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure;
      3) bulkheads or retaining walls that do not support all or part of a building or other structure; or
      4) docks, piers, or wharves.

   d. **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.

   e. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by:

      1) continuous or repeated discharge, seepage, or leakage of water; or
      2) the presence or condensation of humidity, moisture, or vapor;

      over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.

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Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

f. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of:

1) bulkheads;
2) ceilings;
3) floors;
4) footings;
5) foundations;
6) patios;
7) paved areas;
8) roofs; or
9) walls.

g. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by:

1) birds;
2) "vermin";
3) rodents;
4) insects; or
5) any animal owned or kept by an "insured";

except as provided under the Incidental Property Coverage for Glass Or Safety Glazing Material.

However, this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.

h. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

i. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

However, this exclusion does not apply with respect to the Incidental Property Coverage for Liquid Fuel Remediation.

j. **Wear And Tear** -- "We" do not pay for loss caused by:

1) wear and tear, marring, or deterioration;
2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;
3) rust or other corrosion or smog; or
4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation.

However, the reference to mechanical breakdown in this exclusion does not apply with respect to the Incidental Property Coverage for Refrigerated Property.

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k. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains, and similar fragile articles.

However, this exclusion does not apply to:

1) jewelry; watches; bronzes; cameras and photographic lenses; or
2) loss caused by or resulting from:

a) fire; lightning; windstorm; hail; smoke (other than smoke from agricultural smudging or industrial operations); explosion; riot; civil commotion; aircraft; vehicles; vandalism and malicious mischief; collapse or the impairment of structural integrity of a building or any part of a building; water not otherwise excluded; theft or attempted theft; or sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater; or
b) Sinkhole Collapse or Volcanic Eruption as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

l. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment, and outboard engines or motors, caused by collision, sinking, swamping, or stranding. This exclusion does not apply to collision of watercraft with a land vehicle.

m. **Dampness And Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. This does not apply to loss caused directly by rain, snow, sleet, or hail.

n. **Refinishing, Renovating, Or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches, and furs, caused by a refinishing, renovating, or repairing process.

However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.

2. **Exceptions To Exclusions That Apply To Coverage C**

a. "We" pay for an ensuing loss that results from 1.b. through 1.j. above, unless the ensuing loss itself is excluded.

b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage C that results from water or steam that, due to a cause or event excluded under 1.f. through 1.j. above, accidentally discharges or overflows from:

1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or
2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located.

"We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.

In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

With respect to property covered under Coverage C, other than property in a unit that "you" regularly rent or hold for rental to others, the Exclusions That Apply To Property Coverages are amended as follows.

1. Item 5) under Earth Movement is deleted and replaced by the following:

   5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

   However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

2. The following is added to Water:

   8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

   9) These exclusions do not apply with respect to direct physical loss to property covered under Coverage C while such property is away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Additional Exclusions That Apply To Property Coverages does not apply.

3. The following is added to Bacteria, Fungi, Wet Rot, Or Dry Rot:

   However, this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.

With respect to property covered under Coverage C, other than property in a unit that "you" regularly rent or hold for rental to others, Property Coverages is amended to include the following section, entitled Additional Exclusions That Apply To Property Coverages.

ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

"We" do not pay for loss or damage that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.

a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages.

b. **Errors, Omissions, And Defects**

   1) "We" do not pay for loss caused by one or more of the following:

      a) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or

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b) a defect, a weakness, the inadequacy, a fault, or unsoundness in the:

(1) development, planning, siting, surveying, zoning;
(2) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship;
(3) materials used in construction, remodeling, renovation, or repair; or
(4) maintenance;

of any property, whether in whole or in part, and whether on or away from the "described location".

2) However, this exclusion does not apply with respect to:

a) direct physical loss to covered property involving the collapse of a building or a part of a building; or
b) the Incidental Property Coverage for Emergency Removal.

HO 7029 09 08

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This endorsement changes the policy
-- PLEASE READ THIS CAREFULLY --

UNIT-OWNERS COVERAGE A
SPECIAL COVERAGE

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

PROPERTY COVERAGES

INCIDENTAL PROPERTY COVERAGES

Except when this policy includes an endorsement providing Unit-Owners Coverage C -- Special Coverage, item g. under Liquid Fuel Remediation is deleted and replaced by the following:

g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that applies to property covered under Coverage C.

PERILS INSURED AGAINST

With respect to property covered under Coverage A, the Perils Insured Against are deleted and replaced by the following:

"We" insure property covered under Coverage A for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage A.

1. **Exclusions That Apply To Coverage A**

   a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages or the Additional Exclusions That Apply To Property Coverages.

   b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.

      1) When the "described location" is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

         a) maintain heat in the "described location"; and
         b) continue the water supply.

      2) When the "described location" is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:

         a) maintain heat in the "described location"; or
         b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

      With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to:

1) fences, patios, paved areas, or swimming pools;
2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure;
3) bulkheads or retaining walls that do not support all or part of a building or other structure; or
4) docks, piers, or wharves.

d. **Theft** -- "We" do not pay for loss caused by theft in or to a unit being built, or theft of materials or supplies for use in construction of the unit, until the unit is occupied for its intended use.

e. **Vandalism Or Malicious Mischief** -- "We" do not pay for loss:

1) caused by vandalism or malicious mischief; or
2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;

if the building containing the "described location" was vacant for more than 60 days in a row just before the loss. A building being built is not vacant.

f. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by:

1) continuous or repeated discharge, seepage, or leakage of water; or
2) the presence or condensation of humidity, moisture, or vapor;

over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

g. **Collapse Or Impairment** -- "We" do not pay for loss involving:

1) collapse; or
2) impairment of structural integrity, including but not limited to sagging, bowing, bending, leaning, or inadequacy of load bearing capacity;

except as provided under the Incidental Property Coverage for Collapse.

h. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of:

1) bulkheads;
2) ceilings;
3) floors;
4) footings;
5) foundations;
6) patios;
7) paved areas;
8) roofs; or
9) walls.

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i. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by:

1) birds;
2) "vermin";
3) rodents;
4) insects; or
5) animals owned or kept by an "insured";

except as provided under the Incidental Property Coverages.

j. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.

k. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage A if this endorsement was not attached to the policy.

However, this exclusion does not apply with respect to the Incidental Property Coverage for Liquid Fuel Remediation.

l. **Wear And Tear** -- "We" do not pay for loss caused by:

1) wear and tear, marring, or deterioration;
2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;
3) rust or other corrosion or smog; or
4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation.

2. **Exceptions To Exclusions That Apply To Coverage A**

a. "We" pay for an ensuing loss that results from 1.b. through 1.l. above, unless the ensuing loss itself is excluded.

b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage A that results from water or steam that, due to a cause or event excluded under 1.h. through 1.l. above, accidentally discharges or overflows from:

1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or
2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located. This includes the reasonable cost of removing and replacing those parts of a building, or other structure owned solely by "you", at the site of the "described location" needed to repair the system, heater, or appliance.

However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building owned solely by "you" at the site of the "described location".

"We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.

In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

With respect to property covered under Coverage A, the Exclusions That Apply To Property Coverages are amended as follows.

1. Item 5) under Earth Movement is deleted and replaced by the following:

   5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.

   However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to property covered under Coverage A if this endorsement was not attached to the policy.

2. The following is added to Water:

   8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

With respect to property covered under Coverage A, Property Coverages is amended to include the following section, entitled Additional Exclusions That Apply To Property Coverages.

ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

"We" do not pay for loss or damage that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.

a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages.

b. **Errors, Omissions, And Defects** -- "We" do not pay for loss caused by one or more of the following:

   1) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or
   2) a defect, a weakness, the inadequacy, a fault, or unsoundness in the:

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

      of any property, whether in whole or in part, and whether on or away from the "described location".

   However, this exclusion does not apply with respect to the Incidental Property Coverage for Collapse or the Incidental Property Coverage for Emergency Removal.

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Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty

Review Status: Approved 11/12/2008

Comments:

Attachments:

AR - NAIC P&C TRANSMITTAL DOCUMENT.PDF

AR - NAIC FORM FILING SCHEDULE.PDF

Satisfied -Name: AR HO Forms Filing Memo

Review Status: Approved 11/12/2008

Comments:

Attachment:

AR HO Forms Filing Memo.PDF

Satisfied -Name: HO 0001 09 08 to HO 0001 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 0001 09 08 to HO 0001 01 06.PDF

Satisfied -Name: HO 0002 09 08 to HO 0002 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 0002 09 08 to HO 0002 01 06.PDF

Satisfied -Name: HO 0003 09 08 to HO 0003 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 0003 09 08 to HO 0003 01 06.PDF

Satisfied -Name: HO 0004 09 08 to HO 0004 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 0004 09 08 to HO 0004 01 06.PDF

Satisfied -Name: HO 0005 09 08 to HO 0005 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 0005 09 08 to HO 0005 01 06.PDF

Satisfied -Name: HO 0006 09 08 to HO 0006 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 0006 09 08 to HO 0006 01 06.PDF

Satisfied -Name: HO 0008 09 08 to HO 0008 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 0008 09 08 to HO 0008 01 06.PDF

Satisfied -Name: HO 2708 09 08 to HO 2708 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 2708 09 08 to HO 2708 01 06.PDF

Satisfied -Name: HO 2730 09 08 to HO 2730 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 2730 09 08 to HO 2730 01 06.PDF

Satisfied -Name: HO 2770 09 08 to HO 2770 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 2770 09 08 to HO 2770 01 06.PDF

Satisfied -Name: HO 3542 09 08 to HO 3542 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 3542 09 08 to HO 3542 01 06.PDF

Satisfied -Name: HO 7029 09 08 to HO 7029 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 7029 09 08 to HO 7029 01 06.PDF

Satisfied -Name: HO 7032 09 08 to HO 7032 01 06

Review Status: Approved 11/12/2008

Comments:

Attachment:

HO 7032 09 08 to HO 7032 01 06.PDF

Satisfied -Name: Important Notice - Copyrighted Materials

Review Status: Approved 11/12/2008

Comments:

Attachment:

Important Notice - Copyrighted Materials.PDF

Satisfied -Name: AR Forms Company Action Exhibit

Review Status: Approved 11/12/2008

SERFF Tracking Number:	*AMAX-125898425*	*State:*	*Arkansas*
Filing Company:	*American Association of Insurance Services*	*State Tracking Number:*	*EFT $500*
Company Tracking Number:	*AAIS-2008-66*		
TOI:	*04.0 Homeowners*	*Sub-TOI:*	*04.0000 Homeowners Sub-TOI Combinations*
Product Name:	*Homeowners*		
Project Name/Number:	*CW HO 09 08 Forms and Endorsements - AAIS-2008-66/AAIS-2008-66*		

Comments:

Attachment:

AR Forms Company Action Exhibit.PDF

Satisfied -Name: AR - REG 29 - CERT OF COMPLIANCE

Review Status: Approved 11/12/2008

Comments:

Attachment:

AR - REG 29 - CERT OF COMPLIANCE.PDF

Satisfied -Name: AR - FORM FILING ABSTRACT F-1

Review Status: Approved 11/12/2008

Comments:

Attachment:

AR - FORM FILING ABSTRACT F-1.PDF

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
	h. Subject Codes	

3.	Group Name	Group NAIC #
		0000

4.	Company Name(s)	Domicile	NAIC #	FEIN #	State #
	American Association of Insurance Services	DE	31400	36-2021360	

5.	Company Tracking Number	AAIS-2008-66

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Jolanda Staten 1745 South Naperville Road Wheaton IL 60187-8132	Filing Specialist	800-564-2247 Ext. 234	630-681-8356	jolandas@aaisonline.com

7.	Signature of authorized filer	Jolanda Staten
8.	Please print name of authorized filer	Jolanda Staten

Filing Information (see General Instructions for descriptions of these fields)

9.	**Type of Insurance (TOI)**	04.0 Homeowners
10.	**Sub-Type of Insurance (Sub-TOI)**	04.0000 Homeowners Sub-TOI Combinations
11.	**State Specific Product code(s) (if applicable) [See State Specific Requirements]**	
12.	**Company Program Title** (Marketing Title)	Homeowners Program
13.	**Filing Type**	☐ Rate/Loss Cost ☐ Rules ☐ Rates/Rules ☒ Forms ☐ Combination Rates/Rules/Forms ☐ Withdrawal ☐ Other (give description)
14.	**Effective Date(s) Requested**	New: 06/01/2009 Renewal: 06/01/2009
15.	**Reference Filing?**	☐ Yes ☒ No
16.	**Reference Organization** (if applicable)	We are advisory organization.
17.	**Reference Organization # & Title**	NA
18.	**Company's Date of Filing**	November 11, 2008
19.	**Status of filing in domicile**	☐ Not Filed ☒ Pending ☐ Authorized ☐ Disapproved

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Property & Casualty Transmittal Document

20.	**This filing transmittal is part of Company Tracking #**	AAIS-2008-66

21.	**Filing Description** [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

Re: AAIS-2008-66
Homeowners Program
CW HO 09 08 Revised Forms and Endorsements

On behalf of our affiliated companies, the American Association of Insurance Services (AAIS) is filing revised mandatory forms and optional endorsements.

The revised materials being submitted will replace the versions of these forms and endorsements currently on file in your state.

The Filing Memorandum provides background for this submission and detailed descriptions of the materials being filed. Copies of the forms and endorsements are enclosed. Mockup copies of the revised forms and endorsements showing the changes made are also provided.

We propose that these forms and endorsements described in this filing become effective June 1, 2009. Companies will be advised to take the filing action outlined in the attached company action exhibit.

Please be advised that, once approved, the materials that are the subject of this filing will also be provided to affiliated companies in an electronic format. We will be happy to furnish you the same material electronically, upon request. Due to differences in printer configurations or other hardware or software differences, the appearance of the materials that are the subject of this filing may be altered slightly when produced by another system. Such alterations will be cosmetic only and will not affect the content of the filed materials.

22.	**Filing Fees** (Filer must provide check # and fee amount if applicable.) [If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #:
Amount:

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

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FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)

(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	**This filing transmittal is part of Company Tracking #**	AAIS-2008-66

2.	**This filing corresponds to rate/rule filing number** (Company tracking number of rate/rule filing, if applicable)	NA

3.	**Form Name /Description/Synopsis**	**Form # Include edition date**	**Replacement Or Withdrawn?**	**If replacement, give form # it replaces**	**Previous state filing number,** if required by state
01	Basic Form	HO 0001 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 0001	AR-PC-06-020122
02	Broad Form	HO 0002 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 0002	AR-PC-06-020122
03	Special Form	HO 0003 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 0003	AR-PC-06-020122
04	Contents Broad Form	HO 0004 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 0004	AR-PC-06-020122
05	Special Building and Contents Form	HO 0005 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 0005	AR-PC-06-020122
06	Unit-Owners Form	HO 0006 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 0006	AR-PC-06-020122
07	Limited Form	HO 0008 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 0008	AR-PC-06-020122
08	Water Back Up and Sump Discharge or Overflow	HO 2708 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 2708	AR-PC-06-020122
09	Coverage C -- Personal Property - Special Coverage	HO 2730 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 2730	AR-PC-06-020122
10	Computer Coverage	HO 2770 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 2770	AR-PC-06-020122
11	Office, Professional, Private School, Or Studio Occupancy - Described Location	HO 3542 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 3542	AR-PC-06-020122

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FORM FILING SCHEDULE *(cont.)*

State: Arkansas **Company Tracking #** AAIS-2008-66 **Page** 2 **of** 2

3.	**Form Name /Description/Synopsis**	**Form # Include edition date**	**Replacement Or Withdrawn?**	**If replacement, give form # it replaces**	**Previous state filing number,** if required by state
12	Unit-Owners Coverage C - Special Coverage	HO 7029 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 7029	AR-PC-06-020122
13	Unit-Owners Coverage A - Special Coverage	HO 7032 09 08	☐ New ☒ Replacement ☐ Withdrawn	HO 7032	AR-PC-06-020122

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AMERICAN ASSOCIATION OF INSURANCE SERVICES
ARKANSAS HOMEOWNERS PROGRAM
FILING MEMORANDUM -- FORMS AND ENDORSEMENTS

With this memorandum, AAIS is filing revised 'booklet' forms and several revised endorsements for its Homeowners program. The proposed forms and endorsements, which bear an edition date of 09 08, are being filed to replace their 2006 edition counterparts that are currently on file in this state. They are designed for use with the remainder of the (primarily) 2006 edition endorsements that are currently on file.

Because the revisions to the forms and endorsements do not impact the Homeowners rules and rating information currently on file in this state, there is no companion rules and rating information filing.

A summary of the differences between the 09 08 edition forms and endorsements proposed in this filing and their 2006 edition counterparts is provided below, and copies of the revised materials are included with this submission.

BOOKLET FORMS HO 0001, HO 0002, HO 0003, HO 0004, HO 0005, HO 0006, AND HO 0008

Incidental Property Coverages

Collapse

The Incidental Property Coverage for Collapse, provided only by forms HO 0002, HO 0003, HO 0004, HO 0005, and HO 0006, has been revised to specify that with respect to insect, rodent, and vermin damage and decay, coverage is provided only if no insured knew of or could reasonably be expected to suspect the presence of such damage or decay.

Liquid Fuel Remediation

The Incidental Property Coverage for Liquid Fuel Remediation, provided only by forms HO 0002, HO 0003, HO 0004, HO 0005, and HO 0006, was revised to specify that its terms do not limit coverage for direct loss to covered property caused by a Peril Insured Against. Refer to paragraph g. in forms HO 0002, HO 0004, and HO 0006 and paragraph h. in forms HO 0003 and HO 0005.

Perils Insured Against

Open Perils

Coverages A and B in form HO 0003 and Coverages A, B, and C in form HO 0005 are provided on an 'open perils' basis, meaning that coverage is provided for risks of direct physical loss not specifically excluded. Thus, the 'perils' that apply to these coverages in these forms actually consist of *exclusions*. Changes to those exclusions are as follows:

Freezing, Discharge, Leakage, Or Overflow -- The exclusion has been revised to indicate that plumbing systems and domestic appliances do not include any type of system designed to remove subsurface water which is drained from the foundation area.

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Water, Humidity, Moisture, Or Vapor -- The exclusion has been revised to specify that there is no coverage for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc. In addition, the exception to the exclusion has been revised so that it now applies only to the discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance *on the described location*. The exclusion's exception now specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment. Finally, exclusion's exception specifies that it is the *surface water* and *water below the surface of the ground* portions of the Water exclusion that do not apply with respect to loss by water covered under the exception.

Exceptions To Exclusions That Apply To Coverage A And Coverage B ('Exceptions To Exclusions That Apply To Coverage A, Coverage B, And Coverage C' in form HO 0005) -- The exceptions have been revised to specify that plumbing systems and domestic appliances do not include any type of system designed to remove subsurface water which is drained from the foundation area.

Named Perils

Forms HO 0001, HO 0002, HO 0004, HO 0006, and HO 0008 provide coverage on a 'named perils' basis, although forms HO 0001 and HO 0008 do not provide coverage for all of the perils that are covered by the other forms. In addition, property covered under Coverage C in form HO 0003 is covered on a named perils basis and, for the most part, the definition of "specified perils" in form HO 0005 corresponds with the named perils.

Changes to the named perils are as follows:

Vandalism Or Malicious Mischief -- Item 2) in this peril has been revised to state that there is no coverage for loss that ensues from a wrongful act committed *intentionally* in the course of vandalism or malicious mischief if the residence was vacant for more than 60 days in a row just before the loss. (This peril was not revised in form HO 0003, as the corresponding provision in the 2006 edition of that form already contains this language.)

Accidental Discharge or Overflow -- (Coverage for this peril is not provided by forms HO 0001 and HO 0008.) This peril has been revised to specify that there is no coverage for loss caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge. In addition, the peril has been revised to specify that, with respect to this peril, plumbing systems and domestic appliances do not include any type of system designed to remove subsurface water which is drained from the foundation area. Finally, the peril now specifies that it is the *surface water* and *water below the surface of the ground* portions of the Water exclusion that do not apply with respect to loss by water covered under the peril.

Freezing -- (Coverage for this peril is not provided by forms HO 0001 and HO 0008.) This peril has been revised to specify that plumbing systems and domestic appliances do not include any type of system designed to remove subsurface water which is drained from the foundation area.

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Exclusions That Apply To Property Coverages

Water -- The changes to this exclusion are as follows:

- The title was changed from Water Damage to Water.

- The statement that there is no coverage for water damage whether the water damage results from or is caused by human or animal forces or an act of nature was changed. The comparable statement now specifies that the exclusion applies regardless of the cause of the excluded event, whether or not the cause is an act of nature.

- The provision excluding coverage for loss caused by waves now indicates that it includes, but is not limited to, tidal wave and tsunami.

- The provision excluding coverage for loss caused by flood, surface water, waves, etc. now specifies that it includes, but is not limited to, tidal surge, storm surge, and storm tide.

- The provision excluding coverage for loss caused by water or matter present in water that backs up through sewers or drains or that overflows or is discharged from a sump or sump pump has been changed. First, the exclusion now indicates that there is no coverage for loss caused by water that backs up through sewers or drains or water that overflows *or otherwise discharges* from a sump or sump pump. In addition, the provision no longer includes reference to matter present in water. (However, as described below, the Water exclusion now precludes coverage for matter present in or carried by all excluded water.)

- The provision excluding coverage for loss caused by water below the surface of the ground now specifies that it includes, *but is not limited to*, water that exerts pressure on, or seeps, leaks, *or flows* through or into, a building, sidewalk, driveway, *patio*, foundation, swimming pool, or other structure. In addition, the provision no longer includes reference to matter present in water. (However, as described below, the Water exclusion now precludes coverage for matter present in or carried by all excluded water.)

- The exclusion now specifies that there is no coverage for loss caused by matter present in or carried or otherwise moved by *all* excluded water.

- The exclusion now specifies that it applies to, but is not limited to, water that overtops, escapes from, is released from, or is otherwise discharged from a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

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- In forms HO 0003 and HO 0005, a provision was added to indicate that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the described location when loss caused by the water is not otherwise excluded by the policy. The provision further specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment. This amendment is necessary so that the open perils coverage provided by forms HO 0003 and HO 0005 isn't more restrictive than the coverage provided by broad form named perils forms, which specifically provide coverage for loss caused by accidental discharge or overflow of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the described location.

Weather Conditions -- In form HO 0005, this exclusion has been revised to apply to all coverages rather than Coverage A and Coverage B only.

Errors, Omissions, And Defects -- In form HO 0005, this exclusion has been revised to apply to all coverages rather than Coverage A and Coverage B only. To correspond with this change, the Coverage C exclusion for Acts Or Decisions has been omitted.

ENDORSEMENTS

HO 2708, Water Back Up And Sump Discharge Or Overflow -- The endorsement has been revised to correspond with the changes made to the Water exclusion (as previously described for the booklet forms). In addition, the endorsement was revised to indicate that the $5,000 limit is the most paid for direct physical loss covered by the endorsement. Finally, the endorsement no longer deletes and replaces the Water exclusion in its entirety. Rather, only item 2) of the exclusion is deleted and replaced.

HO 2730, Coverage C - Personal Property - Special Coverage -- The provision deleting the Incidental Property Coverage for Collapse has been revised so that it does not apply with respect to property in a part of a residence or building that the insured regularly rents or sublets to another. Additionally, paragraph g. of the Incidental Property Coverage for Liquid Fuel Remediation is deleted and replaced to specify that its terms do not limit coverage for direct loss to covered property caused by a Peril Insured Against that would apply to property covered under Coverage C if the endorsement was not attached to the policy.

The exclusion for Freezing, Discharge, Leakage Or Overflow; the exclusion for Water Humidity, Moisture, Or Vapor; and the Exceptions To Exclusions That Apply To Coverage C were revised to correspond with the changes that were made to the open perils (as previously described for the booklet forms).

The exception to the Birds, Vermin, Rodents, Insects, Or Animals exclusion was revised to make specific reference to the Incidental Property Coverage for Glass Or Safety Glazing Material. In addition, a provision was added to indicate that the exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.

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The amendments to the Exclusions That Apply To Property Coverages were revised in a number of ways. First, the amendments do not apply with respect to property in a part of a residence or building that the insured regularly rents or sublets to another. In addition, the endorsement no longer deletes and replaces the Earth Movement exclusion in its entirety. Rather, only item 5) of the exclusion is deleted and replaced. The endorsement adds a provision to the Water exclusion to indicate that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the described location is located when loss caused by the water is not otherwise excluded by the policy. Additionally, a provision was added to indicate that the Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or part of a building. Finally, Weather Conditions and Errors, Omissions, And Defects exclusions were added with respect to the open perils coverage provided by the endorsement.

HO 2770, Computer Coverage -- The exclusion for freezing, discharge, leakage or overflow; the exclusion for continuous or repeated discharge, seepage, or leakage; and the Exceptions To Exclusions That Apply To Computer Equipment were revised to correspond with the changes that were made to the open perils (as previously described for the booklet forms).

The exclusion for loss caused by animals owned or kept by an insured, birds, vermin, rodents, or insects was revised to specify that it does not apply with respect to direct physical loss to computer equipment involving the collapse of a building or part of a building.

The amendment to the Exclusions That Apply To Property Coverages was revised in a number of ways. First, the endorsement deletes and replaces a portion of the Earth Movement exclusion to indicate that the exclusion for 'any other earth movement' does not include Sinkhole Collapse as described under the Perils Insured Against that would apply if the endorsement was not attached. In addition, the endorsement adds a provision to the Water exclusion to indicate that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the described location when loss caused by the water is not otherwise excluded by the policy. Additionally, a provision was added to indicate that the Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion does not apply with respect to direct physical loss to computer equipment involving the collapse of a building or part of a building. Finally, Weather Conditions and Errors, Omissions, And Defects exclusions were added with respect to the open perils coverage provided by the endorsement.

HO 3542, Office, Professional, Private School, or Studio Occupancy - Described Location -- The endorsement has been revised by only a change in format. Within item 3 on page 2; the paragraph that begins with the phrase "does not apply to" has been moved so that the paragraph is now applicable to both items a. and b.

HO 7029, Unit-Owners Coverage C - Special Coverage -- The provision deleting the Incidental Property Coverage for Collapse has been revised so that it does not apply with respect to property in a part of a unit that the insured regularly rents or sublets to another. Additionally, paragraph g. of the Incidental Property Coverage for Liquid Fuel Remediation is deleted and replaced to specify that its terms do not limit coverage for direct loss to covered property caused by a Peril Insured Against that would apply to property covered under Coverage C if the endorsement was not attached to the policy.

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The exclusion for Freezing, Discharge, Leakage Or Overflow; the exclusion for Water Humidity, Moisture, Or Vapor; and the Exceptions To Exclusions That Apply To Coverage C were revised to correspond with the changes that were made to the open perils (as previously described for the booklet forms).

The exception to the Birds, Vermin, Rodents, Insects, Or Animals exclusion was revised to make specific reference to the Incidental Property Coverage for Glass Or Safety Glazing Material. In addition, a provision was added to indicate that the exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.

The amendments to the Exclusions That Apply To Property Coverages were revised in a number of ways. First, the amendments do not apply with respect to property in a part of a unit that the insured regularly rents or sublets to another. In addition, the endorsement no longer deletes and replaces the Earth Movement exclusion in its entirety. Rather, only item 5) of the exclusion is deleted and replaced. The endorsement adds a provision to the Water exclusion to indicate that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the described location is located when loss caused by the water is not otherwise excluded by the policy. Additionally, a provision was added to indicate that the Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or part of a building. Finally, Weather Conditions and Errors, Omissions, And Defects exclusions were added with respect to the open perils coverage provided by the endorsement.

<u>HO 7032, Unit-Owners Coverage A - Special Coverage</u> -- The endorsement now includes a provision that, except when the policy includes an endorsement providing Unit-Owners Coverage C -- Special Coverage, deletes and replaces paragraph g. of the Incidental Property Coverage for Liquid Fuel Remediation to specify that its terms do not limit coverage for direct loss to covered property caused by a Peril Insured Against that applies to property covered under Coverage C.

The exclusion for Freezing, Discharge, Leakage Or Overflow; the exclusion for Water Humidity, Moisture, Or Vapor; and the Exceptions To Exclusions That Apply To Coverage A were revised to correspond with the changes that were made to the open perils (as previously described for the booklet forms).

The exception to the exclusion for loss caused by the discharge, etc. of pollutants has been revised to specify that the exception applies only if the discharge, etc. is caused by a Peril Insured Against that would apply to property covered under Coverage A if the endorsement was not attached to the policy.

Finally, the amendments to the Exclusions That Apply To Property Coverages were revised in a couple of ways. First, the endorsement deletes and replaces a portion of the Earth Movement exclusion to indicate that the exclusion for 'any other earth movement' does not include Sinkhole Collapse as described under the Perils Insured Against that would apply if the endorsement was not attached. In addition, the endorsement adds a provision to the Water exclusion to indicate that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the described location is located when loss caused by the water is not otherwise excluded by the policy.

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BASIC FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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BASIC FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	
Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	
AGREEMENT This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	**AGREEMENT** This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	

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DEFINITIONS 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	**DEFINITIONS** 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	

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5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	

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b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.	b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.	

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7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	
8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location. However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location. However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	

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9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business". However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads.	9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business". However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads.	
10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".	10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".	

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11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.	11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.	
12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft. However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo.	12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft. However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo.	

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13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives; e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or	13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives; e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or	

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f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies; 3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or	f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies; 3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or	

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5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart. However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent. The phrase an "insured", wherever it appears in this policy, means one or more "insureds". 14. "Insured premises" means: a. the "described location"; b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";	5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart. However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent. The phrase an "insured", wherever it appears in this policy, means one or more "insureds". 14. "Insured premises" means: a. the "described location"; b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";	

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c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;	c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;	
d. premises used by "you" in connection with a premises described in a., b., or c. above;	d. premises used by "you" in connection with a premises described in a., b., or c. above;	
e. cemetery lots and burial vaults of an "insured";	e. cemetery lots and burial vaults of an "insured";	
f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;	f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;	
g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and	g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and	
h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.	h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.	
15. "Limit" means amount of insurance.	15. "Limit" means amount of insurance.	

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16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above. 17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above. 17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	

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18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound. 19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged. 20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy. 21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillos; b. bats;	18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound. 19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged. 20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy. 21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillos; b. bats;	

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c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes. 22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes. 22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	

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PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

   a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

   b. "We" do not cover:

      1) land, including the land on which covered property is located;
      2) underground water or surface water;
      3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
      4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

   a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

   b. "We" do not cover:

      1) land, including the land on which covered property is located;
      2) underground water or surface water;
      3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
      4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers.

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c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.	c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.	
2. **Coverage B -- Related Private Structures**	2. **Coverage B -- Related Private Structures**	
a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.	a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.	
b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.	b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.	
c. "We" do not cover:	c. "We" do not cover:	
1) land, including the land on which covered property is located; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or	1) land, including the land on which covered property is located; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or	

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5) any structure: a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes; b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or	5) any structure: a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes; b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or	

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(2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	(2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	
d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.	d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.	
3. **Coverage C -- Personal Property**	3. **Coverage C -- Personal Property**	
a. "We" cover personal property owned or used by an "insured". At "your" option:	a. "We" cover personal property owned or used by an "insured". At "your" option:	
1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".	1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".	

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b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater. However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.	b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater. However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.	

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c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically. 2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item. 3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.	c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically. 2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item. 3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.	

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4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft. 6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.	4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft. 6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.	

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7) For loss by theft: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns. 8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.	7) For loss by theft: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns. 8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.	

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d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects; 3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle".	d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects; 3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle".	

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b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or (2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another; if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or (2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another; if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	
4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	

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5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo; 6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or	5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo; 6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or	

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c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units; 8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; 10) land, including the land on which covered property is located; 11) underground water or surface water; or	c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units; 8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; 10) land, including the land on which covered property is located; 11) underground water or surface water; or	

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12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C. 4. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.	12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C. 4. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.	

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b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use. "We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use. "We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	
c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	

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d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement. e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above. **INCIDENTAL PROPERTY COVERAGES** This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and	d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement. e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above. **INCIDENTAL PROPERTY COVERAGES** This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and	

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2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you"; b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you". c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you"; b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you". c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	

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2. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured"; 3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money.	2. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured"; 3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money.	

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The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	
b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name.	b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name.	

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Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	
c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	
d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	

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e. "We" do not pay for loss: 1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds: a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted; b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured"; 2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss.	e. "We" do not pay for loss: 1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds: a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted; b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured"; 2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss.	

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3. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal. This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	3. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal. This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	

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b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of Windstorm Or Hail; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy. Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree. c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.	b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of Windstorm Or Hail; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy. Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree. c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.	

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4. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Property Coverages do not apply to such property while removed. However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	4. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Property Coverages do not apply to such property while removed. However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	
5. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.	5. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.	

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However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	
6. **Glass Or Safety Glazing Material**	6. **Glass Or Safety Glazing Material**	
a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.	a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.	
b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.	b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.	

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c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A residence being built is not vacant. d. The most "we" pay is $100 per occurrence. This coverage does not increase the "limits" that apply to the property covered. 7. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.	c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A residence being built is not vacant. d. The most "we" pay is $100 per occurrence. This coverage does not increase the "limits" that apply to the property covered. 7. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.	

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8. **Increased Cost -- Ordinance Or Law** a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure. b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when: 1) loss to the residence or structure is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition.	8. **Increased Cost -- Ordinance Or Law** a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure. b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when: 1) loss to the residence or structure is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition.	

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This does not increase the "limit" that applies to this Incidental Property Coverage. c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	This does not increase the "limit" that applies to this Incidental Property Coverage. c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	

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9. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location".	9. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location".	

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b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments. d. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments. d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	

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10. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured" when the loss is caused by a Peril Insured Against, other than the peril of Theft. The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged. This coverage does not increase the "limits" that apply to the property covered.	10. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured" when the loss is caused by a Peril Insured Against, other than the peril of Theft. The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged. This coverage does not increase the "limits" that apply to the property covered.	
11. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss. b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against.	11. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss. b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against.	

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This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence. 12. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit. Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss.	This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence. 12. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit. Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss.	

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The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage. 13. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft. "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage. 13. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft. "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	

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PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D "We" insure against direct physical loss to property covered under Coverage A, Coverage B, or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning** b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building. c. **Explosion** d. **Riot Or Civil Commotion**	**PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D** "We" insure against direct physical loss to property covered under Coverage A, Coverage B, or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning** b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building. c. **Explosion** d. **Riot Or Civil Commotion**	

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e. **Aircraft** -- This includes self-propelled missiles and spacecraft.	e. **Aircraft** -- This includes self-propelled missiles and spacecraft.	
f. **Vehicles** However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".	f. **Vehicles** However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".	
g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	
h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors.	h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors.	

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i. **Vandalism Or Malicious Mischief** However, "we" do not pay for loss to property on the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed in the course of vandalism or malicious mischief; if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	i. **Vandalism Or Malicious Mischief** However, "we" do not pay for loss to property on the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	The proposed form specifies that coverage for an ensuing loss from a wrongful act committed *intentionally* in the course of vandalism or malicious mischief is excluded.
j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) of a precious or semiprecious stone from its setting;	j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) of a precious or semiprecious stone from its setting;	

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4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 6) caused by theft that occurs away from the "described location" of: a) trailers or semitrailers; b) campers or camper bodies; c) watercraft or their furnishings, equipment, engines, or motors; or d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.	4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 6) caused by theft that occurs away from the "described location" of: a) trailers or semitrailers; b) campers or camper bodies; c) watercraft or their furnishings, equipment, engines, or motors; or d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.	

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k. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes.	k. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes.	
EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	**EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES** "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	

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These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event. a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law; 2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property.	These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event. a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law; 2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property.	

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b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.	b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.	
c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination. 2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils.	c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination. 2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils.	

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3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered. d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered. d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	

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e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.	e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.	
f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against. "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against. "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	

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g. **Water Damage** -- "We" do not pay for loss caused by water damage whether the water damage results from or is caused by human or animal forces or an act of nature. Water damage means:	g. **Water** 1) "We" do not pay for loss caused by:	The proposed form's exclusion is titled Water instead of Water Damage. In the proposed form, the language that is comparable to the current form's "whether the water damage results from or is caused by human or animal forces or an act of nature' is set forth in item 5)a) of the exclusion.
1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, all whether driven by wind or not;	a) flood; b) surface water; c) waves, including but not limited to tidal wave and tsunami; d) tides; e) tidal water; f) overflow of any body of water; or g) spray from a) through f) above; whether driven by wind or not. This includes, but is not limited to, tidal surge, storm surge, and storm tide.	The proposed form specifies that waves includes, but is not limited to, tidal wave and tsunami. The proposed form specifically excludes loss caused by tides. The proposed form specifies that loss caused by flood, etc., includes but is not limited to, loss caused by tidal surge, storm surge, and storm tide.
2) water or matter present in water that backs up through sewers or drains or that overflows or is discharged from: a) a sump, sump pump, or related equipment; or b) any other type of system designed to remove subsurface water which is drained from the foundation area; or	2) "We" do not pay for loss caused by water that: a) backs up through sewers or drains; or b) overflows or otherwise discharges from: (1) a sump, sump pump, or related equipment; or (2) any other type of system designed to remove subsurface water which is drained from the foundation area.	The proposed form precludes coverage for water that backs up through sewers or drains or that overflows or *otherwise discharges* from a sump, etc. In addition, language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form.

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3) water or matter present in water below the surface of the ground. This includes water or matter present in water that exerts pressure on, or seeps or leaks through or into, a building, sidewalk, driveway, foundation, swimming pool, or other structure.	3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.	Language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form. In addition, the proposed form specifically mentions water that flows through or into a building, etc., and it also specifically mentions patios.
	4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.	The proposed form precludes coverage for matter present in or carried or otherwise moved by all excluded water.
	5) The exclusions set forth in 1) through 4) above: a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and	The proposed form specifies that theses exclusions apply regardless of the cause of the excluded event, whether or not such cause is an act of nature.
	b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that: (1) overtops; (2) escapes from; (3) is released from; or (4) is otherwise discharged from; a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.	In addition, the exclusions apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that overtops, escapes from, is released from or is otherwise discharged from a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

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"We" do pay for direct loss to covered property caused by fire or explosion resulting from water damage.	6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.	Editorial revisions.
This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.	Editorial revisions.
h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location".	h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location".	
"We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	"We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	
i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured";	i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured";	
with the intent to cause a loss.	with the intent to cause a loss.	
This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	

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j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	

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LIABILITY COVERAGES	**LIABILITY COVERAGES**	
PRINCIPAL LIABILITY COVERAGES	**PRINCIPAL LIABILITY COVERAGES**	
1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose. "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose. "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	

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2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses. This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to: a. a person on an "insured premises" with the permission of an "insured"; or b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses. This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to: a. a person on an "insured premises" with the permission of an "insured"; or b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	

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INCIDENTAL LIABILITY COVERAGES This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages. 1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or 2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	**INCIDENTAL LIABILITY COVERAGES** This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages. 1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or 2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	

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b. This Incidental Liability Coverage for Business is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 2. **Claims And Defense Cost** -- "We" pay for: a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend; b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds; c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	b. This Incidental Liability Coverage for Business is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 2. **Claims And Defense Cost** -- "We" pay for: a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend; b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds; c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	

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d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	
e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	
3. **Contracts**	3. **Contracts**	
a. "We" pay for "bodily injury" or "property damage": 1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or 2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.	a. "We" pay for "bodily injury" or "property damage": 1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or 2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.	

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b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage. However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;	b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage. However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;	

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b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years; d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or	b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years; d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or	

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2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.	2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.	
5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	
6. **Loss Assessment**	6. **Loss Assessment**	
a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:	a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:	
1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or	1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or	

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2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.	2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.	
b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	
c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	

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d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act. e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act. e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	

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7. **Motorized Vehicles** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that: 1) is in dead storage on an "insured premises"; 2) is used only to service: a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads; 3) is designed to assist the handicapped; 4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;	7. **Motorized Vehicles** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that: 1) is in dead storage on an "insured premises"; 2) is used only to service: a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads; 3) is designed to assist the handicapped; 4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;	

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5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or	5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or	

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(b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or (2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located.	(b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or (2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located.	

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b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	
c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;	c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;	

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2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	
8. **Watercraft**	8. **Watercraft**	
a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:	a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:	
1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is:	1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is:	
a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	

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3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or	3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or	

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(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired. In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer. b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or	(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired. In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer. b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or	

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4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise. c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise. c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	

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EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	**EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES** 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	

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b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	
c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;	c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;	

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3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	
d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	

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e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	
f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	

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g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	

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h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	
i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured".	i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured".	

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This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended. However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property. j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured". k. "bodily injury" or "property damage" that arises out of sexual molestation.	This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended. However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property. j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured". k. "bodily injury" or "property damage" that arises out of sexual molestation.	

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l. "bodily injury" or "property damage" that arises out of physical or mental abuse.	l. "bodily injury" or "property damage" that arises out of physical or mental abuse.	
m. "bodily injury" or "property damage" that arises out of corporal punishment.	m. "bodily injury" or "property damage" that arises out of corporal punishment.	
n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.	n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.	

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2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured". c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts. d. "property damage" to property owned by an "insured".	2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured". c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts. d. "property damage" to property owned by an "insured".	

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e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	
f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	
g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	

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h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law. i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment. j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law. i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment. j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	

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3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury": a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises". b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law. c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury": a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises". b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law. c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	

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WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE	**WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE**	
1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage. "We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.	1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage. "We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.	

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b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs. c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim. d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs. c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim. d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	

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e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	
f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents.	f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents.	
g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	

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h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss; 2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and	h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss; 2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and	

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3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above; d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.	3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above; d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.	
i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	

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2. **Liability Coverages** The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed. "We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state: 1) "your" name and the policy number; 2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses.	2. **Liability Coverages** The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed. "We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state: 1) "your" name and the policy number; 2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses.	

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b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	
c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	
d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	

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e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses. f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses. f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	

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HOW MUCH WE PAY FOR LOSS OR OCCURRENCE 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge; and c) Refrigerated Property.	**HOW MUCH WE PAY FOR LOSS OR OCCURRENCE** 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge; and c) Refrigerated Property.	

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It applies to all Perils Insured Against unless otherwise stated. 2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss. d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	It applies to all Perils Insured Against unless otherwise stated. 2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss. d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	

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e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance or Law. 1) **Replacement Cost Terms** a) The Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof. However, Replacement Cost Terms do not apply to: (1) window air-conditioners; (2) awnings and canopies; (3) appliances; (4) carpets; and (5) antennas; whether or not attached to a building.	e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law. 1) **Replacement Cost Terms** a) The Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof. However, Replacement Cost Terms do not apply to: (1) window air-conditioners; (2) awnings and canopies; (3) appliances; (4) carpets; and (5) antennas; whether or not attached to a building.	

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b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit: (1) the "actual cash value" of the damaged part of the building just before the loss; or (2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.	b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit: (1) the "actual cash value" of the damaged part of the building just before the loss; or (2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.	
c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the amount actually and necessarily spent to repair or replace the damaged building; or	c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the amount actually and necessarily spent to repair or replace the damaged building; or	

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(2) the cost to repair or replace the damage: (a) using materials of like kind and quality; and (b) for like use. However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.	(2) the cost to repair or replace the damage: (a) using materials of like kind and quality; and (b) for like use. However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.	
d) In determining the replacement cost, do not include the cost of: (1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are: (a) below the undersurface of the lowest basement floor; or (b) below the surface of the ground inside the foundation walls, if there is no basement; or	d) In determining the replacement cost, do not include the cost of: (1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are: (a) below the undersurface of the lowest basement floor; or (b) below the surface of the ground inside the foundation walls, if there is no basement; or	

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(2) underground flues, pipes, wiring, or drains. e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above. f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so.	(2) underground flues, pipes, wiring, or drains. e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above. f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so.	

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2) **Actual Cash Value Terms** a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms. b) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or (2) the "actual cash value" of the lost or damaged part of the property just before the loss.	2) **Actual Cash Value Terms** a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms. b) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or (2) the "actual cash value" of the lost or damaged part of the property just before the loss.	

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2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	
3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	

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4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	
5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	
6. **Insurance Under More Than One Policy**	6. **Insurance Under More Than One Policy**	
a. **Property Coverages**	a. **Property Coverages**	
1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.	1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.	

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However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund. 2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund. 2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	

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b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	
7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	
8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	

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PAYMENT OF LOSS 1. **Property Coverages** a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and: 1) "we" reach an agreement with "you"; 2) there is an entry of a final judgment; or 3) there is a filing of an appraisal award with "us". Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.	**PAYMENT OF LOSS** 1. **Property Coverages** a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and: 1) "we" reach an agreement with "you"; 2) there is an entry of a final judgment; or 3) there is a filing of an appraisal award with "us". Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.	

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b. "We" may: 1) pay the loss in money; or 2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss. If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".	b. "We" may: 1) pay the loss in money; or 2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss. If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".	
c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	

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2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided. 3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid: a. to "you" on behalf of the owner; or b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided. 3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid: a. to "you" on behalf of the owner; or b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	

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POLICY CONDITIONS	**POLICY CONDITIONS**	
CONDITIONS APPLICABLE TO ALL COVERAGES	**CONDITIONS APPLICABLE TO ALL COVERAGES**	
1. **Assignment** -- This policy may not be assigned without "our" written consent.	1. **Assignment** -- This policy may not be assigned without "our" written consent.	
2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.	2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.	

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When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk. If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective.	When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk. If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective.	

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If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation. 3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".	If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation. 3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".	

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However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms". 4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy.	However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms". 4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy.	

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b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified. 6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified. 6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	

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7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing. 8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.	7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing. 8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.	

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In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	
CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY	**CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY**	
1. **Abandonment of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	
2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.	2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.	

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A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	
3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	

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4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee. b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so. All "terms" of this policy apply to the mortgagee unless changed by this clause.	4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee. b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so. All "terms" of this policy apply to the mortgagee unless changed by this clause.	

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c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.	c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.	
d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	

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5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	
6. **Policy Period** -- This policy covers only losses that occur during the policy period.	6. **Policy Period** -- This policy covers only losses that occur during the policy period.	
7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first. At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first. At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	

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8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law. 9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence. **CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY** 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.	8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law. 9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence. **CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY** 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.	

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3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period. 4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period. 4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	

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BROAD FORM

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	
Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	
AGREEMENT This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	**AGREEMENT** This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	

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DEFINITIONS 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	**DEFINITIONS** 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	

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5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	

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b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.	b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.	

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7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	
8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location. However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location. However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	
9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".	9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".	

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However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads. 10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee". 11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds. 12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.	However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads. 10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee". 11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds. 12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.	

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However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo. 13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school;	However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo. 13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school;	

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d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives; e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;	d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives; e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;	

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3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or	3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or	

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5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart. However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent. The phrase an "insured", wherever it appears in this policy, means one or more "insureds".	5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart. However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent. The phrase an "insured", wherever it appears in this policy, means one or more "insureds".	
14. "Insured premises" means: a. the "described location"; b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises"; c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;	14. "Insured premises" means: a. the "described location"; b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises"; c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;	

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d. premises used by "you" in connection with a premises described in a., b., or c. above;	d. premises used by "you" in connection with a premises described in a., b., or c. above;	
e. cemetery lots and burial vaults of an "insured";	e. cemetery lots and burial vaults of an "insured";	
f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;	f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;	
g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and	g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and	
h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.	h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.	
15. "Limit" means amount of insurance.	15. "Limit" means amount of insurance.	

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16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above. 17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above. 17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	

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18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound. 19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged. 20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.	18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound. 19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged. 20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.	

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21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillos; b. bats; c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes.	21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillos; b. bats; c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes.	

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22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	

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PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

   a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

   b. "We" do not cover:

      1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
      2) underground water or surface water;
      3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
      4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

   a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

   b. "We" do not cover:

      1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
      2) underground water or surface water;
      3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
      4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers.

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c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.	c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.	
2. **Coverage B -- Related Private Structures**	2. **Coverage B -- Related Private Structures**	
a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.	a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.	
b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.	b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.	
c. "We" do not cover:	c. "We" do not cover:	
1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or	1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or	

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5) any structure: a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes; b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or	5) any structure: a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes; b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or	

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(2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	(2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	
d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.	d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.	
3. **Coverage C -- Personal Property**	3. **Coverage C -- Personal Property**	
a. "We" cover personal property owned or used by an "insured". At "your" option:	a. "We" cover personal property owned or used by an "insured". At "your" option:	
1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".	1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".	

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b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater. However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.	b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater. However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.	
c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.	c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.	

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2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item. 3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.	2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item. 3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.	

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5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft. 6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft. 7) For loss by theft: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns.	5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft. 6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft. 7) For loss by theft: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns.	

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8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data. d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects;	8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data. d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects;	

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3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle". b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or (2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another;	3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle". b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or (2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another;	

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if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	
4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	
5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo;	5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo;	

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6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units;	6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units;	

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8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; 10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.	8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; 10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.	
e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.	e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.	

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4. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.	4. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.	

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"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	
c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	
d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.	d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.	
e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.	e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.	

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INCIDENTAL PROPERTY COVERAGES This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and 2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you"; b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption.	**INCIDENTAL PROPERTY COVERAGES** This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and 2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you"; b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption.	

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b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".	b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".	
c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	
2. **Collapse**	2. **Collapse**	
a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following:	a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following:	
1) a Peril Insured Against; 2) insect, rodent, or "vermin" damage, but only if no "insured" could reasonably be expected to suspect the presence of such damage prior to the collapse; 3) decay, but only if no "insured" could reasonably be expected to suspect the presence of such decay prior to the collapse;	1) a Peril Insured Against; 2) insect, rodent, or "vermin" damage, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such damage prior to the collapse; 3) decay, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such decay prior to the collapse;	The proposed form specifies that with respect to insect, rodent, and vermin damage and decay, coverage is provided only if no insured *knew of or* could reasonably be expected to suspect the presence of such damage or decay prior to the collapse.

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4) weight of animals, equipment, people, or personal property; 5) weight of rain that collects on a roof; or 6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair. However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.	4) weight of animals, equipment, people, or personal property; 5) weight of rain that collects on a roof; or 6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair. However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.	

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b. In this Incidental Property Coverage: 1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and 2) the following are not considered to be in a state of collapse: a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage; b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.	b. In this Incidental Property Coverage: 1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and 2) the following are not considered to be in a state of collapse: a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage; b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.	

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c. This coverage does not increase the "limits" that apply to the property covered. d. The Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion under Exclusions That Apply To Property Coverages does not apply to this Incidental Property Coverage. 3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured"; 3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money.	c. This coverage does not increase the "limits" that apply to the property covered. d. The Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion under Exclusions That Apply To Property Coverages does not apply to this Incidental Property Coverage. 3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured"; 3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money.	

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The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	
b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name. Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name. Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	

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c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	
d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	
e. "We" do not pay for loss:	e. "We" do not pay for loss:	
1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:	1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:	
a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;	a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;	

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b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured"; 2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss.	b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured"; 2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss.	
4. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.	4. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.	

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This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	
b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of: a) Windstorm Or Hail; or b) Weight Of Ice, Snow, Or Sleet; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy. Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree.	b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of: a) Windstorm Or Hail; or b) Weight Of Ice, Snow, Or Sleet; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy. Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree.	

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With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall. c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person. 5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires.	With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall. c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person. 5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires.	

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This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Property Coverages do not apply to such property while removed. However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Property Coverages do not apply to such property while removed. However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	
6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against. However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against. However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	

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7. **Glass Or Safety Glazing Material** a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window. b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above. c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A residence being built is not vacant.	7. **Glass Or Safety Glazing Material** a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window. b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above. c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A residence being built is not vacant.	

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d. This coverage does not increase the "limits" that apply to the property covered.	d. This coverage does not increase the "limits" that apply to the property covered.	
8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.	8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.	
9. **Increased Cost -- Ordinance Or Law**	9. **Increased Cost -- Ordinance Or Law**	
a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure.	a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure.	

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b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when: 1) loss to the residence or structure is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition. This does not increase the "limit" that applies to this Incidental Property Coverage. c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when: 1) loss to the residence or structure is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition. This does not increase the "limit" that applies to this Incidental Property Coverage. c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	

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10. **Liquid Fuel Remediation** a. "We" pay for loss to: 1) property covered under Coverage A, Coverage B, or Coverage C; 2) land: a) within the "described location"; b) owned by an "insured"; and c) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or 3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".	10. **Liquid Fuel Remediation** a. "We" pay for loss to: 1) property covered under Coverage A, Coverage B, or Coverage C; 2) land: a) within the "described location"; b) owned by an "insured"; and c) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or 3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".	

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b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for: 1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system; 2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area; 3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from: a) property covered under Coverage A, Coverage B, or Coverage C;	b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for: 1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system; 2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area; 3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from: a) property covered under Coverage A, Coverage B, or Coverage C;	

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b) land: (1) within the "described location"; (2) owned by an "insured"; and (3) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. This includes cost or expense to remove the debris of such property or land; 4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled;	b) land: (1) within the "described location"; (2) owned by an "insured"; and (3) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. This includes cost or expense to remove the debris of such property or land; 4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled;	

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5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and 6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel. However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing: a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above. c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and 6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel. However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing: a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above. c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	

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d. "We" do not pay for: 1) loss, cost, or expense involving underground water or surface water; 2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business"; 3) loss, cost, or expense due to the cancellation of a lease or an agreement; 4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 6) any damages resulting from: a) a loss of; or b) a reduction in value of; an agreement to sell property or land; or	d. "We" do not pay for: 1) loss, cost, or expense involving underground water or surface water; 2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business"; 3) loss, cost, or expense due to the cancellation of a lease or an agreement; 4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 6) any damages resulting from: a) a loss of; or b) a reduction in value of; an agreement to sell property or land; or	

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7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.	7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.	
e. The "terms" and "limits" applicable to: 1) Coverage D -- Additional Living Costs And Loss Of Rent; and 2) the Incidental Property Coverage for Debris Removal; do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.	e. The "terms" and "limits" applicable to: 1) Coverage D -- Additional Living Costs And Loss Of Rent; and 2) the Incidental Property Coverage for Debris Removal; do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.	

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f. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation: 1) is the most "we" pay for the total of: a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and b) all coverages described in a. and b. above; and 2) applies regardless of the number of: a) claims made; b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or c) locations insured under this policy.	f. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation: 1) is the most "we" pay for the total of: a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and b) all coverages described in a. and b. above; and 2) applies regardless of the number of: a) claims made; b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or c) locations insured under this policy.	

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With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 5% of the Coverage A "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation. With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 5% of the Coverage A "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation. With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	

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	g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against.	In the proposed form, paragraph g. has been added to specify that the terms stated in a. through f. do not limit coverage for direct loss to covered property caused by a Peril Insured Against.
11. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and	11. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and	

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c) caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location". b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.	c) caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location". b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.	

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d. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	
12. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured" when the loss is caused by a Peril Insured Against, other than the peril of Theft. The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged. This coverage does not increase the "limits" that apply to the property covered.	12. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured" when the loss is caused by a Peril Insured Against, other than the peril of Theft. The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged. This coverage does not increase the "limits" that apply to the property covered.	

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13. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss. b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.	13. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss. b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.	

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14. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit. Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.	14. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit. Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.	

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15. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft. "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	15. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft. "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	

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PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D "We" insure against direct physical loss to property covered under Coverage A, Coverage B, or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning** b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building. c. **Explosion** d. **Riot Or Civil Commotion** e. **Aircraft** -- This includes self-propelled missiles and spacecraft.	**PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D** "We" insure against direct physical loss to property covered under Coverage A, Coverage B, or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning** b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building. c. **Explosion** d. **Riot Or Civil Commotion** e. **Aircraft** -- This includes self-propelled missiles and spacecraft.	

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f. **Vehicles** However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".	f. **Vehicles** However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".	
g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	
h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors.	h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors.	
i. **Vandalism Or Malicious Mischief** However, "we" do not pay for loss to property on the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed in the course of vandalism or malicious mischief;	i. **Vandalism Or Malicious Mischief** However, "we" do not pay for loss to property on the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief;	The proposed form excludes coverage for loss that ensues from a wrongful act committed *intentionally* in the course of vandalism or malicious mischief.

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if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	
j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) of a precious or semiprecious stone from its setting; 4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;	j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) of a precious or semiprecious stone from its setting; 4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;	

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5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 6) caused by theft that occurs away from the "described location" of: a) trailers or semitrailers; b) campers or camper bodies; c) watercraft or their furnishings, equipment, engines, or motors; or d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.	5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 6) caused by theft that occurs away from the "described location" of: a) trailers or semitrailers; b) campers or camper bodies; c) watercraft or their furnishings, equipment, engines, or motors; or d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.	
k. **Falling Objects** However, "we" do not pay for loss to: 1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or 2) the object that falls.	k. **Falling Objects** However, "we" do not pay for loss to: 1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or 2) the object that falls.	

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l. **Weight Of Ice, Snow, Or Sleet** that causes damage to a building or property inside a building. However, "we" do not pay for loss to: 1) awnings; 2) fences, patios, paved areas, or swimming pools; 3) bulkheads, foundations, or retaining walls; or 4) docks, piers, or wharves. m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater. However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing. n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. This includes the reasonable cost of removing and replacing those parts of a building or other structure on the "described location" needed to repair the system or appliance. However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building on the "described location".	l. **Weight Of Ice, Snow, Or Sleet** that causes damage to a building or property inside a building. However, "we" do not pay for loss to: 1) awnings; 2) fences, patios, paved areas, or swimming pools; 3) bulkheads, foundations, or retaining walls; or 4) docks, piers, or wharves. m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater. However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing. n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. This includes the reasonable cost of removing and replacing those parts of a building or other structure on the "described location" needed to repair the system or appliance. However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building on the "described location".	

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"We" do not pay for loss: 1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor; 2) on the "described location" if the residence covered under Coverage A has been vacant for more than 60 days in a row just before the loss. A residence being built is not vacant; 3) caused by or resulting from freezing, except as provided under the peril of Freezing; 4) on the "described location" caused by accidental discharge or overflow that comes from off the "described location"; or 5) to the system or appliance from which the water or steam escaped.	"We" do not pay for loss: 1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor; 2) on the "described location" if the residence covered under Coverage A has been vacant for more than 60 days in a row just before the loss. A residence being built is not vacant; 3) caused by or resulting from freezing, except as provided under the peril of Freezing; 4) on the "described location" caused by accidental discharge or overflow that comes from off the "described location"; or 5) to the system or appliance from which the water or steam escaped.	In the proposed form, this peril has been revised to state that coverage is not provided for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.
In this peril, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form clarifies that, with respect to this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this peril.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.	The proposed form refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed form makes specific reference to *surface water* and *water below the surface of the ground*.
o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form clarifies that, with respect to this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
1) When the building is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; and b) continue the water supply.	1) When the building is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; and b) continue the water supply.	
2) When the building is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	2) When the building is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	

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p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents** However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units. q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes. **EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES** "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events. These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.	p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents** However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units. q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes. **EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES** "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events. These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.	

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a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law; 2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property.	a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law; 2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property.	
b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.	b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.	

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c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination. 2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils. 3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.	c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination. 2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils. 3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.	

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d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	
e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.	e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.	

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f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against. "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against. "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	

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g. **Water Damage** -- "We" do not pay for loss caused by water damage whether the water damage results from or is caused by human or animal forces or an act of nature. Water damage means:	g. **Water** 1) "We" do not pay for loss caused by:	The proposed form's exclusion is titled Water instead of Water Damage. In the proposed form, the language that is comparable to the current form's "whether the water damage results from or is caused by human or animal forces or an act of nature' is set forth in item 5)a) of the exclusion.
1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, all whether driven by wind or not;	a) flood; b) surface water; c) waves, including but not limited to tidal wave and tsunami; d) tides; e) tidal water; f) overflow of any body of water; or g) spray from a) through f) above; whether driven by wind or not. This includes, but is not limited to, tidal surge, storm surge, and storm tide.	The proposed form specifies that waves includes, but is not limited to, tidal wave and tsunami. The proposed form specifically excludes loss caused by tides. The proposed form specifies that loss caused by flood, etc., includes but is not limited to, loss caused by tidal surge, storm surge, and storm tide.
2) water or matter present in water that backs up through sewers or drains or that overflows or is discharged from: a) a sump, sump pump, or related equipment; or b) any other type of system designed to remove subsurface water which is drained from the foundation area; or	2) "We" do not pay for loss caused by water that: a) backs up through sewers or drains; or b) overflows or otherwise discharges from: (1) a sump, sump pump, or related equipment; or (2) any other type of system designed to remove subsurface water which is drained from the foundation area.	The proposed form precludes coverage for water that backs up through sewers or drains or that overflows or *otherwise discharges* from a sump, etc. In addition, language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form.

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3) water or matter present in water below the surface of the ground. This includes water or matter present in water that exerts pressure on, or seeps or leaks through or into, a building, sidewalk, driveway, foundation, swimming pool, or other structure.	3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.	Language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form. In addition, the proposed form specifically mentions water that flows through or into a building, etc., and it also specifically mentions patios.
	4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.	The proposed form precludes coverage for matter present in or carried or otherwise moved by all excluded water.
	5) The exclusions set forth in 1) through 4) above:	
	a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and	The proposed form specifies that theses exclusions apply regardless of the cause of the excluded event, whether or not such cause is an act of nature.
	b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that: (1) overtops; (2) escapes from; (3) is released from; or (4) is otherwise discharged from; a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.	In addition, the exclusions apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that overtops, escapes from, is released from or is otherwise discharged from a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

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"We" do pay for direct loss to covered property caused by fire or explosion resulting from water damage.	6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.	Editorial revisions.
This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.	Editorial revisions.

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h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	
i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	
j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	

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LIABILITY COVERAGES	**LIABILITY COVERAGES**	
PRINCIPAL LIABILITY COVERAGES	**PRINCIPAL LIABILITY COVERAGES**	
1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose. "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose. "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	

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2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses. This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to: a. a person on an "insured premises" with the permission of an "insured"; or b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses. This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to: a. a person on an "insured premises" with the permission of an "insured"; or b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	

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INCIDENTAL LIABILITY COVERAGES This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages. 1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or	**INCIDENTAL LIABILITY COVERAGES** This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages. 1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or	

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2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	
b. This Incidental Liability Coverage for Business is subject to all of the:	b. This Incidental Liability Coverage for Business is subject to all of the:	
1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	
2. **Claims And Defense Cost** -- "We" pay for:	2. **Claims And Defense Cost** -- "We" pay for:	
a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;	a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;	
b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	

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c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	
d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	
e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	
3. **Contracts**	3. **Contracts**	
a. "We" pay for "bodily injury" or "property damage":	a. "We" pay for "bodily injury" or "property damage":	
1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or	1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or	

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2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period. b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.	2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period. b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.	

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However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage; b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years; d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or	However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage; b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years; d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or	

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e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or 2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.	e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or 2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.	

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5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy. 6. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of: 1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or 2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred. b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy. 6. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of: 1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or 2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred. b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	

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c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	
d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.	d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.	
e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	
7. **Motorized Vehicles**	7. **Motorized Vehicles**	
a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that: 1) is in dead storage on an "insured premises";	a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that: 1) is in dead storage on an "insured premises";	

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2) is used only to service: a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads; 3) is designed to assist the handicapped; 4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; 5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or	2) is used only to service: a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads; 3) is designed to assist the handicapped; 4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; 5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or	

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6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or (b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or	6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or (b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or	

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(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located. b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located. b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	

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c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 8. **Watercraft** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that: 1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is: a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 8. **Watercraft** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that: 1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is: a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	

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3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or	3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or	

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(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired. In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.	(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired. In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.	

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b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or 4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise. c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or 4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise. c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	

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EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	**EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES** 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	

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b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	

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c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person; 3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person; 3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	

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d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	
e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	

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f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	
g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	

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h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	
i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured".	i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured".	

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This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended. However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.	This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended. However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.	

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j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".	j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".	
k. "bodily injury" or "property damage" that arises out of sexual molestation.	k. "bodily injury" or "property damage" that arises out of sexual molestation.	
l. "bodily injury" or "property damage" that arises out of physical or mental abuse.	l. "bodily injury" or "property damage" that arises out of physical or mental abuse.	
m. "bodily injury" or "property damage" that arises out of corporal punishment.	m. "bodily injury" or "property damage" that arises out of corporal punishment.	
n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.	n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.	

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2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured". c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts. d. "property damage" to property owned by an "insured".	2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured". c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts. d. "property damage" to property owned by an "insured".	

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e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	
f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	
g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	
h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.	h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.	

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i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.	i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.	
j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	
3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":	3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":	
a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".	a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".	
b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.	b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.	

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c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	
WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE	**WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE**	
1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.	1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.	

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"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device. b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs.	"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device. b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs.	

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c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	
d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	
e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	

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f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents. g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents. g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	

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h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss; 2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above;	h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss; 2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above;	

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d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.	d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.	
i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	
2. **Liability Coverages**	2. **Liability Coverages**	
The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.	The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.	
"We" are not obligated to provide the coverages described in this policy if these duties are not performed.	"We" are not obligated to provide the coverages described in this policy if these duties are not performed.	
a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:	a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:	
1) "your" name and the policy number;	1) "your" name and the policy number;	

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2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses.	2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses.	
b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	
c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	
d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	

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e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses. f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses. f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	

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HOW MUCH WE PAY FOR LOSS OR OCCURRENCE 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge; and c) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated.	**HOW MUCH WE PAY FOR LOSS OR OCCURRENCE** 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge; and c) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated.	

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2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss. d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss. d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	

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e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance or Law. 1) **Replacement Cost Terms** a) The Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof. However, Replacement Cost Terms do not apply to: (1) window air-conditioners; (2) awnings and canopies; (3) appliances; (4) carpets; and (5) antennas; whether or not attached to a building.	e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law. 1) **Replacement Cost Terms** a) The Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof. However, Replacement Cost Terms do not apply to: (1) window air-conditioners; (2) awnings and canopies; (3) appliances; (4) carpets; and (5) antennas; whether or not attached to a building.	

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b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit: (1) the "actual cash value" of the damaged part of the building just before the loss; or (2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.	b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit: (1) the "actual cash value" of the damaged part of the building just before the loss; or (2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.	
c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the amount actually and necessarily spent to repair or replace the damaged building; or	c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the amount actually and necessarily spent to repair or replace the damaged building; or	

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(2) the cost to repair or replace the damage: (a) using materials of like kind and quality; and (b) for like use. However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.	(2) the cost to repair or replace the damage: (a) using materials of like kind and quality; and (b) for like use. However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.	
d) In determining the replacement cost, do not include the cost of: (1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are: (a) below the undersurface of the lowest basement floor; or (b) below the surface of the ground inside the foundation walls, if there is no basement; or (2) underground flues, pipes, wiring, or drains.	d) In determining the replacement cost, do not include the cost of: (1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are: (a) below the undersurface of the lowest basement floor; or (b) below the surface of the ground inside the foundation walls, if there is no basement; or (2) underground flues, pipes, wiring, or drains.	

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e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above. f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so. 2) **Actual Cash Value Terms** a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms. b) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or	e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above. f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so. 2) **Actual Cash Value Terms** a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms. b) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or	

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(2) the "actual cash value" of the lost or damaged part of the property just before the loss.	(2) the "actual cash value" of the lost or damaged part of the property just before the loss.	
2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of:	2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of:	
a. persons insured under this policy;	a. persons insured under this policy;	
b. parties who sustain injury or damage;	b. parties who sustain injury or damage;	
c. claims made or suits brought; or	c. claims made or suits brought; or	
d. policy periods involved.	d. policy periods involved.	
All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	

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3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	
4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	
5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	

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6. **Insurance Under More Than One Policy** a. **Property Coverages** 1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense. However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund.	6. **Insurance Under More Than One Policy** a. **Property Coverages** 1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense. However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund.	

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2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	
b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	

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7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	
8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	

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PAYMENT OF LOSS

1. **Property Coverages**

   a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

      1) "we" reach an agreement with "you";
      2) there is an entry of a final judgment; or
      3) there is a filing of an appraisal award with "us".

      Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

   b. "We" may:

      1) pay the loss in money; or
      2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

PAYMENT OF LOSS

1. **Property Coverages**

   a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

      1) "we" reach an agreement with "you";
      2) there is an entry of a final judgment; or
      3) there is a filing of an appraisal award with "us".

      Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

   b. "We" may:

      1) pay the loss in money; or
      2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

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If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".	If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".	
c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	
2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	
3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	
a. to "you" on behalf of the owner; or	a. to "you" on behalf of the owner; or	
b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	

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POLICY CONDITIONS	**POLICY CONDITIONS**	
CONDITIONS APPLICABLE TO ALL COVERAGES	**CONDITIONS APPLICABLE TO ALL COVERAGES**	
1. **Assignment** -- This policy may not be assigned without "our" written consent.	1. **Assignment** -- This policy may not be assigned without "our" written consent.	
2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.	2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.	

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When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk. If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk. If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	

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3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations". However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms".	3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations". However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms".	

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4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy. b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.	4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy. b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.	

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6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	
7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	

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8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage. In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage. In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	

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CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY 1. **Abandonment of Property** -- An "insured" may not abandon property to "us" unless "we" agree. 2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection. A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss.	**CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY** 1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree. 2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection. A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss.	

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"You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy. 3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations". 4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee.	"You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy. 3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations". 4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee.	

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b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so. All "terms" of this policy apply to the mortgagee unless changed by this clause.	b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so. All "terms" of this policy apply to the mortgagee unless changed by this clause.	
c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.	c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.	

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d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	
5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	
6. **Policy Period** -- This policy covers only losses that occur during the policy period.	6. **Policy Period** -- This policy covers only losses that occur during the policy period.	

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7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first. At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first. At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	
8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.	8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.	
9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.	9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.	

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CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require. 3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.	**CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY** 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require. 3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.	

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4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	

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SPECIAL FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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SPECIAL FORM

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Policy Conditions Conditions Applicable To All Coverages **42** Conditions Applicable To Property Coverages Only **43** Conditions Applicable To Liability Coverages Only **45**	Policy Conditions Conditions Applicable To All Coverages **42** Conditions Applicable To Property Coverages Only **44** Conditions Applicable To Liability Coverages Only **45**	
Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	
Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	
AGREEMENT This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	**AGREEMENT** This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	

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DEFINITIONS 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	**DEFINITIONS** 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	

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5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person.	5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person.	
6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	

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b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.	b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500.	

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7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	
8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location. However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location. However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	
9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".	9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business".	

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However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads. 10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee". 11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds. 12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.	However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads. 10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee". 11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds. 12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft.	

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However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo. 13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school;	However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo. 13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school;	

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d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives; e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;	d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives; e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;	

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3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or	3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or	

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5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart. However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent. The phrase an "insured", wherever it appears in this policy, means one or more "insureds".	5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart. However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent. The phrase an "insured", wherever it appears in this policy, means one or more "insureds".	
14. "Insured premises" means: a. the "described location"; b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";	14. "Insured premises" means: a. the "described location"; b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";	

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c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use; d. premises used by "you" in connection with a premises described in a., b., or c. above; e. cemetery lots and burial vaults of an "insured"; f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence; g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.	c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use; d. premises used by "you" in connection with a premises described in a., b., or c. above; e. cemetery lots and burial vaults of an "insured"; f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence; g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.	

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15. "Limit" means amount of insurance. 16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above. 17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	15. "Limit" means amount of insurance. 16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above. 17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	

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18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound. 19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged. 20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.	18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound. 19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged. 20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.	

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21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillos; b. bats; c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes.	21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillos; b. bats; c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes.	

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22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	

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PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

   a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

   b. "We" do not cover:

      1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
      2) underground water or surface water;

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

   a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

   b. "We" do not cover:

      1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation;
      2) underground water or surface water;

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3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers.	3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers.	
c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.	c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.	
2. **Coverage B -- Related Private Structures**	2. **Coverage B -- Related Private Structures**	
a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.	a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.	
b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.	b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.	

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c. "We" do not cover: 1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or 5) any structure: a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes; b) used, in whole or in part, for the direction or operation of a "business"; or	c. "We" do not cover: 1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or 5) any structure: a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes; b) used, in whole or in part, for the direction or operation of a "business"; or	

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c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	

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d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.	d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.	
3. Coverage C -- Personal Property	**3. Coverage C -- Personal Property**	
a. "We" cover personal property owned or used by an "insured". At "your" option: 1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".	a. "We" cover personal property owned or used by an "insured". At "your" option: 1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".	
b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.	b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.	

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However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there. c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.	However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there. c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.	

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2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item. 3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.	2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item. 3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.	

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5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft. 6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft. 7) For loss by theft: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns.	5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft. 6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft. 7) For loss by theft: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns.	

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8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.	8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.	
d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects;	d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects;	

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3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle". b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or	3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle". b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or	

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(2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another; if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	(2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another; if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	
4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	
5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo;	5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo;	

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6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units;	6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units;	

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8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; 10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.	8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; 10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.	
e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.	e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.	

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4. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.	4. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.	

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"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	
c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	
d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.	d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.	
e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.	e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.	

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INCIDENTAL PROPERTY COVERAGES This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and	**INCIDENTAL PROPERTY COVERAGES** This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and	

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2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you"; b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against described under Coverage A in this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you". c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you"; b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against described under Coverage A in this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you". c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	

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2. **Collapse** a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following: 1) a Peril Insured Against described under Coverage C; 2) insect, rodent, or "vermin" damage, but only if no "insured" could reasonably be expected to suspect the presence of such damage prior to the collapse; 3) decay, but only if no "insured" could reasonably be expected to suspect the presence of such decay prior to the collapse; 4) weight of animals, equipment, people, or personal property; 5) weight of rain that collects on a roof; or 6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair.	2. **Collapse** a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following: 1) a Peril Insured Against described under Coverage C; 2) insect, rodent, or "vermin" damage, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such damage prior to the collapse; 3) decay, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such decay prior to the collapse; 4) weight of animals, equipment, people, or personal property; 5) weight of rain that collects on a roof; or 6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair.	The proposed form specifies that with respect to insect, rodent, and vermin damage and decay, coverage is provided only if no insured *knew of* or could reasonably be expected to suspect the presence of such damage or decay prior to the collapse.

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However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.	However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.	
b. In this Incidental Property Coverage:	b. In this Incidental Property Coverage:	
1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and	1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and	

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2) the following are not considered to be in a state of collapse: a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage; b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building. However, the "terms" stated in 1) and 2) above do not limit coverage for direct loss to covered property caused by a Peril Insured Against described under Coverage C. c. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes damage to a building.	2) the following are not considered to be in a state of collapse: a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage; b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building. However, the "terms" stated in 1) and 2) above do not limit coverage for direct loss to covered property caused by a Peril Insured Against described under Coverage C. c. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes damage to a building.	

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d. This coverage does not increase the "limits" that apply to the property covered. e. The Bacteria, Fungi, Wet Rot, Or Dry Rot and Errors, Omissions, And Defects exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage. 3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured"; 3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money.	d. This coverage does not increase the "limits" that apply to the property covered. e. The Bacteria, Fungi, Wet Rot, Or Dry Rot and Errors, Omissions, And Defects exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage. 3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured"; 3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money.	

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The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	
b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name. Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name. Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	

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c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	
d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	

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e. "We" do not pay for loss: 1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds: a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted; b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured"; 2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss.	e. "We" do not pay for loss: 1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds: a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted; b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured"; 2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss.	

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4. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal. This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	4. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal. This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	

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b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of: a) Windstorm Or Hail; or b) Weight Of Ice, Snow, Or Sleet; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against described under Coverage C in this policy. Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.	b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of: a) Windstorm Or Hail; or b) Weight Of Ice, Snow, Or Sleet; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against described under Coverage C in this policy. Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.	

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c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.	c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.	
5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Coverage A And Coverage B and the Exclusions That Apply To Property Coverages do not apply to such property while removed.	5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Coverage A And Coverage B and the Exclusions That Apply To Property Coverages do not apply to such property while removed.	

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However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	
6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against. However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against. However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	

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7. **Glass Or Safety Glazing Material** a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window. b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above. c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement.	7. **Glass Or Safety Glazing Material** a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window. b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above. c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement.	

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A residence being built is not vacant. d. This coverage does not increase the "limits" that apply to the property covered. 8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against described under Coverage C. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet includes the weight of ice, snow, or sleet that causes damage to a mausoleum. 9. **Increased Cost -- Ordinance Or Law** a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure.	A residence being built is not vacant. d. This coverage does not increase the "limits" that apply to the property covered. 8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against described under Coverage C. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet includes the weight of ice, snow, or sleet that causes damage to a mausoleum. 9. **Increased Cost -- Ordinance Or Law** a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure.	

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b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when: 1) loss to the residence or structure is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition. This does not increase the "limit" that applies to this Incidental Property Coverage.	b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when: 1) loss to the residence or structure is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition. This does not increase the "limit" that applies to this Incidental Property Coverage.	

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c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	
10. **Liquid Fuel Remediation** a. "We" pay for loss to: 1) property covered under Coverage A, Coverage B, or Coverage C; 2) land: a) within the "described location"; b) owned by an "insured"; and c) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or	10. **Liquid Fuel Remediation** a. "We" pay for loss to: 1) property covered under Coverage A, Coverage B, or Coverage C; 2) land: a) within the "described location"; b) owned by an "insured"; and c) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or	

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3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location". b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for: 1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system; 2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area;	3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location". b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for: 1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system; 2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area;	

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3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from: a) property covered under Coverage A, Coverage B, or Coverage C; b) land: (1) within the "described location"; (2) owned by an "insured"; and (3) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. This includes cost or expense to remove the debris of such property or land;	3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from: a) property covered under Coverage A, Coverage B, or Coverage C; b) land: (1) within the "described location"; (2) owned by an "insured"; and (3) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. This includes cost or expense to remove the debris of such property or land;	

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4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled; 5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and 6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel. However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing: a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above.	4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled; 5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and 6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel. However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing: a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above.	

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c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	
d. Under Exclusions That Apply To Coverage A And Coverage B, the exclusion for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants" does not apply to the coverage provided under this Incidental Property Coverage for the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel.	d. Under Exclusions That Apply To Coverage A And Coverage B, the exclusion for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants" does not apply to the coverage provided under this Incidental Property Coverage for the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel.	
e. "We" do not pay for: 1) loss, cost, or expense involving underground water or surface water; 2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business"; 3) loss, cost, or expense due to the cancellation of a lease or an agreement;	e. "We" do not pay for: 1) loss, cost, or expense involving underground water or surface water; 2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business"; 3) loss, cost, or expense due to the cancellation of a lease or an agreement;	

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4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 6) any damages resulting from: a) a loss of; or b) a reduction in value of; an agreement to sell property or land; or 7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.	4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 6) any damages resulting from: a) a loss of; or b) a reduction in value of; an agreement to sell property or land; or 7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.	

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f. The "terms" and "limits" applicable to: 1) Coverage D -- Additional Living Costs And Loss Of Rent; and 2) the Incidental Property Coverage for Debris Removal; do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above. g. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation: 1) is the most "we" pay for the total of: a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and b) all coverages described in a. and b. above; and	f. The "terms" and "limits" applicable to: 1) Coverage D -- Additional Living Costs And Loss Of Rent; and 2) the Incidental Property Coverage for Debris Removal; do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above. g. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation: 1) is the most "we" pay for the total of: a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and b) all coverages described in a. and b. above; and	

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2) applies regardless of the number of: a) claims made; b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or c) locations insured under this policy. With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 5% of the Coverage A "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	2) applies regardless of the number of: a) claims made; b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or c) locations insured under this policy. With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 5% of the Coverage A "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	

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With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	
	h. The "terms" stated in a. through g. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against described under Coverage C.	In the proposed form, paragraph h. has been added to specify that the terms stated in a. through g. do not limit coverage for direct loss to covered property caused by a Peril Insured Against described under Coverage C.

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11. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against described under Coverage A in this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and	11. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against described under Coverage A in this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and	

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3) is levied against "you" as owner or tenant of the "described location". b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments. d. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	3) is levied against "you" as owner or tenant of the "described location". b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments. d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	

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12. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured" when the loss is caused by a Peril Insured Against described under Coverage C, other than the peril of Theft. The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged. This coverage does not increase the "limits" that apply to the property covered.	12. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured" when the loss is caused by a Peril Insured Against described under Coverage C, other than the peril of Theft. The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged. This coverage does not increase the "limits" that apply to the property covered.	
13. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.	13. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.	

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b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence. 14. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit.	b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence. 14. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit.	

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Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage. 15. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft. "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage. 15. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft. "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	

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PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D 1. **Coverage A -- Residence And Coverage B -- Related Private Structures** -- "We" insure property covered under Coverage A or Coverage B for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage A And Coverage B. a. **Exclusions That Apply To Coverage A And Coverage B** 1) "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages. 2) **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in a) and b) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.	**PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D** 1. **Coverage A -- Residence And Coverage B -- Related Private Structures** -- "We" insure property covered under Coverage A or Coverage B for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage A And Coverage B. a. **Exclusions That Apply To Coverage A And Coverage B** 1) "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages. 2) **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in a) and b) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.	

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a) When the building is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: (1) maintain heat in the building; and (2) continue the water supply. b) When the building is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: (1) maintain heat in the building; or (2) shut off the water supply and completely empty water from all systems, heaters, and appliances. With respect to this exclusion and the exceptions stated in a) and b) above, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	a) When the building is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: (1) maintain heat in the building; and (2) continue the water supply. b) When the building is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: (1) maintain heat in the building; or (2) shut off the water supply and completely empty water from all systems, heaters, and appliances. With respect to this exclusion and the exceptions stated in a) and b) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form further specifies that plumbing systems and domestic appliances do not include any type of system designed to remove subsurface water which is drained from the foundation area.

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3) **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to: a) fences, patios, paved areas, or swimming pools; b) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure; c) bulkheads or retaining walls that do not support all or part of a building or other structure; or d) docks, piers, or wharves. 4) **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.	3) **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to: a) fences, patios, paved areas, or swimming pools; b) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure; c) bulkheads or retaining walls that do not support all or part of a building or other structure; or d) docks, piers, or wharves. 4) **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.	

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5) **Vandalism Or Malicious Mischief** -- "We" do not pay for loss: a) caused by vandalism or malicious mischief; or b) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	5) **Vandalism Or Malicious Mischief** -- "We" do not pay for loss: a) caused by vandalism or malicious mischief; or b) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	
6) **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by: a) continuous or repeated discharge, seepage, or leakage of water; or b) the presence or condensation of humidity, moisture, or vapor; over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	6) **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by: a) continuous or repeated discharge, seepage, or leakage of water; or b) the presence or condensation of humidity, moisture, or vapor; over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	The proposed form specifies that there is no coverage provided for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.

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Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under the exception to this exclusion.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed form makes specific reference to *surface water* and *water below the surface of the ground.* The proposed form specifies that the exception applies only to the discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the described location, and only if no insured *knew of* or could reasonably be expected to suspect such discharge, etc. The proposed form specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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7) **Collapse Or Impairment** -- "We" do not pay for loss involving: a) collapse; or b) impairment of structural integrity, including but not limited to sagging, bowing, bending, leaning, or inadequacy of load bearing capacity; except as provided under the Incidental Property Coverage for Collapse.	7) **Collapse Or Impairment** -- "We" do not pay for loss involving: a) collapse; or b) impairment of structural integrity, including but not limited to sagging, bowing, bending, leaning, or inadequacy of load bearing capacity; except as provided under the Incidental Property Coverage for Collapse.	
8) **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of: a) bulkheads; b) ceilings; c) floors; d) footings; e) foundations; f) patios; g) paved areas; h) roofs; or i) walls.	8) **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of: a) bulkheads; b) ceilings; c) floors; d) footings; e) foundations; f) patios; g) paved areas; h) roofs; or i) walls.	

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9) **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by: a) birds; b) "vermin"; c) rodents; d) insects; or e) any animal owned or kept by an "insured"; except as provided under the Incidental Property Coverages. 10) **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations. 11) **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against described under Coverage C.	9) **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by: a) birds; b) "vermin"; c) rodents; d) insects; or e) any animal owned or kept by an "insured"; except as provided under the Incidental Property Coverages. 10) **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations. 11) **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against described under Coverage C.	

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12) **Wear And Tear** -- "We" do not pay for loss caused by: a) wear and tear, marring, or deterioration; b) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself; c) rust or other corrosion or smog; or d) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation. b. **Exceptions To Exclusions That Apply To Coverage A And Coverage B** 1) "We" pay for an ensuing loss that results from a.2) through a.12) above, unless the ensuing loss itself is excluded.	12) **Wear And Tear** -- "We" do not pay for loss caused by: a) wear and tear, marring, or deterioration; b) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself; c) rust or other corrosion or smog; or d) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation. b. **Exceptions To Exclusions That Apply To Coverage A And Coverage B** 1) "We" pay for an ensuing loss that results from a.2) through a.12) above, unless the ensuing loss itself is excluded.	

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2) Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage A or Coverage B that results from water or steam that, due to a cause or event excluded under a.8) through a.12) above, accidentally discharges or overflows from: a) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or b) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location". This includes the reasonable cost of removing and replacing those parts of a building or other structure on the "described location" needed to repair the system, heater, or appliance. However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building on the "described location".	2) Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage A or Coverage B that results from water or steam that, due to a cause or event excluded under a.8) through a.12) above, accidentally discharges or overflows from: a) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or b) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location". This includes the reasonable cost of removing and replacing those parts of a building or other structure on the "described location" needed to repair the system, heater, or appliance. However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building on the "described location".	

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"We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.	"We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.	
In this exception, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this exception.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.	The proposed form refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed form makes specific reference to *surface water* and *water below the surface of the ground*.

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2. **Coverage C -- Personal Property** -- "We" insure against direct physical loss to property covered under Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning** b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to property inside a building caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.	2. **Coverage C -- Personal Property** -- "We" insure against direct physical loss to property covered under Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning** b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to property inside a building caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.	

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c. **Explosion** d. **Riot Or Civil Commotion** e. **Aircraft** -- This includes self-propelled missiles and spacecraft. f. **Vehicles** g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	c. **Explosion** d. **Riot Or Civil Commotion** e. **Aircraft** -- This includes self-propelled missiles and spacecraft. f. **Vehicles** g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	

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h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors. i. **Vandalism Or Malicious Mischief** j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) of a precious or semiprecious stone from its setting; 4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;	h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors. i. **Vandalism Or Malicious Mischief** j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) of a precious or semiprecious stone from its setting; 4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;	

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5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 6) caused by theft that occurs away from the "described location" of: a) trailers or semitrailers; b) campers or camper bodies; c) watercraft or their furnishings, equipment, engines, or motors; or d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.	5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 6) caused by theft that occurs away from the "described location" of: a) trailers or semitrailers; b) campers or camper bodies; c) watercraft or their furnishings, equipment, engines, or motors; or d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.	
k. **Falling Objects** However, "we" do not pay for loss to: 1) property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or 2) the object that falls.	k. **Falling Objects** However, "we" do not pay for loss to: 1) property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or 2) the object that falls.	

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l. **Weight Of Ice, Snow, Or Sleet** that causes damage to property inside a building.	l. **Weight Of Ice, Snow, Or Sleet** that causes damage to property inside a building.	
m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater. However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing.	m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater. However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing.	
n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. However, "we" do not pay for loss: 1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor;	n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. However, "we" do not pay for loss: 1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor;	In the proposed form, this peril has been revised to state that coverage is not provided for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.

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2) caused by or resulting from freezing, except as provided under the peril of Freezing; 3) on the "described location" caused by accidental discharge or overflow that comes from off the "described location"; or 4) to the system or appliance from which the water or steam escaped.	2) caused by or resulting from freezing, except as provided under the peril of Freezing; 3) on the "described location" caused by accidental discharge or overflow that comes from off the "described location"; or 4) to the system or appliance from which the water or steam escaped.	
In this peril, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form clarifies that, with respect to this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this peril.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.	The proposed form refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed form makes specific reference to *surface water* and *water below the surface of the ground*.

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o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment. 1) When the building is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; and b) continue the water supply.	o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment. 1) When the building is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; and b) continue the water supply.	The proposed form clarifies that, with respect to this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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2) When the building is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; or b) shut off the water supply and completely empty water from all systems and appliances. p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents** However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.	2) When the building is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; or b) shut off the water supply and completely empty water from all systems and appliances. p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents** However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.	

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q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes. **EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES** 1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes. **EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES** 1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	

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These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event. a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law; 2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event. a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law; 2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	

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This exclusion applies whether or not there has been physical damage to covered property.	This exclusion applies whether or not there has been physical damage to covered property.	
b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.	b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.	
c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination.	c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination.	

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2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils. 3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered. d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.	2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils. 3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered. d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.	

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With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental. e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss. f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.	With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental. e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss. f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting.	

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However, this does not include Sinkhole Collapse as described under the Perils Insured Against that apply to Coverage C.	However, this does not include Sinkhole Collapse as described under the Perils Insured Against that apply to Coverage C.	
"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement.	"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement.	
This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	
g. **Water Damage** -- "We" do not pay for loss caused by water damage whether the water damage results from or is caused by human or animal forces or an act of nature.	g. **Water**	The proposed form's exclusion is titled Water instead of Water Damage.
Water damage means:	1) "We" do not pay for loss caused by:	In the proposed form, the language that is comparable to the current form's "whether the water damage results from or is caused by human or animal forces or an act of nature' is set forth in item 5)a) of the exclusion.
1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, all whether driven by wind or not;	a) flood; b) surface water; c) waves, including but not limited to tidal wave and tsunami;	The proposed form specifies that waves includes, but is not limited to, tidal wave and tsunami.
	d) tides; e) tidal water; f) overflow of any body of water; or g) spray from a) through f) above;	The proposed form specifically excludes loss caused by tides.
	whether driven by wind or not.	
	This includes, but is not limited to, tidal surge, storm surge, and storm tide.	The proposed form specifies that loss caused by flood, etc., includes but is not limited to, loss caused by tidal surge, storm surge, and storm tide.

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2) water or matter present in water that backs up through sewers or drains or that overflows or is discharged from: a) a sump, sump pump, or related equipment; or b) any other type of system designed to remove subsurface water which is drained from the foundation area; or	2) "We" do not pay for loss caused by water that: a) backs up through sewers or drains; or b) overflows or otherwise discharges from: (1) a sump, sump pump, or related equipment; or (2) any other type of system designed to remove subsurface water which is drained from the foundation area.	The proposed form precludes coverage for water that backs up through sewers or drains or that overflows or *otherwise discharges* from a sump, etc. In addition, language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form.
3) water or matter present in water below the surface of the ground. This includes water or matter present in water that exerts pressure on, or seeps or leaks through or into, a building, sidewalk, driveway, foundation, swimming pool, or other structure.	3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.	Language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form. In addition, the proposed form specifically mentions water that flows through or into a building, etc., and it also specifically mentions patios.
	4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.	The proposed form precludes coverage for matter present in or carried or otherwise moved by all excluded water.

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	5) The exclusions set forth in 1) through 4) above:	
	a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and	The proposed form specifies that theses exclusions apply regardless of the cause of the excluded event, whether or not such cause is an act of nature.
	b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that: (1) overtops; (2) escapes from; (3) is released from; or (4) is otherwise discharged from; a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.	In addition, the exclusions apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that overtops, escapes from, is released from or is otherwise discharged from a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.
"We" do pay for direct loss to covered property caused by fire or explosion resulting from water damage.	6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.	Editorial revisions.
This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.	Editorial revisions.

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	8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form specifies that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the described location when such loss is not otherwise excluded. In the proposed form, this exception specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	
i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	

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j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	
2. "We" do not pay for loss or damage to property covered under Coverage A or Coverage B that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss to property covered under Coverage A or Coverage B that is otherwise covered by this policy.	2. "We" do not pay for loss or damage to property covered under Coverage A or Coverage B that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss to property covered under Coverage A or Coverage B that is otherwise covered by this policy.	
a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the preceding Exclusions That Apply To Property Coverages (Numbers 1.a. through 1.j).	a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the preceding Exclusions That Apply To Property Coverages (Numbers 1.a. through 1.j).	

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b. **Errors, Omissions, And Defects** -- "We" do not pay for loss caused by one or more of the following: 1) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or 2) a defect, a weakness, the inadequacy, a fault, or unsoundness in the: a) development, planning, siting, surveying, zoning; b) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship; c) materials used in construction, remodeling, renovation, or repair; or d) maintenance; of any property, whether in whole or in part, and whether on or away from the "described location", except as provided under the Incidental Property Coverage for Collapse.	b. **Errors, Omissions, And Defects** -- "We" do not pay for loss caused by one or more of the following: 1) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or 2) a defect, a weakness, the inadequacy, a fault, or unsoundness in the: a) development, planning, siting, surveying, zoning; b) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship; c) materials used in construction, remodeling, renovation, or repair; or d) maintenance; of any property, whether in whole or in part, and whether on or away from the "described location", except as provided under the Incidental Property Coverage for Collapse.	

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LIABILITY COVERAGES	**LIABILITY COVERAGES**	
PRINCIPAL LIABILITY COVERAGES	**PRINCIPAL LIABILITY COVERAGES**	
1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose. "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose. "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	

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2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses. This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to: a. a person on an "insured premises" with the permission of an "insured"; or b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses. This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to: a. a person on an "insured premises" with the permission of an "insured"; or b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	

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INCIDENTAL LIABILITY COVERAGES This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages. 1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or 2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	**INCIDENTAL LIABILITY COVERAGES** This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages. 1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or 2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	

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b. This Incidental Liability Coverage for Business is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	b. This Incidental Liability Coverage for Business is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	
2. **Claims And Defense Cost** -- "We" pay for:	2. **Claims And Defense Cost** -- "We" pay for:	
a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;	a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;	
b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	
c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	

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d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	
e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	
3. **Contracts**	3. **Contracts**	
a. "We" pay for "bodily injury" or "property damage": 1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or 2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.	a. "We" pay for "bodily injury" or "property damage": 1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or 2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.	

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b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage. However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;	b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage. However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;	

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b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years; d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft".	b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years; d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft".	

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However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or 2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property. 5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or 2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property. 5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	

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6. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of: 1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or 2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred. b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	6. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of: 1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or 2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred. b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	

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c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	
d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.	d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.	
e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	

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7. **Motorized Vehicles** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that: 1) is in dead storage on an "insured premises"; 2) is used only to service: a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads; 3) is designed to assist the handicapped; 4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;	7. **Motorized Vehicles** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that: 1) is in dead storage on an "insured premises"; 2) is used only to service: a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads; 3) is designed to assist the handicapped; 4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;	

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5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and	5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and	

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d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or (b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or	d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or (b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or	

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(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located. b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located. b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	

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c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 8. **Watercraft** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that: 1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is: a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 8. **Watercraft** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that: 1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is: a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	

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3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or	3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or	

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(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired. In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer. b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or 4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.	(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired. In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer. b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or 4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.	

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c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. **EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES** 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. **EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES** 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	

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b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	

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c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person; 3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person; 3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	

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d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	
e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	

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f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	
g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	

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h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	
i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured".	i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured".	

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This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended. However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property. j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured". k. "bodily injury" or "property damage" that arises out of sexual molestation. l. "bodily injury" or "property damage" that arises out of physical or mental abuse. m. "bodily injury" or "property damage" that arises out of corporal punishment.	This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended. However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property. j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured". k. "bodily injury" or "property damage" that arises out of sexual molestation. l. "bodily injury" or "property damage" that arises out of physical or mental abuse. m. "bodily injury" or "property damage" that arises out of corporal punishment.	

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n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician. 2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured".	n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician. 2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured".	

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c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.	c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.	
d. "property damage" to property owned by an "insured".	d. "property damage" to property owned by an "insured".	
e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	
f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	

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g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred. h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law. i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.	g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred. h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law. i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.	

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j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	
3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":	3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":	
a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".	a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".	
b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.	b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.	

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c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	
WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE	**WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE**	
1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.	1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.	

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"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device. b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs.	"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device. b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs.	

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c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	
d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	
e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	

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f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents. g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents. g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	

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h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss; 2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above;	h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss; 2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above;	

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d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.	d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.	
i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	
2. **Liability Coverages**	2. **Liability Coverages**	
The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.	The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.	
"We" are not obligated to provide the coverages described in this policy if these duties are not performed.	"We" are not obligated to provide the coverages described in this policy if these duties are not performed.	

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a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state: 1) "your" name and the policy number; 2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses. b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense. c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit. d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state: 1) "your" name and the policy number; 2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses. b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense. c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit. d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	

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e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses. f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses. f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	

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HOW MUCH WE PAY FOR LOSS OR OCCURRENCE 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss.	**HOW MUCH WE PAY FOR LOSS OR OCCURRENCE** 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss.	

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b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge; and c) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated. 2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location.	b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge; and c) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated. 2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location.	

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c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.	c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.	
d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	

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e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance or Law. 1) **Replacement Cost Terms** a) The Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof. However, Replacement Cost Terms do not apply to: (1) window air-conditioners; (2) awnings and canopies; (3) appliances; (4) carpets; and (5) antennas; whether or not attached to a building.	e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law. 1) **Replacement Cost Terms** a) The Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof. However, Replacement Cost Terms do not apply to: (1) window air-conditioners; (2) awnings and canopies; (3) appliances; (4) carpets; and (5) antennas; whether or not attached to a building.	

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b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit: (1) the "actual cash value" of the damaged part of the building just before the loss; or (2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.	b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit: (1) the "actual cash value" of the damaged part of the building just before the loss; or (2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.	
c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the amount actually and necessarily spent to repair or replace the damaged building; or	c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the amount actually and necessarily spent to repair or replace the damaged building; or	

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2) the cost to repair or replace the damage: (a) using materials of like kind and quality; and (b) for like use. However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.	(2) the cost to repair or replace the damage: (a) using materials of like kind and quality; and (b) for like use. However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.	
d) In determining the replacement cost, do not include the cost of:	d) In determining the replacement cost, do not include the cost of:	
(1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are: (a) below the undersurface of the lowest basement floor; or (b) below the surface of the ground inside the foundation walls, if there is no basement; or	(1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are: (a) below the undersurface of the lowest basement floor; or (b) below the surface of the ground inside the foundation walls, if there is no basement; or	

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(2) underground flues, pipes, wiring, or drains.	(2) underground flues, pipes, wiring, or drains.	
e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above.	e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above.	
f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so.	f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so.	
2) **Actual Cash Value Terms**	2) **Actual Cash Value Terms**	
a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms.	a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms.	

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b) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or (2) the "actual cash value" of the lost or damaged part of the property just before the loss.	b) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or (2) the "actual cash value" of the lost or damaged part of the property just before the loss.	
2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	

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3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	
4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	
5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	

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6. **Insurance Under More Than One Policy** a. **Property Coverages** 1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense. However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund.	6. **Insurance Under More Than One Policy** a. **Property Coverages** 1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense. However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund.	

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2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	
b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	

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7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	
8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	

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PAYMENT OF LOSS 1. **Property Coverages** a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and: 1) "we" reach an agreement with "you"; 2) there is an entry of a final judgment; or 3) there is a filing of an appraisal award with "us". Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment. b. "We" may: 1) pay the loss in money; or 2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.	**PAYMENT OF LOSS** 1. **Property Coverages** a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and: 1) "we" reach an agreement with "you"; 2) there is an entry of a final judgment; or 3) there is a filing of an appraisal award with "us". Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment. b. "We" may: 1) pay the loss in money; or 2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.	

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If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".	If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".	
c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	
2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	
3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	
a. to "you" on behalf of the owner; or	a. to "you" on behalf of the owner; or	
b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	

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POLICY CONDITIONS **CONDITIONS APPLICABLE TO ALL COVERAGES** 1. **Assignment** -- This policy may not be assigned without "our" written consent. 2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.	**POLICY CONDITIONS** **CONDITIONS APPLICABLE TO ALL COVERAGES** 1. **Assignment** -- This policy may not be assigned without "our" written consent. 2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.	

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When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk. If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk. If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	

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3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations". However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms".	3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations". However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms".	

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4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy. b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.	4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy. b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.	

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6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	
7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	

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8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage. In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage. In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	
CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY	**CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY**	
1. **Abandonment of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	

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2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection. A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection. A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	

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3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	
4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee. b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and	4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee. b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and	

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3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so. All "terms" of this policy apply to the mortgagee unless changed by this clause. c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect. d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so. All "terms" of this policy apply to the mortgagee unless changed by this clause. c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect. d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	

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5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	
6. **Policy Period** -- This policy covers only losses that occur during the policy period.	6. **Policy Period** -- This policy covers only losses that occur during the policy period.	
7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first. At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first. At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	

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8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law. 9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence. **CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY** 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records.	8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law. 9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence. **CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY** 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records.	

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The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require. 3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period. 4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require. 3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period. 4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	

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The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	
Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	
AGREEMENT This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	**AGREEMENT** This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	

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DEFINITIONS 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	**DEFINITIONS** 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	

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5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	

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b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500. 7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500. 7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	

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8. "Described location" means that part of a building in which "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	8. "Described location" means that part of a building in which "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	
9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business". However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads.	9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business". However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads.	

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10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".	10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".	
11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.	11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.	
12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft. However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft";	12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft. However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft";	

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c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo. 13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives;	c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo. 13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives;	

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e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;	e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies;	

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3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or 5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart.	3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or 5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart.	

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However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent. The phrase an "insured", wherever it appears in this policy, means one or more "insureds". 14. "Insured premises" means: a. the "described location"; b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises"; c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use; d. premises used by "you" in connection with a premises described in a., b., or c. above; e. cemetery lots and burial vaults of an "insured"; f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;	However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent. The phrase an "insured", wherever it appears in this policy, means one or more "insureds". 14. "Insured premises" means: a. the "described location"; b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises"; c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use; d. premises used by "you" in connection with a premises described in a., b., or c. above; e. cemetery lots and burial vaults of an "insured"; f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;	

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g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land. 15. "Limit" means amount of insurance. 16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above.	g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land. 15. "Limit" means amount of insurance. 16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above.	

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17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	
18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.	18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.	
19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged.	19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged.	
20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.	20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.	

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21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillos; b. bats; c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes.	21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillos; b. bats; c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes.	

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22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	

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PROPERTY COVERAGES **PRINCIPAL PROPERTY COVERAGES** 1. **Coverage C -- Personal Property** a. "We" cover personal property owned or used by an "insured". At "your" option: 1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured". b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.	**PROPERTY COVERAGES** **PRINCIPAL PROPERTY COVERAGES** 1. **Coverage C -- Personal Property** a. "We" cover personal property owned or used by an "insured". At "your" option: 1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured". b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.	

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However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there. c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.	However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there. c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically.	

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2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item. 3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.	2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item. 3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.	

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4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft. 6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.	4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft. 6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft.	

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7) For loss by theft: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns. 8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.	7) For loss by theft: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns. 8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.	

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d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects; 3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle".	d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects; 3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle".	

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b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or (2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another; if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or (2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another; if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	
4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	

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5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo; 6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; or b) the portion of the "described location" that is rented or held for rental to no more than two roomers or boarders for use as a residence;	5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo; 6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; or b) the portion of the "described location" that is rented or held for rental to no more than two roomers or boarders for use as a residence;	

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8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; 10) land, including the land on which covered property is located; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.	8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; 10) land, including the land on which covered property is located; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.	

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2. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence because of loss to covered property or the building containing covered property caused by a Peril Insured Against covered by this policy. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.	2. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence because of loss to covered property or the building containing covered property caused by a Peril Insured Against covered by this policy. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.	

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"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	
c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	
d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.	d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.	
e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.	e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.	

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INCIDENTAL PROPERTY COVERAGES This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and 2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you";	**INCIDENTAL PROPERTY COVERAGES** This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and 2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you";	

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b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you". c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage. 2. **Collapse** a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following: 1) a Peril Insured Against;	b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you". c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage. 2. **Collapse** a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following: 1) a Peril Insured Against;	

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2) insect, rodent, or "vermin" damage, but only if no "insured" could reasonably be expected to suspect the presence of such damage prior to the collapse; 3) decay, but only if no "insured" could reasonably be expected to suspect the presence of such decay prior to the collapse; 4) weight of animals, equipment, people, or personal property; 5) weight of rain that collects on a roof; or 6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair. However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.	2) insect, rodent, or "vermin" damage, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such damage prior to the collapse; 3) decay, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such decay prior to the collapse; 4) weight of animals, equipment, people, or personal property; 5) weight of rain that collects on a roof; or 6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair. However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.	The proposed form specifies that with respect to insect, rodent, and vermin damage and decay, coverage is provided only if no insured *knew of or* could reasonably be expected to suspect the presence of such damage or decay prior to the collapse.

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b. In this Incidental Property Coverage: 1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and 2) the following are not considered to be in a state of collapse: a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage; b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.	b. In this Incidental Property Coverage: 1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and 2) the following are not considered to be in a state of collapse: a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage; b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.	

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c. This coverage does not increase the "limits" that apply to the property covered. d. The Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion under Exclusions That Apply To Property Coverages does not apply to this Incidental Property Coverage. 3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured"; 3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money.	c. This coverage does not increase the "limits" that apply to the property covered. d. The Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion under Exclusions That Apply To Property Coverages does not apply to this Incidental Property Coverage. 3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured"; 3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money.	

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The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	
b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name. Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name. Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	
c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	

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d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	
e. "We" do not pay for loss: 1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds: a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted; b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";	e. "We" do not pay for loss: 1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds: a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted; b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";	

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2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss. 4. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to property covered under the Incidental Property Coverage for Tenant's Improvements or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.	2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss. 4. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to property covered under the Incidental Property Coverage for Tenant's Improvements or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.	

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This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	
b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of: a) Windstorm Or Hail; or b) Weight Of Ice, Snow, Or Sleet; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy.	b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of: a) Windstorm Or Hail; or b) Weight Of Ice, Snow, Or Sleet; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy.	

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Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall. c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.	Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall. c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.	

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5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Property Coverages do not apply to such property while removed. However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Property Coverages do not apply to such property while removed. However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	

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6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against. However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against. However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	
7. **Glass Or Safety Glazing Material** a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a building or storm door or window and covered under the Incidental Coverage for Tenant's Improvements; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.	7. **Glass Or Safety Glazing Material** a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a building or storm door or window and covered under the Incidental Coverage for Tenant's Improvements; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.	

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b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above. c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A residence being built is not vacant. d. This coverage does not increase the "limits" that apply to the property covered. 8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.	b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above. c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A residence being built is not vacant. d. This coverage does not increase the "limits" that apply to the property covered. 8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.	

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9. **Increased Cost -- Ordinance Or Law** a. When loss to a building or structure covered under the Incidental Property Coverage for Tenant's Improvements is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the "limit" that applies to the Incidental Property Coverage for Tenant's Improvements to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged building or structure. b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the property when: 1) loss to a building or structure covered under the Incidental Property Coverage for Tenant's Improvements is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition. This does not increase the "limit" that applies to this Incidental Property Coverage.	9. **Increased Cost -- Ordinance Or Law** a. When loss to a building or structure covered under the Incidental Property Coverage for Tenant's Improvements is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the "limit" that applies to the Incidental Property Coverage for Tenant's Improvements to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged building or structure. b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the property when: 1) loss to a building or structure covered under the Incidental Property Coverage for Tenant's Improvements is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition. This does not increase the "limit" that applies to this Incidental Property Coverage.	

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c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	
10. **Liquid Fuel Remediation** a. "We" pay for loss to: 1) property covered under Coverage C; 2) property covered under the Incidental Property Coverage for Tenant's Improvements; or 3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".	10. **Liquid Fuel Remediation** a. "We" pay for loss to: 1) property covered under Coverage C; 2) property covered under the Incidental Property Coverage for Tenant's Improvements; or 3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".	

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b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for: 1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system; 2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area; 3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from: a) property covered under Coverage C; b) property covered under the Incidental Property Coverage for Tenant's Improvements; or	b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for: 1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system; 2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area; 3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from: a) property covered under Coverage C; b) property covered under the Incidental Property Coverage for Tenant's Improvements; or	

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c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. This includes cost or expense to remove the debris of such property; 4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled; 5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and 6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.	c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. This includes cost or expense to remove the debris of such property; 4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled; 5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and 6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.	

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However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing: a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above. c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage. d. "We" do not pay for: 1) loss, cost, or expense involving land, underground water, or surface water; 2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business"; 3) loss, cost, or expense due to the cancellation of a lease or an agreement;	However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing: a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above. c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage. d. "We" do not pay for: 1) loss, cost, or expense involving land, underground water, or surface water; 2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business"; 3) loss, cost, or expense due to the cancellation of a lease or an agreement;	

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4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 5) any loss in the market value of property, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 6) any damages resulting from: a) a loss of; or b) a reduction in value of; an agreement to sell property; or 7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.	4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 5) any loss in the market value of property, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 6) any damages resulting from: a) a loss of; or b) a reduction in value of; an agreement to sell property; or 7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.	

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e. The "terms" and "limits" applicable to: 1) Coverage D -- Additional Living Costs And Loss Of Rent; and 2) the Incidental Property Coverage for Debris Removal; do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above. f. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation: 1) is the most "we" pay for the total of: a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and b) all coverages described in a. and b. above; and	e. The "terms" and "limits" applicable to: 1) Coverage D -- Additional Living Costs And Loss Of Rent; and 2) the Incidental Property Coverage for Debris Removal; do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above. f. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation: 1) is the most "we" pay for the total of: a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and b) all coverages described in a. and b. above; and	

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2) applies regardless of the number of: a) claims made; b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or c) locations insured under this policy. With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 10% of the Coverage C "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation. With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	2) applies regardless of the number of: a) claims made; b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or c) locations insured under this policy. With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 10% of the Coverage C "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation. With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	

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	g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against.	In the proposed form, paragraph g. has been added to specify that the terms stated in a. through f. do not limit coverage for direct loss to covered property caused by a Peril Insured Against.
11. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members;	11. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members;	

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b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location". b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments. d. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location". b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments. d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	

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12. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss. b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.	12. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss. b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.	

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13. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit. Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.	13. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit. Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.	

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14. **Tenant's Improvements** a. "We" pay for direct loss to permanent improvements, fixtures, alterations, decorations, or additions to the "described location" made or acquired at "your" expense. The loss must be caused by a Peril Insured Against. b. "We" do not cover: 1) land, including the land on which covered property is located; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or 5) any structure, other than "your" residence at the "described location": a) rented or held for rental to any person who is not a tenant of "your" residence at the "described location", but this does not include a structure used solely for private garage purposes;	14. **Tenant's Improvements** a. "We" pay for direct loss to permanent improvements, fixtures, alterations, decorations, or additions to the "described location" made or acquired at "your" expense. The loss must be caused by a Peril Insured Against. b. "We" do not cover: 1) land, including the land on which covered property is located; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or 5) any structure, other than "your" residence at the "described location": a) rented or held for rental to any person who is not a tenant of "your" residence at the "described location", but this does not include a structure used solely for private garage purposes;	

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b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of "your" residence at the "described location" to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of "your" residence at the "described location" to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	

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c. The most "we" pay per occurrence is 10% of the Coverage C "limit" unless a higher "limit" for Tenant's Improvements is shown on the "declarations".	c. The most "we" pay per occurrence is 10% of the Coverage C "limit" unless a higher "limit" for Tenant's Improvements is shown on the "declarations".	
15. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by:	15. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by:	
a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft;	a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft;	
b. Vehicles if not owned or operated by an occupant of the "described location"; or	b. Vehicles if not owned or operated by an occupant of the "described location"; or	
c. Vandalism Or Malicious Mischief or Theft.	c. Vandalism Or Malicious Mischief or Theft.	
"You" may apply up to 10% of the Coverage C "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item.	"You" may apply up to 10% of the Coverage C "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item.	
"We" do not cover trees, plants, shrubs, or lawns grown for "business".	"We" do not cover trees, plants, shrubs, or lawns grown for "business".	

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PERILS INSURED AGAINST -- COVERAGES C AND D "We" insure against direct physical loss to property covered under Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning** b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building. c. **Explosion** d. **Riot Or Civil Commotion** e. **Aircraft** -- This includes self-propelled missiles and spacecraft.	**PERILS INSURED AGAINST -- COVERAGES C AND D** "We" insure against direct physical loss to property covered under Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning** b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building. c. **Explosion** d. **Riot Or Civil Commotion** e. **Aircraft** -- This includes self-propelled missiles and spacecraft.	

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f. **Vehicles** However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".	f. **Vehicles** However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".	
g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	
h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors.	h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors.	
i. **Vandalism Or Malicious Mischief** However, "we" do not pay for loss to property on the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed in the course of vandalism or malicious mischief; if that part of the "described location" in which "you" reside was vacant for more than 60 days in a row before the loss. A residence being built is not vacant.	i. **Vandalism Or Malicious Mischief** However, "we" do not pay for loss to property on the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if that part of the "described location" in which "you" reside was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	The proposed form excludes coverage for loss that ensues from a wrongful act committed *intentionally* in the course of vandalism or malicious mischief.

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j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) of a precious or semiprecious stone from its setting; 4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or	j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) of a precious or semiprecious stone from its setting; 4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or	

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6) caused by theft that occurs away from the "described location" of: a) trailers or semitrailers; b) campers or camper bodies; c) watercraft or their furnishings, equipment, engines, or motors; or d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.	6) caused by theft that occurs away from the "described location" of: a) trailers or semitrailers; b) campers or camper bodies; c) watercraft or their furnishings, equipment, engines, or motors; or d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.	
k. **Falling Objects** However, "we" do not pay for loss to: 1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or 2) the object that falls.	k. **Falling Objects** However, "we" do not pay for loss to: 1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or 2) the object that falls.	

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l. **Weight Of Ice, Snow, Or Sleet** that causes damage to a building or property inside a building. However, "we" do not pay for loss to: 1) awnings; 2) fences, patios, paved areas, or swimming pools; 3) bulkheads, foundations, or retaining walls; or 4) docks, piers, or wharves. m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater. However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing.	l. **Weight Of Ice, Snow, Or Sleet** that causes damage to a building or property inside a building. However, "we" do not pay for loss to: 1) awnings; 2) fences, patios, paved areas, or swimming pools; 3) bulkheads, foundations, or retaining walls; or 4) docks, piers, or wharves. m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater. However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing.	

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n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. However, "we" do not pay for loss:	n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. However, "we" do not pay for loss:	
1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor; 2) caused by or resulting from freezing, except as provided under the peril of Freezing; 3) on the "described location" caused by accidental discharge or overflow that occurs away from the building where "your" residence is located; or 4) to the system or appliance from which the water or steam escaped.	1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor; 2) caused by or resulting from freezing, except as provided under the peril of Freezing; 3) on the "described location" caused by accidental discharge or overflow that occurs away from the building where "your" residence is located; or 4) to the system or appliance from which the water or steam escaped.	In the proposed form, this peril has been revised to state that coverage is not provided for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.
In this peril, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form clarifies that, with respect to this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this peril.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.	The proposed form refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed form makes specific reference to *surface water* and *water below the surface of the ground*.
o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form clarifies that, with respect to this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
1) When the "described location" is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the "described location"; and b) continue the water supply.	1) When the "described location" is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the "described location"; and b) continue the water supply.	

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2) When the "described location" is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the "described location"; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	2) When the "described location" is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the "described location"; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	

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p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents** However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units. q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes. **EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES** "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents** However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units. q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes. **EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES** "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	

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These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event. a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law; 2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property.	These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event. a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law; 2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property.	

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b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy. c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination. 2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils.	b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy. c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination. 2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils.	

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3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered. d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered. d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	

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e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.	e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.	
f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against. "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against. "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	

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g. **Water Damage** -- "We" do not pay for loss caused by water damage whether the water damage results from or is caused by human or animal forces or an act of nature. Water damage means: 1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, all whether driven by wind or not;	g. **Water** 1) "We" do not pay for loss caused by: a) flood; b) surface water; c) waves, including but not limited to tidal wave and tsunami; d) tides; e) tidal water; f) overflow of any body of water; or g) spray from a) through f) above; whether driven by wind or not. This includes, but is not limited to, tidal surge, storm surge, and storm tide.	The proposed form's exclusion is titled Water instead of Water Damage. In the proposed form, the language that is comparable to the current form's "whether the water damage results from or is caused by human or animal forces or an act of nature' is set forth in item 5)a) of the exclusion. The proposed form specifies that waves includes, but is not limited to, tidal wave and tsunami. The proposed form specifically excludes loss caused by tides. The proposed form specifies that loss caused by flood, etc., includes but is not limited to, loss caused by tidal surge, storm surge, and storm tide.
2) water or matter present in water that backs up through sewers or drains or that overflows or is discharged from: a) a sump, sump pump, or related equipment; or b) any other type of system designed to remove subsurface water which is drained from the foundation area; or	2) "We" do not pay for loss caused by water that: a) backs up through sewers or drains; or b) overflows or otherwise discharges from: (1) a sump, sump pump, or related equipment; or (2) any other type of system designed to remove subsurface water which is drained from the foundation area.	The proposed form precludes coverage for water that backs up through sewers or drains or that overflows or *otherwise discharges* from a sump, etc. In addition, language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form.

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3) water or matter present in water below the surface of the ground. This includes water or matter present in water that exerts pressure on, or seeps or leaks through or into, a building, sidewalk, driveway, foundation, swimming pool, or other structure.	3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.	Language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form. In addition, the proposed form specifically mentions water that flows through or into a building, etc., and it also specifically mentions patios.
	4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.	The proposed form precludes coverage for matter present in or carried or otherwise moved by all excluded water.
	5) The exclusions set forth in 1) through 4) above:	
	a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and	The proposed form specifies that theses exclusions apply regardless of the cause of the excluded event, whether or not such cause is an act of nature.
	b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that: (1) overtops; (2) escapes from; (3) is released from; or (4) is otherwise discharged from; a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.	In addition, the exclusions apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that overtops, escapes from, is released from or is otherwise discharged from a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

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"We" do pay for direct loss to covered property caused by fire or explosion resulting from water damage.	6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.	Editorial revisions.
This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.	Editorial revisions.

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h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	
i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	

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j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	
LIABILITY COVERAGES	**LIABILITY COVERAGES**	
PRINCIPAL LIABILITY COVERAGES	**PRINCIPAL LIABILITY COVERAGES**	
1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies.	1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies.	

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"We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose. "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	"We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose. "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	
2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.	2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.	

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This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to: a. a person on an "insured premises" with the permission of an "insured"; or b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to: a. a person on an "insured premises" with the permission of an "insured"; or b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	

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INCIDENTAL LIABILITY COVERAGES This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages. 1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or	**INCIDENTAL LIABILITY COVERAGES** This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages. 1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or	

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2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	
b. This Incidental Liability Coverage for Business is subject to all of the:	b. This Incidental Liability Coverage for Business is subject to all of the:	
1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	
2. **Claims And Defense Cost** -- "We" pay for:	2. **Claims And Defense Cost** -- "We" pay for:	
a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;	a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;	
b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	

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c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	
d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	
e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	
3. **Contracts**	3. **Contracts**	
a. "We" pay for "bodily injury" or "property damage": 1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or 2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others.	a. "We" pay for "bodily injury" or "property damage": 1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or 2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others.	

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The loss causing the "bodily injury" or "property damage" must have occurred during the policy period. b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.	The loss causing the "bodily injury" or "property damage" must have occurred during the policy period. b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.	

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However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage; b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years; d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or	However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage; b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years; d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or	

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e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or 2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property. 5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or 2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property. 5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	

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6. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of: 1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or 2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred. b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	6. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of: 1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or 2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred. b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	

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c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location". d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act. e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location". d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act. e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	

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7. **Motorized Vehicles** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that: 1) is in dead storage on an "insured premises"; 2) is used only to service: a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads; 3) is designed to assist the handicapped; 4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;	7. **Motorized Vehicles** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that: 1) is in dead storage on an "insured premises"; 2) is used only to service: a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads; 3) is designed to assist the handicapped; 4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;	

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5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or	5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or	

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(b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or (2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located.	(b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or (2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located.	

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b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment. c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;	b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment. c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;	

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2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	
8. **Watercraft**	8. **Watercraft**	
a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:	a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that:	
1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is:	1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is:	
a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	
3) is not a sailing vessel and is powered by:	3) is not a sailing vessel and is powered by:	
a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of:	a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of:	
(1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or	(1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or	

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b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or (4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired.	b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or (4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired.	

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In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.	In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.	
b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or 4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.	b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or 4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.	
c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	

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EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	**EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES** 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	

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b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	
c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;	c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person;	

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3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	
d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	

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e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	
f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	

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g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	

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h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	
i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured".	i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured".	

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This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended. However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property. j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured". k. "bodily injury" or "property damage" that arises out of sexual molestation. l. "bodily injury" or "property damage" that arises out of physical or mental abuse. m. "bodily injury" or "property damage" that arises out of corporal punishment.	This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended. However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property. j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured". k. "bodily injury" or "property damage" that arises out of sexual molestation. l. "bodily injury" or "property damage" that arises out of physical or mental abuse. m. "bodily injury" or "property damage" that arises out of corporal punishment.	

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n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician. 2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured".	n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician. 2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured".	

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c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.	c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts.	
d. "property damage" to property owned by an "insured".	d. "property damage" to property owned by an "insured".	
e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	
f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	
g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	

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h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law. i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment. j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law. i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment. j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	

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3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury": a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises". b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law. c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury": a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises". b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law. c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	

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WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE	**WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE**	
1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage. "We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.	1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage. "We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device.	

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b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs.	b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs.	
c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	
d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	

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e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	
f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents.	f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents.	
g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	

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h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss; 2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above; d) receipts for additional living costs incurred and records that prove the fair rental value; and	h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss; 2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above; d) receipts for additional living costs incurred and records that prove the fair rental value; and	

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e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.	e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.	
i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	
2. **Liability Coverages**	2. **Liability Coverages**	
The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.	The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.	
"We" are not obligated to provide the coverages described in this policy if these duties are not performed.	"We" are not obligated to provide the coverages described in this policy if these duties are not performed.	
a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:	a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state:	
1) "your" name and the policy number;	1) "your" name and the policy number;	

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2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses.	2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses.	
b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	
c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	
d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	

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e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses.	e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses.	
f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	

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HOW MUCH WE PAY FOR LOSS OR OCCURRENCE 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge; and c) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated.	**HOW MUCH WE PAY FOR LOSS OR OCCURRENCE** 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge; and c) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated.	

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2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss. d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss. d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	

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e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Actual Cash Value Terms. In the Actual Cash Value Terms, cost to repair or replace does not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance or Law. **Actual Cash Value Terms** -- The smaller of the following amounts is used in applying the "terms" under Our Limit: 1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or 2) the "actual cash value" of the lost or damaged part of the property just before the loss.	e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Actual Cash Value Terms. In the Actual Cash Value Terms, cost to repair or replace does not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law. **Actual Cash Value Terms** -- The smaller of the following amounts is used in applying the "terms" under Our Limit: 1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or 2) the "actual cash value" of the lost or damaged part of the property just before the loss.	

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2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	
3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	

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4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	
5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	
6. **Insurance Under More Than One Policy**	6. **Insurance Under More Than One Policy**	
a. **Property Coverages**	a. **Property Coverages**	
1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.	1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.	

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However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund. 2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund. 2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	

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b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	
7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	

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8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	
PAYMENT OF LOSS	**PAYMENT OF LOSS**	
1. **Property Coverages** a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and: 1) "we" reach an agreement with "you"; 2) there is an entry of a final judgment; or 3) there is a filing of an appraisal award with "us". Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.	1. **Property Coverages** a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and: 1) "we" reach an agreement with "you"; 2) there is an entry of a final judgment; or 3) there is a filing of an appraisal award with "us". Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.	

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b. "We" may: 1) pay the loss in money; or 2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss. If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".	b. "We" may: 1) pay the loss in money; or 2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss. If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".	
c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	
2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	
3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	
a. to "you" on behalf of the owner; or	a. to "you" on behalf of the owner; or	
b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	

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POLICY CONDITIONS	**POLICY CONDITIONS**	
CONDITIONS APPLICABLE TO ALL COVERAGES	**CONDITIONS APPLICABLE TO ALL COVERAGES**	
1. **Assignment** -- This policy may not be assigned without "our" written consent.	1. **Assignment** -- This policy may not be assigned without "our" written consent.	
2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.	2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.	

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When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk. If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk. If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	

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3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations". However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy.	3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations". However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy.	

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c. "Our" request for an appraisal or examination under oath does not waive policy "terms".	c. "Our" request for an appraisal or examination under oath does not waive policy "terms".	
4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws.	4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws.	
5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies.	5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies.	
a. "We" provide coverage for the legal representative of the deceased person:	a. "We" provide coverage for the legal representative of the deceased person:	
1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy.	1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy.	
b. "Insured" includes:	b. "Insured" includes:	
1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.	1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.	

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6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	
7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	

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8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage. In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage. In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	
CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY	**CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY**	
1. **Abandonment of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	

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2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection. A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection. A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	

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3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	
4. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	4. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	
5. **Policy Period** -- This policy covers only losses that occur during the policy period.	5. **Policy Period** -- This policy covers only losses that occur during the policy period.	
6. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.	6. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.	

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At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	
7. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.	7. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.	
8. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.	8. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.	

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CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.	**CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY** 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.	

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3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period. 4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period. 4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	

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SPECIAL BUILDING AND CONTENTS FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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SPECIAL BUILDING AND CONTENTS FORM

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	
Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	
AGREEMENT This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	**AGREEMENT** This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	

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DEFINITIONS 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	**DEFINITIONS** 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	

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5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	

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b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500. 7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500. 7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	

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8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location. However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location. However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	
9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business". However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or	9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business". However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or	

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b. to meet seasonal or short-term workloads.	b. to meet seasonal or short-term workloads.	
10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".	10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".	
11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.	11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.	
12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft. However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo;	12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft. However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo;	

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d. a "motorized vehicle";	d. a "motorized vehicle";	
e. a "watercraft"; or	e. a "watercraft"; or	
f. a model watercraft that is not designed or used to carry people or cargo.	f. a model watercraft that is not designed or used to carry people or cargo.	
13. "Insured" means:	13. "Insured" means:	
a. "you";	a. "you";	
b. "your" relatives if residents of "your" household;	b. "your" relatives if residents of "your" household;	
c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school;	c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school;	
d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives;	d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives;	

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e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies; 3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use;	e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies; 3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use;	

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4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or 5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart. However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.	4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or 5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart. However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.	

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The phrase an "insured", wherever it appears in this policy, means one or more "insureds".	The phrase an "insured", wherever it appears in this policy, means one or more "insureds".	
14. "Insured premises" means:	14. "Insured premises" means:	
a. the "described location";	a. the "described location";	
b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";	b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";	
c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;	c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;	
d. premises used by "you" in connection with a premises described in a., b., or c. above;	d. premises used by "you" in connection with a premises described in a., b., or c. above;	
e. cemetery lots and burial vaults of an "insured";	e. cemetery lots and burial vaults of an "insured";	
f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;	f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;	

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g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land. 15. "Limit" means amount of insurance. 16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above.	g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land. 15. "Limit" means amount of insurance. 16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above.	

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17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	
18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.	18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.	
19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged.	19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged.	
20. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. "Sinkhole collapse" does not include the cost of filling sinkholes.	20. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. "Sinkhole collapse" does not include the cost of filling sinkholes.	

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21. "Specified perils" means the following perils: a. Accidental Discharge Or Overflow Of Water Or Steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. However, "we" do not pay for loss: 1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor; 2) on the "described location" if the residence covered under Coverage A has been vacant for more than 60 days in a row just before the loss. A residence being built is not vacant; 3) caused by or resulting from freezing, except as provided in f. below; or 4) to the system or appliance from which the water or steam escaped.	21. "Specified perils" means the following perils: a. Accidental Discharge Or Overflow Of Water Or Steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. However, "we" do not pay for loss: 1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor; 2) on the "described location" if the residence covered under Coverage A has been vacant for more than 60 days in a row just before the loss. A residence being built is not vacant; 3) caused by or resulting from freezing, except as provided in f. below; or 4) to the system or appliance from which the water or steam escaped.	In the proposed form, this specified peril has been revised to state that coverage is not provided for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.

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In this peril, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form clarifies that, with respect to this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this peril.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.	The proposed form refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed form makes specific reference to *surface water* and *water below the surface of the ground*.
b. Aircraft -- This includes self-propelled missiles and spacecraft.	b. Aircraft -- This includes self-propelled missiles and spacecraft.	
c. Explosion	c. Explosion	
d. Falling Objects	d. Falling Objects	
However, "we" do not pay for loss to:	However, "we" do not pay for loss to:	
1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or 2) the object that falls.	1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or 2) the object that falls.	
e. Fire Or Lightning	e. Fire Or Lightning	

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f. Freezing -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment. 1) When the building is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; and b) continue the water supply. 2) When the building is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	f. Freezing -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment. 1) When the building is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; and b) continue the water supply. 2) When the building is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the building; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	The proposed form clarifies that, with respect to this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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g. Riot Or Civil Commotion	g. Riot Or Civil Commotion	
h. "Sinkhole collapse"	h. "Sinkhole collapse"	
i. Sudden And Accidental Damage From Smoke -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	i. Sudden And Accidental Damage From Smoke -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	
j. Sudden And Accidental Damage From Artificially Generated Electrical Currents However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.	j. Sudden And Accidental Damage From Artificially Generated Electrical Currents However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.	
k. Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater. However, "we" do not pay for loss caused by or resulting from freezing under this peril.	k. Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater. However, "we" do not pay for loss caused by or resulting from freezing under this peril.	

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l. Theft -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss caused by: 1) theft by an "insured"; 2) theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 4) theft that occurs away from the "described location" of property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there.	l. Theft -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss caused by: 1) theft by an "insured"; 2) theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 4) theft that occurs away from the "described location" of property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there.	

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m. Vandalism Or Malicious Mischief However, "we" do not pay for loss to property on the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed in the course of vandalism or malicious mischief; if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	m. Vandalism Or Malicious Mischief However, "we" do not pay for loss to property on the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	The proposed form excludes coverage for loss that ensues from a wrongful act committed *intentionally* in the course of vandalism or malicious mischief.
n. Vehicles	n. Vehicles	
o. Volcanic Eruption However, this does not include loss caused by earthquake, land shock waves, or tremors.	o. Volcanic Eruption However, this does not include loss caused by earthquake, land shock waves, or tremors.	
p. Weight Of Ice, Snow, Or Sleet that causes damage to a building or property inside a building.	p. Weight Of Ice, Snow, Or Sleet that causes damage to a building or property inside a building.	

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q. Windstorm Or Hail However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building. 22. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy. 23. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillios; b. bats; c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes.	q. Windstorm Or Hail However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building. 22. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy. 23. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillios; b. bats; c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes.	

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24. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	24. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	
PROPERTY COVERAGES	**PROPERTY COVERAGES**	
PRINCIPAL PROPERTY COVERAGES	**PRINCIPAL PROPERTY COVERAGES**	
1. **Coverage A -- Residence** a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".	1. **Coverage A -- Residence** a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".	

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b. "We" do not cover: 1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers. c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A. 2. **Coverage B -- Related Private Structures** a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.	b. "We" do not cover: 1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers. c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A. 2. **Coverage B -- Related Private Structures** a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.	

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b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures. c. "We" do not cover: 1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or 5) any structure: a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes;	b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures. c. "We" do not cover: 1) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or 5) any structure: a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes;	

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b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	

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d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.	d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.	
3. **Coverage C -- Personal Property**	3. **Coverage C -- Personal Property**	
a. "We" cover personal property owned or used by an "insured". At "your" option: 1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".	a. "We" cover personal property owned or used by an "insured". At "your" option: 1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured".	
b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.	b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater.	

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However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there. c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically. 2) $2,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.	However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there. c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically. 2) $2,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.	

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3) $2,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 4) $2,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 5) $2,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft.	3) $2,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 4) $2,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 5) $2,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft.	

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6) $2,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft. 7) For loss by theft, misplacing, or losing: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns. 8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.	6) $2,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft. 7) For loss by theft, misplacing, or losing: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns. 8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data.	

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d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects; 3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle".	d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects; 3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle".	

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b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or (2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another; if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or (2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another; if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	
4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	

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5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo; 6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes;	5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo; 6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes;	

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b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units; 8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers;	b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence; or c) an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only to the extent that coverage for such property is provided under the Incidental Property Coverage for Property In Rental Units; 8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers;	

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10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.	10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.	
e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.	e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.	
4. **Coverage D -- Additional Living Costs And Loss Of Rent**	4. **Coverage D -- Additional Living Costs And Loss Of Rent**	
a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.	a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.	

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b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use. "We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use. "We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	
c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	

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d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement. e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above. **INCIDENTAL PROPERTY COVERAGES** This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and 2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you";	d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement. e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above. **INCIDENTAL PROPERTY COVERAGES** This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and 2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you";	

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b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you". c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage. 2. **Collapse** a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following: 1) a Peril Insured Against described under Coverage A and Coverage B;	b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you". c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage. 2. **Collapse** a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following: 1) a Peril Insured Against described under Coverage A and Coverage B;	

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2) insect, rodent, or "vermin" damage, but only if no "insured" could reasonably be expected to suspect the presence of such damage prior to the collapse; 3) decay, but only if no "insured" could reasonably be expected to suspect the presence of such decay prior to the collapse; 4) weight of animals, equipment, people, or personal property; 5) weight of rain that collects on a roof; or 6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair. However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.	2) insect, rodent, or "vermin" damage, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such damage prior to the collapse; 3) decay, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such decay prior to the collapse; 4) weight of animals, equipment, people, or personal property; 5) weight of rain that collects on a roof; or 6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair. However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.	The proposed form specifies that with respect to insect, rodent, and vermin damage and decay, coverage is provided only if no insured *knew of or* could reasonably be expected to suspect the presence of such damage or decay prior to the collapse.

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b. In this Incidental Property Coverage: 1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and 2) the following are not considered to be in a state of collapse: a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage; b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building. However, the "terms" stated in 1) and 2) above do not limit coverage for direct loss to covered property caused by one or more of the "specified perils" and not otherwise excluded under this policy.	b. In this Incidental Property Coverage: 1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and 2) the following are not considered to be in a state of collapse: a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage; b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building. However, the "terms" stated in 1) and 2) above do not limit coverage for direct loss to covered property caused by one or more of the "specified perils" and not otherwise excluded under this policy.	

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c. This coverage does not increase the "limits" that apply to the property covered. d. The Bacteria, Fungi, Wet Rot, Or Dry Rot and Errors, Omissions, And Defects exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage. 3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured";	c. This coverage does not increase the "limits" that apply to the property covered. d. The Bacteria, Fungi, Wet Rot, Or Dry Rot and Errors, Omissions, And Defects exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage. 3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured";	

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3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money. The most "we" pay is $5,000 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence. b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name.	3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money. The most "we" pay is $5,000 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence. b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name.	

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Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	
c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	
d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	
e. "We" do not pay for loss:	e. "We" do not pay for loss:	
1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:	1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds:	
a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;	a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted;	

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b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured"; 2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss.	b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured"; 2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss.	
4. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.	4. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.	

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This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	
b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of: a) Windstorm Or Hail; or b) Weight Of Ice, Snow, Or Sleet; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy. Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.	b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of: a) Windstorm Or Hail; or b) Weight Of Ice, Snow, Or Sleet; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy. Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree. With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.	

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c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.	c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.	
5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Coverage A, Coverage B, And Coverage C; the Exclusions That Apply Only To Coverage A And Coverage B; the Exclusions That Apply Only To Coverage C; and the Exclusions That Apply To Property Coverages do not apply to such property while removed.	5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Coverage A, Coverage B, And Coverage C; the Exclusions That Apply Only To Coverage A And Coverage B; the Exclusions That Apply Only To Coverage C; and the Exclusions That Apply To Property Coverages do not apply to such property while removed.	

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However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	
6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.	6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.	
However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response.	However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response.	
The most "we" pay is $1,000 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	The most "we" pay is $1,000 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	

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7. **Glass Or Safety Glazing Material** a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window. b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above. c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss.	7. **Glass Or Safety Glazing Material** a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window. b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above. c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss.	

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However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A residence being built is not vacant. d. This coverage does not increase the "limits" that apply to the property covered. 8. **Grave Markers** -- "We" pay up to $5,000 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against. 9. **Increased Cost -- Ordinance Or Law** a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure.	However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A residence being built is not vacant. d. This coverage does not increase the "limits" that apply to the property covered. 8. **Grave Markers** -- "We" pay up to $5,000 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against. 9. **Increased Cost -- Ordinance Or Law** a. When loss to the residence covered under Coverage A or a related private structure covered under Coverage B is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged residence or structure.	

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b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when: 1) loss to the residence or structure is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition. This does not increase the "limit" that applies to this Incidental Property Coverage. c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of the residence covered under Coverage A or a related private structure covered under Coverage B when: 1) loss to the residence or structure is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition. This does not increase the "limit" that applies to this Incidental Property Coverage. c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	

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10. **Liquid Fuel Remediation** a. "We" pay for loss to: 1) property covered under Coverage A, Coverage B, or Coverage C; 2) land: a) within the "described location"; b) owned by an "insured"; and c) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or 3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location". b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for:	10. **Liquid Fuel Remediation** a. "We" pay for loss to: 1) property covered under Coverage A, Coverage B, or Coverage C; 2) land: a) within the "described location"; b) owned by an "insured"; and c) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or 3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location". b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for:	

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1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system; 2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area; 3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from: a) property covered under Coverage A, Coverage B, or Coverage C; b) land: (1) within the "described location"; (2) owned by an "insured"; and (3) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or	1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system; 2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area; 3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from: a) property covered under Coverage A, Coverage B, or Coverage C; b) land: (1) within the "described location"; (2) owned by an "insured"; and (3) on which the residence covered under Coverage A or a structure covered under Coverage B is located; but this does not include farm land; or	

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c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. This includes cost or expense to remove the debris of such property or land; 4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled; 5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and 6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.	c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. This includes cost or expense to remove the debris of such property or land; 4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled; 5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and 6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.	

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However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing: a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above. c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage. d. Under Exclusions That Apply To Coverage A, Coverage B, And Coverage C, the exclusion for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants" does not apply to the coverage provided under this Incidental Property Coverage for the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel.	However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing: a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above. c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage. d. Under Exclusions That Apply To Coverage A, Coverage B, And Coverage C, the exclusion for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants" does not apply to the coverage provided under this Incidental Property Coverage for the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel.	

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e. "We" do not pay for: 1) loss, cost, or expense involving underground water or surface water; 2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business"; 3) loss, cost, or expense due to the cancellation of a lease or an agreement; 4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 6) any damages resulting from: a) a loss of; or b) a reduction in value of; an agreement to sell property or land; or	e. "We" do not pay for: 1) loss, cost, or expense involving underground water or surface water; 2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business"; 3) loss, cost, or expense due to the cancellation of a lease or an agreement; 4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 6) any damages resulting from: a) a loss of; or b) a reduction in value of; an agreement to sell property or land; or	

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7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.	7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above.	
f. The "terms" and "limits" applicable to: 1) Coverage D -- Additional Living Costs And Loss Of Rent; and 2) the Incidental Property Coverage for Debris Removal; do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.	f. The "terms" and "limits" applicable to: 1) Coverage D -- Additional Living Costs And Loss Of Rent; and 2) the Incidental Property Coverage for Debris Removal; do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.	
g. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation:	g. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation:	

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1) is the most "we" pay for the total of: a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and b) all coverages described in a. and b. above; and 2) applies regardless of the number of: a) claims made; b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or c) locations insured under this policy. With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 5% of the Coverage A "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	1) is the most "we" pay for the total of: a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and b) all coverages described in a. and b. above; and 2) applies regardless of the number of: a) claims made; b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or c) locations insured under this policy. With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 5% of the Coverage A "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	

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With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	
	h. The "terms" stated in a. through g. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by one or more of the "specified perils" and is not otherwise excluded under this policy.	In the proposed form, paragraph h. has been added to specify that the terms stated in a. through g. do not limit coverage for direct loss to covered property caused by one or more of the "specified perils" and not otherwise excluded by the policy.

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11. **Lock And Garage Door Transmitter Replacement** -- "We" pay to replace the locks on exterior doors of the residence covered under Coverage A if the keys to such locks are lost or stolen. "We" also pay to replace a portable transmitter that is part of an automatic garage door opening system on the "described location" if such transmitter is lost or stolen. "You" must notify "us" in writing within 72 hours of discovering the loss. The most "we" pay is $500 per occurrence.	11. **Lock And Garage Door Transmitter Replacement** -- "We" pay to replace the locks on exterior doors of the residence covered under Coverage A if the keys to such locks are lost or stolen. "We" also pay to replace a portable transmitter that is part of an automatic garage door opening system on the "described location" if such transmitter is lost or stolen. "You" must notify "us" in writing within 72 hours of discovering the loss. The most "we" pay is $500 per occurrence.	

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12. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location". b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or	12. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location". b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or	

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2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments. d. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage. 13. **Property In Rental Units** – "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only when the loss is caused by one or more of the "specified perils", other than Theft, and is not otherwise excluded under this policy. The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged.	2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments. d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage. 13. **Property In Rental Units** -- "We" pay for direct physical loss to "your" appliances, carpeting, and other household furnishings in an apartment on the "described location" regularly rented or held for rental to others by an "insured", but only when the loss is caused by one or more of the "specified perils", other than Theft, and is not otherwise excluded under this policy. The most "we" pay for loss to such property in each apartment rented or held for rental to others is $2,500 per occurrence. The "limit" applies regardless of the quantity of appliances, carpeting, or other household furnishings damaged.	

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This coverage does not increase the "limits" that apply to the property covered. 14. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss. b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.	This coverage does not increase the "limits" that apply to the property covered. 14. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss. b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.	

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15. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit. Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The reference to mechanical breakdown in the Wear And Tear exclusion under Exclusions That Apply To Coverage A, Coverage B, And Coverage C and the Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.	15. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit. Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The reference to mechanical breakdown in the Wear And Tear exclusion under Exclusions That Apply To Coverage A, Coverage B, And Coverage C and the Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.	

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16. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft. "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	16. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft. "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	

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PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D **Coverage A -- Residence, Coverage B -- Related Private Structures, And Coverage C -- Personal Property** -- "We" insure property covered under Coverage A, Coverage B, or Coverage C for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage A, Coverage B, And Coverage C, the Exclusions That Apply Only To Coverage A And Coverage B, or the Exclusions That Apply Only To Coverage C. 1. **Exclusions That Apply To Coverage A, Coverage B, And Coverage C** a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages.	**PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D** **Coverage A -- Residence, Coverage B -- Related Private Structures, And Coverage C -- Personal Property** -- "We" insure property covered under Coverage A, Coverage B, or Coverage C for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage A, Coverage B, And Coverage C, the Exclusions That Apply Only To Coverage A And Coverage B, or the Exclusions That Apply Only To Coverage C. 1. **Exclusions That Apply To Coverage A, Coverage B, And Coverage C** a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages.	

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b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. 1) When the building is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the building; and b) continue the water supply. 2) When the building is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the building; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. 1) When the building is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the building; and b) continue the water supply. 2) When the building is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the building; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	

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With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form further specifies that plumbing systems and domestic appliances do not include any type of system designed to remove subsurface water which is drained from the foundation area.
c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to: 1) fences, patios, paved areas, or swimming pools; 2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure; 3) bulkheads or retaining walls that do not support all or part of a building or other structure; or 4) docks, piers, or wharves.	c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to: 1) fences, patios, paved areas, or swimming pools; 2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure; 3) bulkheads or retaining walls that do not support all or part of a building or other structure; or 4) docks, piers, or wharves.	
d. **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.	d. **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.	

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e. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by: 1) continuous or repeated discharge, seepage, or leakage of water; or 2) the presence or condensation of humidity, moisture, or vapor; over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	e. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by: 1) continuous or repeated discharge, seepage, or leakage of water; or 2) the presence or condensation of humidity, moisture, or vapor; over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	The proposed form specifies that there is no coverage provided for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.
Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under the exception to this exclusion.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed form makes specific reference to *surface water* and *water below the surface of the ground*. The proposed form specifies that the exception applies only to the discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the described location, and only if no insured *knew of* or could reasonably be expected to suspect such discharge, etc. The proposed form specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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f. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of: 1) bulkheads; 2) ceilings; 3) floors; 4) footings; 5) foundations; 6) patios; 7) paved areas; 8) roofs; or 9) walls.	f. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of: 1) bulkheads; 2) ceilings; 3) floors; 4) footings; 5) foundations; 6) patios; 7) paved areas; 8) roofs; or 9) walls.	

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g. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by: 1) birds; 2) "vermin"; 3) rodents; 4) insects; or 5) any animal owned or kept by an "insured"; except as provided under the Incidental Property Coverages.	g. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by: 1) birds; 2) "vermin"; 3) rodents; 4) insects; or 5) any animal owned or kept by an "insured"; except as provided under the Incidental Property Coverages.	
h. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	h. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	
i. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by one or more of the "specified perils" and is not otherwise excluded under this policy.	i. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by one or more of the "specified perils" and is not otherwise excluded under this policy.	

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j. **Wear And Tear** -- "We" do not pay for loss caused by: 1) wear and tear, marring, or deterioration; 2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself; 3) rust or other corrosion or smog; or 4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation. 2. **Exceptions To Exclusions That Apply To Coverage A, Coverage B, And Coverage C** a. "We" pay for an ensuing loss that results from 1.b. through 1.j. above, unless the ensuing loss itself is excluded. b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage A, Coverage B, or Coverage C that results from water or steam that, due to a cause or event excluded under 1.f. through 1.j. above, accidentally discharges or overflows from: 1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or	j. **Wear And Tear** -- "We" do not pay for loss caused by: 1) wear and tear, marring, or deterioration; 2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself; 3) rust or other corrosion or smog; or 4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation. 2. **Exceptions To Exclusions That Apply To Coverage A, Coverage B, And Coverage C** a. "We" pay for an ensuing loss that results from 1.b. through 1.j. above, unless the ensuing loss itself is excluded. b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage A, Coverage B, or Coverage C that results from water or steam that, due to a cause or event excluded under 1.f. through 1.j. above, accidentally discharges or overflows from: 1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or	

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2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location". This includes the reasonable cost of removing and replacing those parts of a building or other structure on the "described location" needed to repair the system, heater, or appliance. However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building on the "described location".	2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location". This includes the reasonable cost of removing and replacing those parts of a building or other structure on the "described location" needed to repair the system, heater, or appliance. However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building on the "described location".	
"We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.	"We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.	
In this exception, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this exception.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.	The proposed form refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed form makes specific reference to *surface water* and *water below the surface of the ground*.
3. **Exclusions That Apply Only To Coverage A And Coverage B**	3. **Exclusions That Apply Only To Coverage A And Coverage B**	
a. **Vandalism Or Malicious Mischief** -- "We" do not pay for loss: 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	a. **Vandalism Or Malicious Mischief** -- "We" do not pay for loss: 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	

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b. **Collapse Or Impairment** -- "We" do not pay for loss involving: 1) collapse; or 2) impairment of structural integrity, including but not limited to sagging, bowing, bending, leaning, or inadequacy of load bearing capacity; except as provided under the Incidental Property Coverage for Collapse. However, "we" do pay for an ensuing loss to property covered under Coverage A or Coverage B unless the ensuing loss itself is excluded.	b. **Collapse Or Impairment** -- "We" do not pay for loss involving: 1) collapse; or 2) impairment of structural integrity, including but not limited to sagging, bowing, bending, leaning, or inadequacy of load bearing capacity; except as provided under the Incidental Property Coverage for Collapse. However, "we" do pay for an ensuing loss to property covered under Coverage A or Coverage B unless the ensuing loss itself is excluded.	
4. **Exclusions That Apply Only To Coverage C** a. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains, and similar fragile articles.	4. **Exclusions That Apply Only To Coverage C** a. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains, and similar fragile articles.	

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However, this exclusion does not apply to: 1) jewelry; watches; bronzes; cameras and photographic lenses; or 2) loss caused by or resulting from: a) the collapse of a building or a part of a building or the impairment of the structural integrity of a building or a part of a building; or b) one or more of the "specified perils", other than Falling Objects, that is not otherwise excluded under this policy. b. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment, and outboard engines or motors, caused by collision, sinking, swamping, or stranding. This exclusion does not apply to collision of watercraft with a land vehicle. c. **Dampness And Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. This does not apply to loss caused directly by rain, snow, sleet, or hail.	However, this exclusion does not apply to: 1) jewelry; watches; bronzes; cameras and photographic lenses; or 2) loss caused by or resulting from: a) the collapse of a building or a part of a building or the impairment of the structural integrity of a building or a part of a building; or b) one or more of the "specified perils", other than Falling Objects, that is not otherwise excluded under this policy. b. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, semitrailers, furnishings, equipment, engines, and motors, caused by collision, sinking, swamping, or stranding. This exclusion does not apply to collision of watercraft with a land vehicle. c. **Dampness And Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. This does not apply to loss caused directly by rain, snow, sleet, or hail.	

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d. **Refinishing, Renovating, Or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches, and furs, caused by a refinishing, renovating, or repairing process. However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.	d. **Refinishing, Renovating, Or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches, and furs, caused by a refinishing, renovating, or repairing process. However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.	
e. **Acts Or Decisions** -- "We" do not pay for loss caused by an act or a decision of any person, group, organization, or governmental body, or the failure of any person, group, organization, or governmental body to act or decide. However, "we" do pay for an ensuing loss to property covered under Coverage C that is otherwise covered by this policy.		In the proposed form, the Coverage C exclusion for Acts Or Decisions has been omitted, as the general property exclusion for Errors, Omissions, And Defects now applies to Coverages A, B, and C..
EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES	**EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**	
1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	

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These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event. a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law; 2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property.	These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event. a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law; 2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property.	

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b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.	b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy.	
c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination. 2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils.	c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination. 2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils.	

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3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered. d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered. d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	

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e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss. f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include "sinkhole collapse". "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss. f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include "sinkhole collapse". "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	

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g. **Water Damage** -- "We" do not pay for loss caused by water damage whether the water damage results from or is caused by human or animal forces or an act of nature. Water damage means: 1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, all whether driven by wind or not;	g. **Water** 1) "We" do not pay for loss caused by: a) flood; b) surface water; c) waves, including but not limited to tidal wave and tsunami; d) tides; e) tidal water; f) overflow of any body of water; or g) spray from a) through f) above; whether driven by wind or not. This includes, but is not limited to, tidal surge, storm surge, and storm tide.	The proposed form's exclusion is titled Water instead of Water Damage. In the proposed form, the language that is comparable to the current form's "whether the water damage results from or is caused by human or animal forces or an act of nature' is set forth in item 5)a) of the exclusion. The proposed form specifies that waves includes, but is not limited to, tidal wave and tsunami. The proposed form specifically excludes loss caused by tides. The proposed form specifies that loss caused by flood, etc., includes but is not limited to, loss caused by tidal surge, storm surge, and storm tide.

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2) water or matter present in water that backs up through sewers or drains or that overflows or is discharged from: a) a sump, sump pump, or related equipment; or b) any other type of system designed to remove subsurface water which is drained from the foundation area; or	2) "We" do not pay for loss caused by water that: a) backs up through sewers or drains; or b) overflows or otherwise discharges from: (1) a sump, sump pump, or related equipment; or (2) any other type of system designed to remove subsurface water which is drained from the foundation area.	The proposed form precludes coverage for water that backs up through sewers or drains or that overflows or *otherwise discharges* from a sump, etc. In addition, language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form.
3) water or matter present in water below the surface of the ground. This includes water or matter present in water that exerts pressure on, or seeps or leaks through or into, a building, sidewalk, driveway, foundation, swimming pool, or other structure.	3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure. 4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.	Language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form. In addition, the proposed form specifically mentions water that flows through or into a building, etc., and it also specifically mentions patios. The proposed form precludes coverage for matter present in or carried or otherwise moved by all excluded water.

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	5) The exclusions set forth in 1) through 4) above:	
	a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and	The proposed form specifies that theses exclusions apply regardless of the cause of the excluded event, whether or not such cause is an act of nature.
	b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that: (1) overtops; (2) escapes from; (3) is released from; or (4) is otherwise discharged from; a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.	In addition, the exclusions apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that overtops, escapes from, is released from or is otherwise discharged from a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.
"We" do pay for direct loss to covered property caused by fire or explosion resulting from water damage.	6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.	Editorial revisions.
This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.	Editorial revisions.

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	8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form specifies that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the described location when such loss is not otherwise excluded. In the proposed form, this exception specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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"We" do pay for direct loss caused by water damage to property covered under Coverage C while away from a premises or location owned by, rented to, occupied by, or controlled by an "insured".	9) These exclusions do not apply with respect to direct physical loss to property covered under Coverage C while such property is away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Exclusions That Apply To Property Coverages does not apply.	Editorial revisions. In addition, the proposed form specifies that with respect to loss to personal property while away from a premises owned by, etc. an insured, the Weather Conditions exclusion does not apply.
Water damage to property covered under Coverage C while on a premises or location owned by, rented to, occupied by, or controlled by an "insured" is excluded even if weather conditions initiate, set in motion, or in any way contribute to the loss.		The proposed form does not include a statement regarding weather conditions and personal property on a premises owned by, etc. an insured, as the Weather Conditions Exclusion in the proposed for now applies to all coverges.
h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	

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i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	
j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	

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2. "We" do not pay for loss or damage to property covered under Coverage A or Coverage B that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss to property covered under Coverage A or Coverage B that is otherwise covered by this policy. a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the preceding Exclusions That Apply To Property Coverages (Numbers 1.a. through 1.j). b. **Errors, Omissions, And Defects** -- "We" do not pay for loss caused by one or more of the following: 1) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or 2) a defect, a weakness, the inadequacy, a fault, or unsoundness in the: a) development, planning, siting, surveying, zoning;	2. "We" do not pay for loss or damage caused by or resulting from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy. a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the preceding Exclusions That Apply To Property Coverages (Numbers 1.a. through 1.j). b. **Errors, Omissions, And Defects** -- "We" do not pay for loss caused by one or more of the following: 1) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or 2) a defect, a weakness, the inadequacy, a fault, or unsoundness in the: a) development, planning, siting, surveying, zoning;	In the proposed form, the Weather Conditions and Errors, Omissions, and Defects exclusions apply to all coverages, not just Coverages A and B.

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b) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship; c) materials used in construction, remodeling, renovation, or repair; or d) maintenance; of any property, whether in whole or in part, and whether on or away from the "described location", except as provided under the Incidental Property Coverage for Collapse.	b) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship; c) materials used in construction, remodeling, renovation, or repair; or d) maintenance; of any property, whether in whole or in part, and whether on or away from the "described location", except as provided under the Incidental Property Coverage for Collapse.	
LIABILITY COVERAGES	**LIABILITY COVERAGES**	
PRINCIPAL LIABILITY COVERAGES	**PRINCIPAL LIABILITY COVERAGES**	
1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.	1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.	

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"We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	"We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	
2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.	2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.	
This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:	This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:	
a. a person on an "insured premises" with the permission of an "insured"; or	a. a person on an "insured premises" with the permission of an "insured"; or	

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b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	
INCIDENTAL LIABILITY COVERAGES This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.	**INCIDENTAL LIABILITY COVERAGES** This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.	
1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence;	1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence;	

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b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or 2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business". b. This Incidental Liability Coverage for Business is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 2. **Claims And Defense Cost** -- "We" pay for: a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend; b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or 2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business". b. This Incidental Liability Coverage for Business is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 2. **Claims And Defense Cost** -- "We" pay for: a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend; b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	

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c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	
d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	
e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	
3. **Contracts**	3. **Contracts**	
a. "We" pay for "bodily injury" or "property damage":	a. "We" pay for "bodily injury" or "property damage":	
1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or	1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or	

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2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period. b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.	2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period. b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.	

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However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage; b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years;	However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage; b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years;	

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d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or	d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or	

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2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.	2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.	
5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	
6. **Loss Assessment**	6. **Loss Assessment**	
a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:	a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:	
1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or	1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or	

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2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.	2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.	
b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	
c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	
d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of:	d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of:	
1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.	1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.	

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e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	
7. **Motorized Vehicles**	7. **Motorized Vehicles**	
a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:	a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:	
1) is in dead storage on an "insured premises";	1) is in dead storage on an "insured premises";	
2) is used only to service:	2) is used only to service:	
a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or	a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or	
b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;	b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;	
3) is designed to assist the handicapped;	3) is designed to assist the handicapped;	

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4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; 5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and	4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; 5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and	

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d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or (b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or	d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or (b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or	

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(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located. b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located. b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	

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c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 8. **Watercraft** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that: 1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is: a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 8. **Watercraft** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that: 1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is: a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	

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3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or	3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or	

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(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired. In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.	(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired. In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.	

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b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or 4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise. c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or 4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise. c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	

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EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	**EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES** 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	

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b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	

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c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person; 3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person; 3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	
d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	

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e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	
f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	

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g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	

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h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	
i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured". This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended.	i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured". This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended.	

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However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.	However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.	
j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".	j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".	
k. "bodily injury" or "property damage" that arises out of sexual molestation.	k. "bodily injury" or "property damage" that arises out of sexual molestation.	
l. "bodily injury" or "property damage" that arises out of physical or mental abuse.	l. "bodily injury" or "property damage" that arises out of physical or mental abuse.	
m. "bodily injury" or "property damage" that arises out of corporal punishment.	m. "bodily injury" or "property damage" that arises out of corporal punishment.	
n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.	n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.	

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2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured". c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts. d. "property damage" to property owned by an "insured". e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured". c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts. d. "property damage" to property owned by an "insured". e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	

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f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	
g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	
h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.	h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.	
i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.	i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.	

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j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	
3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":	3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":	
a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".	a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".	
b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.	b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.	
c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured".	c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured".	

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d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	
WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE	**WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE**	
1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.	1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.	

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"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device. b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs.	"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device. b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs.	

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c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	
d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	
e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	

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f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents. g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents. g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	

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h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss; 2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above;	h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss; 2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above;	

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d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.	d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss.	
i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	
2. **Liability Coverages**	2. **Liability Coverages**	
The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.	The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed.	

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"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state: 1) "your" name and the policy number; 2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses. b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state: 1) "your" name and the policy number; 2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses. b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	

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c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	
d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	
e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses.	e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses.	
f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	

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HOW MUCH WE PAY FOR LOSS OR OCCURRENCE 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge;	**HOW MUCH WE PAY FOR LOSS OR OCCURRENCE** 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge;	

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c) Lock And Garage Door Transmitter Replacement; and d) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated. 2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss. d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	c) Lock And Garage Door Transmitter Replacement; and d) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated. 2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss. d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	

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e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance or Law. 1) **Replacement Cost Terms That Apply To Coverage A And Coverage B Only** a) These Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof.	e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law. 1) **Replacement Cost Terms That Apply To Coverage A And Coverage B Only** a) These Replacement Cost Terms apply only to buildings covered under Coverage A or Coverage B that have a permanent foundation and roof.	

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b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit: (1) the "actual cash value" of the damaged part of the building just before the loss; or (2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.	b) If the "limit" that applies to the damaged building at the time of loss is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit: (1) the "actual cash value" of the damaged part of the building just before the loss; or (2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.	
c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the amount actually and necessarily spent to repair or replace the damaged building; or	c) If the "limit" that applies to the damaged building at the time of loss is at least 80% of its full replacement cost just before the loss, the smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the amount actually and necessarily spent to repair or replace the damaged building; or	

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(2) the cost to repair or replace the damage: (a) using materials of like kind and quality; and (b) for like use. However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.	(2) the cost to repair or replace the damage: (a) using materials of like kind and quality; and (b) for like use. However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.	
d) In determining the replacement cost, do not include the cost of: (1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are: (a) below the undersurface of the lowest basement floor; or (b) below the surface of the ground inside the foundation walls, if there is no basement; or (2) underground flues, pipes, wiring, or drains.	d) In determining the replacement cost, do not include the cost of: (1) excavations; brick, stone, or concrete foundations; piers; footings; or other structures or features that support all or part of the building that are: (a) below the undersurface of the lowest basement floor; or (b) below the surface of the ground inside the foundation walls, if there is no basement; or (2) underground flues, pipes, wiring, or drains.	

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e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above. f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so. 2) **Replacement Cost Terms That Apply To Personal Property Only** a) These "terms" apply to: (1) property covered under Coverage C; and	e) When the cost to repair or replace exceeds the lesser of $2,500 or 5% of the "limit" that applies to the damaged building, "we" will pay no more than the "actual cash value" of the loss until repair or replacement is completed. Once repair or replacement is completed, "we" will settle the loss as described in b) and c) above. f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so. 2) **Replacement Cost Terms That Apply To Personal Property Only** a) These "terms" apply to: (1) property covered under Coverage C; and	

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(2) the following classes of personal property, if covered under this policy by scheduled insurance and such coverage is not subject to Agreed Value Loss Settlement Terms: (a) jewelry; (b) furs and garments trimmed with fur or consisting principally of fur; (c) cameras, projection machines, films, and related items of equipment; (d) musical instruments and related items of equipment; (e) silverware, goldware, platinumware, pewterware, and items plated with silver, gold, or platinum; (f) golf clubs, golf clothing, and golf equipment; and (g) bicycles.	(2) the following classes of personal property, if covered under this policy by scheduled insurance and such coverage is not subject to Agreed Value Loss Settlement Terms: (a) jewelry; (b) furs and garments trimmed with fur or consisting principally of fur; (c) cameras, projection machines, films, and related items of equipment; (d) musical instruments and related items of equipment; (e) silverware, goldware, platinumware, pewterware, and items plated with silver, gold, or platinum; (f) golf clubs, golf clothing, and golf equipment; and (g) bicycles.	

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b) However, these "terms" do not apply to: (1) items of antiquity, art, or rarity that cannot be duplicated; (2) memorabilia, souvenirs, collector's items, and similar items whose age or history contribute to their value; (3) items not maintained in good or workable condition; or (4) items that are outdated or obsolete and are stored or not being used. Property described in (1) through (4) above is subject to Actual Cash Value Terms. c) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost, at the time of loss, to replace the lost or damaged part of the property, without deduction for depreciation; or (2) the full cost, at the time of loss, to repair the damaged part of the property.	b) However, these "terms" do not apply to: (1) items of antiquity, art, or rarity that cannot be duplicated; (2) memorabilia, souvenirs, collector's items, and similar items whose age or history contribute to their value; (3) items not maintained in good or workable condition; or (4) items that are outdated or obsolete and are stored or not being used. Property described in (1) through (4) above is subject to Actual Cash Value Terms. c) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost, at the time of loss, to replace the lost or damaged part of the property, without deduction for depreciation; or (2) the full cost, at the time of loss, to repair the damaged part of the property.	

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d) When the total cost to repair or replace all property involved in any one occurrence is more than $500, "we" do not pay for more than the "actual cash value" of the loss until actual repair or replacement is completed. e) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so. 3) **Actual Cash Value Terms** a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms. b) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or (2) the "actual cash value" of the lost or damaged part of the property just before the loss.	d) When the total cost to repair or replace all property involved in any one occurrence is more than $500, "we" do not pay for more than the "actual cash value" of the loss until actual repair or replacement is completed. e) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of these Replacement Cost Terms. "You" may later make a claim for any additional amount payable under these Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so. 3) **Actual Cash Value Terms** a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms. b) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or (2) the "actual cash value" of the lost or damaged part of the property just before the loss.	

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2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	
3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	

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4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	
5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	
6. **Insurance Under More Than One Policy**	6. **Insurance Under More Than One Policy**	
a. **Property Coverages**	a. **Property Coverages**	
1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.	1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.	

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However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund. 2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund. 2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	

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b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	
7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	
8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	

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PAYMENT OF LOSS 1. **Property Coverages** a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and: 1) "we" reach an agreement with "you"; 2) there is an entry of a final judgment; or 3) there is a filing of an appraisal award with "us". Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment. b. "We" may: 1) pay the loss in money; or 2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss. If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".	**PAYMENT OF LOSS** 1. **Property Coverages** a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and: 1) "we" reach an agreement with "you"; 2) there is an entry of a final judgment; or 3) there is a filing of an appraisal award with "us". Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment. b. "We" may: 1) pay the loss in money; or 2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss. If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".	

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c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	
2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	
3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	
a. to "you" on behalf of the owner; or	a. to "you" on behalf of the owner; or	
b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	
POLICY CONDITIONS	**POLICY CONDITIONS**	
CONDITIONS APPLICABLE TO ALL COVERAGES	**CONDITIONS APPLICABLE TO ALL COVERAGES**	
1. **Assignment** -- This policy may not be assigned without "our" written consent.	1. **Assignment** -- This policy may not be assigned without "our" written consent.	

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2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective. When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk.	2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective. When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk.	

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If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	
3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".	3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".	

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However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms". 4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and	However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms". 4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and	

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2) only to the extent that coverage is provided by this policy. b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified. 6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	2) only to the extent that coverage is provided by this policy. b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified. 6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	

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7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	
8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.	8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.	

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In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	
CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY	**CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY**	
1. **Abandonment of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	
2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.	2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.	

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A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	
3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	

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4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee. b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so. All "terms" of this policy apply to the mortgagee unless changed by this clause. c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.	4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee. b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so. All "terms" of this policy apply to the mortgagee unless changed by this clause. c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.	

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d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	
5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	
6. **Policy Period** -- This policy covers only losses that occur during the policy period.	6. **Policy Period** -- This policy covers only losses that occur during the policy period.	
7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss.	7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss.	

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"You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first. At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	"You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first. At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	
8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.	8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.	
9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.	9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.	

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CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require. 3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.	**CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY** 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require. 3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.	

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4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	

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UNIT-OWNERS FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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UNIT-OWNERS FORM

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	
Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	
AGREEMENT This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	**AGREEMENT** This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	

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DEFINITIONS 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	**DEFINITIONS** 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	

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5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	

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b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500. 7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy. 8. "Described location" means the unit in which "you" reside and which is shown on the "declarations" as the "described location".	b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500. 7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy. 8. "Described location" means the unit in which "you" reside and which is shown on the "declarations" as the "described location".	

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9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business". However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads. 10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".	9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business". However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads. 10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".	

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11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.	11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.	
12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft. However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo.	12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft. However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo.	

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13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives; e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or	13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives; e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or	

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f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies; 3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals.	f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies; 3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals.	

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However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or	However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or	
5) persons or organizations accountable by law for a motorized golf cart:	5) persons or organizations accountable by law for a motorized golf cart:	
a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies;	a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies;	
but only with respect to such golf cart.	but only with respect to such golf cart.	
However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.	However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent.	
The phrase an "insured", wherever it appears in this policy, means one or more "insureds".	The phrase an "insured", wherever it appears in this policy, means one or more "insureds".	
14. "Insured premises" means:	14. "Insured premises" means:	
a. the "described location";	a. the "described location";	
b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";	b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises";	

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c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;	c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;	
d. premises used by "you" in connection with a premises described in a., b., or c. above;	d. premises used by "you" in connection with a premises described in a., b., or c. above;	
e. cemetery lots and burial vaults of an "insured";	e. cemetery lots and burial vaults of an "insured";	
f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;	f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence;	
g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and	g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and	
h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.	h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land.	
15. "Limit" means amount of insurance.	15. "Limit" means amount of insurance.	

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16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above. 17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or 4) model watercraft that is not designed or used to carry people or cargo; or b. a trailer or semitrailer that: 1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by; a vehicle described in a. above. 17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	

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18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound. 19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged. 20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.	18. "Pollutant" means: a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound. 19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged. 20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.	

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21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillos; b. bats; c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes.	21. "Vermin" means an animal of a type that is prone to enter or burrow into or under a structure to seek food or shelter, including but not limited to: a. armadillos; b. bats; c. opossums; d. porcupines; e. raccoons; f. skunks; and g. snakes.	
22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	22. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	

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PROPERTY COVERAGES **PRINCIPAL PROPERTY COVERAGES** 1. **Coverage A -- Residence** a. "We" cover: 1) fixtures, alterations, decorations, additions, installations, and appliances that are part of the building included within the "described location"; 2) structures at the site of the "described location" owned solely by "you", other than the "described location"; 3) property that is "your" insurance responsibility under an agreement with an association or a corporation of property owners; and 4) items of real property pertaining exclusively to the "described location".	**PROPERTY COVERAGES** **PRINCIPAL PROPERTY COVERAGES** 1. **Coverage A -- Residence** a. "We" cover: 1) fixtures, alterations, decorations, additions, installations, and appliances that are part of the building included within the "described location"; 2) structures at the site of the "described location" owned solely by "you", other than the "described location"; 3) property that is "your" insurance responsibility under an agreement with an association or a corporation of property owners; and 4) items of real property pertaining exclusively to the "described location".	

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b. "We" do not cover: 1) land, including the land on which: a) the "described location"; b) real property; or c) any other structure; is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or 5) any structure at the site of the "described location": a) rented or held for rental to any person who is not a tenant of the "described location", other than a structure used solely for private garage purposes; b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property.	b. "We" do not cover: 1) land, including the land on which: a) the "described location"; b) real property; or c) any other structure; is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; or 5) any structure at the site of the "described location": a) rented or held for rental to any person who is not a tenant of the "described location", other than a structure used solely for private garage purposes; b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property.	

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However, this exclusion does not apply to a structure used by an "insured" or a tenant of the "described location" to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	However, this exclusion does not apply to a structure used by an "insured" or a tenant of the "described location" to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	
c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.	c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.	

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2. **Coverage C -- Personal Property** a. "We" cover personal property owned or used by an "insured". At "your" option: 1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured". b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater. However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.	2. **Coverage C -- Personal Property** a. "We" cover personal property owned or used by an "insured". At "your" option: 1) personal property owned by a guest or "domestic employee" is covered while it is in that part of any residential premises occupied by an "insured"; and 2) personal property owned by a person other than a guest or "domestic employee" is covered while it is in that part of the "described location" occupied by an "insured". b. **Limitation On Property At Residential Premises Other Than The Described Location** -- Coverage for personal property usually on residential premises of an "insured" other than the "described location" is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater. However, this limitation does not apply to personal property: 1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.	

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c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically. 2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item. 3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.	c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class. 1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically. 2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item. 3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices.	

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4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft. 6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft. 7) For loss by theft: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns.	4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft. 6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft. 7) For loss by theft: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns.	

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8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data. d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects;	8) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data. d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects;	

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3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle". b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or	3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices; while in or on a "motorized vehicle". b) However, this does not include a "motorized vehicle": (1) that is designed to assist the handicapped; or	

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(2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another; if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	(2) that is: (a) owned by an "insured"; (b) designed only for use off of public roads; and (c) used only to service an "insured premises" or a premises of another; if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	
4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached. However, this does not include model aircraft that are not designed or used to carry people or cargo;	
5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo;	5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo;	

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6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; or b) the portion of the "described location" that is rented or held for rental to no more than two roomers or boarders for use as a residence; 8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;	6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; or b) the portion of the "described location" that is rented or held for rental to no more than two roomers or boarders for use as a residence; 8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;	

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9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; 10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C. 3. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence because of loss to covered property or the building containing covered property caused by a Peril Insured Against covered by this policy.	9) grave markers or mausoleums, except as provided under the Incidental Property Coverage for Grave Markers; 10) land, including the land on which covered property is located, except as provided under the Incidental Property Coverage for Liquid Fuel Remediation; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns. e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C. 3. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence because of loss to covered property or the building containing covered property caused by a Peril Insured Against covered by this policy.	

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"We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.	"We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period.	
b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use. "We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use. "We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	
c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	

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d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement. e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above. **INCIDENTAL PROPERTY COVERAGES** This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A or Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and 2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you"; b) is covered under the insurance held by "your" association; and	d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement. e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above. **INCIDENTAL PROPERTY COVERAGES** This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A or Coverage C. These coverages provide additional insurance unless otherwise stated. 1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and 2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you"; b) is covered under the insurance held by "your" association; and	

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c) is caused by a Peril Insured Against described under Coverage A in this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you". c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage. 2. **Collapse** a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following: 1) a Peril Insured Against described under Coverage C;	c) is caused by a Peril Insured Against described under Coverage A in this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you". c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage. 2. **Collapse** a. "We" pay for direct physical loss to covered property involving the collapse of a building or a part of a building if the collapse was caused only by one or more of the following: 1) a Peril Insured Against described under Coverage C;	

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2) insect, rodent, or "vermin" damage, but only if no "insured" could reasonably be expected to suspect the presence of such damage prior to the collapse; 3) decay, but only if no "insured" could reasonably be expected to suspect the presence of such decay prior to the collapse; 4) weight of animals, equipment, people, or personal property; 5) weight of rain that collects on a roof; or 6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair. However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.	2) insect, rodent, or "vermin" damage, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such damage prior to the collapse; 3) decay, but only if no "insured" knew of or could reasonably be expected to suspect the presence of such decay prior to the collapse; 4) weight of animals, equipment, people, or personal property; 5) weight of rain that collects on a roof; or 6) the use of defective materials or methods in construction or repair if the collapse occurs during the course of construction or repair. However, "we" do not pay for loss to awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, or wharves caused by a peril described in 2) through 6) above unless the loss is the direct result of the collapse of a building or a part of a building. With respect to loss caused by a peril described in 2) through 6) above, awnings, bulkheads, cesspools, decks, docks, drains, fences, flues, foundations, patios, paved areas, piers, retaining walls, septic tanks, swimming pools, underground pipes, and wharves are not considered to be buildings or parts of buildings, whether or not such property is attached to or connected to one or more buildings.	The proposed form specifies that with respect to insect, rodent, and vermin damage and decay, coverage is provided only if no insured *knew of or* could reasonably be expected to suspect the presence of such damage or decay prior to the collapse.

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b. In this Incidental Property Coverage: 1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and 2) the following are not considered to be in a state of collapse: a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage; b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.	b. In this Incidental Property Coverage: 1) collapse of a building or a part of a building means an abrupt caving in, falling in, falling down, or giving way of the building or the part of the building that prevents the building or the part of the building from being occupied for the purpose for which it was intended just before caving in, falling in, falling down, or giving way; and 2) the following are not considered to be in a state of collapse: a) a building or a part of a building that has not caved in, fallen in, fallen down, or given way even if it displays evidence of bending, bowing, bulging, cracking, expansion, inadequate load bearing capacity, leaning, sagging, settling, or shrinkage; b) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or c) a part of a building that has not caved in, fallen in, fallen down, or given way even if it has separated from another part of the building.	

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c. This coverage does not increase the "limits" that apply to the property covered. d. The Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion under Exclusions That Apply To Property Coverages does not apply to this Incidental Property Coverage. 3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured"; 3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money.	c. This coverage does not increase the "limits" that apply to the property covered. d. The Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion under Exclusions That Apply To Property Coverages does not apply to this Incidental Property Coverage. 3. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money** a. "We" pay for loss if an "insured": 1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured"; 2) has a loss resulting from the theft or unauthorized use of: a) an electronic fund transfer card; or b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in the name of an "insured"; 3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or 4) accepts in good faith counterfeit United States or Canadian paper money.	

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The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	
b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name. Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name. Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	
c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	

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d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	
e. "We" do not pay for loss: 1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds: a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted; b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";	e. "We" do not pay for loss: 1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds: a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted; b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";	

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2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss. 4. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.	2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss. 4. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.	

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This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	
b. "We" also pay for the reasonable cost to remove from the site of the "described location":	b. "We" also pay for the reasonable cost to remove from the site of the "described location":	
1) a fallen tree or trees owned solely by "you" if the falling of the tree or trees is caused by the peril of:	1) a fallen tree or trees owned solely by "you" if the falling of the tree or trees is caused by the peril of:	
a) Windstorm Or Hail; or b) Weight Of Ice, Snow, Or Sleet; or	a) Windstorm Or Hail; or b) Weight Of Ice, Snow, Or Sleet; or	
2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against described under Coverage C in this policy;	2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against described under Coverage C in this policy;	
and the tree causes damage to a covered structure.	and the tree causes damage to a covered structure.	
Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence.	Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence.	
However, "we" pay no more than $500 of this "limit" to remove any one tree.	However, "we" pay no more than $500 of this "limit" to remove any one tree.	
With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.	With respect to this Incidental Property Coverage, the peril of Weight Of Ice, Snow, Or Sleet means the weight of ice, snow, or sleet that causes a tree to fall.	

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5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Property Coverages do not apply to such property while removed. However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	5. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Property Coverages do not apply to such property while removed. However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	

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6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against. However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	6. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against. However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	
7. **Glass Or Safety Glazing Material** a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a building or storm door or window and covered under Coverage A; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window. b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.	7. **Glass Or Safety Glazing Material** a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a building or storm door or window and covered under Coverage A; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window. b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.	

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c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) to the "described location" if the building containing the "described location" was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A building being built is not vacant. d. This coverage does not increase the "limits" that apply to the property covered. 8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.	c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) to the "described location" if the building containing the "described location" was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A building being built is not vacant. d. This coverage does not increase the "limits" that apply to the property covered. 8. **Grave Markers** -- "We" pay up to $2,500 for direct physical loss to grave markers and mausoleums on or away from the "described location" caused by a Peril Insured Against.	

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9. **Increased Cost -- Ordinance Or Law** a. When loss to property covered under Coverage A is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged property. b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of covered property: 1) when loss to property covered under Coverage A is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition. This does not increase the "limit" that applies to this Incidental Property Coverage.	9. **Increased Cost -- Ordinance Or Law** a. When loss to property covered under Coverage A is caused by a Peril Insured Against and "you" elect to repair or replace the damage, "you" may apply up to 10% of the Coverage A "limit" to cover the increased cost that "you" incur due to the enforcement of a code, ordinance, or law that regulates the construction, repair, replacement, or demolition of the damaged property. b. "You" may use all or part of this Increased Cost -- Ordinance Or Law coverage to cover the increased cost "you" incur to remove debris resulting from the construction, repair, replacement, or demolition of covered property: 1) when loss to property covered under Coverage A is caused by a Peril Insured Against; and 2) a code, ordinance, or law regulates its construction, repair, replacement, or demolition. This does not increase the "limit" that applies to this Incidental Property Coverage.	

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c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	c. However, "we" do not pay for: 1) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 2) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	
10. **Liquid Fuel Remediation** a. "We" pay for loss to: 1) property covered under Coverage A or Coverage C; 2) land owned solely by an "insured" and on which the "described location" or property covered under Coverage A is located, but this does not include farm land; or 3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".	10. **Liquid Fuel Remediation** a. "We" pay for loss to: 1) property covered under Coverage A or Coverage C; 2) land owned solely by an "insured" and on which the "described location" or property covered under Coverage A is located, but this does not include farm land; or 3) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; caused directly or indirectly by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from the fuel system of a heating or air-conditioning system, water heater, or domestic appliance located on the "described location".	

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b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for: 1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system; 2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area; 3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from: a) property covered under Coverage A or Coverage C; b) land owned solely by an "insured" and on which the "described location" or property covered under Coverage A is located, but this does not include farm land; or c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.	b. When there is discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel from a fuel system described in a. above, "we" also pay for: 1) cost or expense "you" incur to take temporary measures to stop any further discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of such fuel from such system; 2) cost or expense "you" incur to prevent or hinder the spread of the discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel over a larger area; 3) cost or expense "you" incur to clean up or treat such fuel on or remove such fuel from: a) property covered under Coverage A or Coverage C; b) land owned solely by an "insured" and on which the "described location" or property covered under Coverage A is located, but this does not include farm land; or c) property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.	

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This includes cost or expense to remove the debris of such property or land; 4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled; 5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and 6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.	This includes cost or expense to remove the debris of such property or land; 4) cost or expense "you" incur to remove and replace those parts of covered property necessary to gain access to the system from which such fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled; 5) the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence; and 6) cost or expense "you" incur to assess, monitor, or test the effects of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled liquid fuel.	

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However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing: a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above. c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage. d. "We" do not pay for: 1) loss, cost, or expense involving underground water or surface water; 2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business"; 3) loss, cost, or expense due to the cancellation of a lease or an agreement; 4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;	However, "we" will pay for such cost or expense only if the assessment, monitoring, or testing: a) is necessitated by a statutory or regulatory requirement or is in response to a request, demand, or order by a governmental body or authority or court of law; and b) arises out of loss for which payment is made under a., b.1), b.2), or b.3) above. c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage. d. "We" do not pay for: 1) loss, cost, or expense involving underground water or surface water; 2) loss, cost, or expense involving trees, plants, shrubs, or lawns grown for "business"; 3) loss, cost, or expense due to the cancellation of a lease or an agreement; 4) the replacement of discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel;	

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5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 6) any damages resulting from: a) a loss of; or b) a reduction in value of; an agreement to sell property or land; or 7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above. e. The "terms" and "limits" applicable to: 1) Coverage D -- Additional Living Costs And Loss Of Rent; and 2) the Incidental Property Coverage for Debris Removal; do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.	5) any loss in the market value of property or land, whether or not damaged by discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled fuel; 6) any damages resulting from: a) a loss of; or b) a reduction in value of; an agreement to sell property or land; or 7) any cost or expense to repair, replace, remove, or demolish any part of the fuel system from which the fuel discharged, dispersed, emitted, escaped, leached, leaked, migrated, released, seeped, or spilled, except as provided under b. above. e. The "terms" and "limits" applicable to: 1) Coverage D -- Additional Living Costs And Loss Of Rent; and 2) the Incidental Property Coverage for Debris Removal; do not apply to any loss, cost, or expense arising out of the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of fuel from a fuel system described in a. above.	

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f. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation: 1) is the most "we" pay for the total of: a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and b) all coverages described in a. and b. above; and 2) applies regardless of the number of: a) claims made; b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or c) locations insured under this policy.	f. The most "we" pay for this Incidental Property Coverage for Liquid Fuel Remediation is $10,000 unless a higher "limit" for Liquid Fuel Remediation is shown on the "declarations". The "limit" for this Incidental Property Coverage for Liquid Fuel Remediation: 1) is the most "we" pay for the total of: a) all discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; and b) all coverages described in a. and b. above; and 2) applies regardless of the number of: a) claims made; b) discharges, dispersals, emissions, escapes, leachings, leakages, migrations, releases, seepages, or spillages of liquid fuel that an "insured" first discovers or is made aware of during the policy period; or c) locations insured under this policy.	

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With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 10% of the Coverage C "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	With respect to loss to property covered under the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns, the most "we" pay is an amount equal to 10% of the Coverage C "limit", but not more than $500 for any lawn or any one tree, plant, or shrub. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	
With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	With respect to coverage for the necessary and reasonable increase in living costs incurred to maintain the normal standard of living of "your" household, "we" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. This does not increase the "limit" that applies to this Incidental Property Coverage for Liquid Fuel Remediation.	
	g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against.	In the proposed form, paragraph g. has been added to specify that the terms stated in a. through f. do not limit coverage for direct loss to covered property caused by a Peril Insured Against.

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11. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against described under Coverage A in this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location".	11. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period; 2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against described under Coverage A in this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location".	

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b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments. d. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage. 12. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.	b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments. d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage. 12. **Reasonable Repairs** a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.	

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b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence. 13. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" or the site of the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit.	b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence. 13. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" or the site of the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit.	

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Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage. 14. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns owned solely by "you" at the site of the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft.	Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage. 14. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns owned solely by "you" at the site of the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft.	

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"You" may apply up to 10% of the Coverage C "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	"You" may apply up to 10% of the Coverage C "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	
PERILS INSURED AGAINST -- COVERAGES A, C, AND D "We" insure against direct physical loss to property covered under Coverage A or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning** b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.	**PERILS INSURED AGAINST -- COVERAGES A, C, AND D** "We" insure against direct physical loss to property covered under Coverage A or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning** b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.	

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c. **Explosion**	c. **Explosion**	
d. **Riot Or Civil Commotion**	d. **Riot Or Civil Commotion**	
e. **Aircraft** -- This includes self-propelled missiles and spacecraft.	e. **Aircraft** -- This includes self-propelled missiles and spacecraft.	
f. **Vehicles** However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".	f. **Vehicles** However, "we" do not pay for loss to fences, driveways, or walks caused by a vehicle owned or operated by an occupant of the "described location".	
g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	
h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors.	h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors.	

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i. **Vandalism Or Malicious Mischief** However, "we" do not pay for loss to property that pertains to the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed in the course of vandalism or malicious mischief; if the building containing the "described location" was vacant for more than 60 days in a row just before the loss. A building being built is not vacant.	i. **Vandalism Or Malicious Mischief** However, "we" do not pay for loss to property that pertains to the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if the building containing the "described location" was vacant for more than 60 days in a row just before the loss. A building being built is not vacant.	The proposed form excludes coverage for loss that ensues from a wrongful act committed *intentionally* in the course of vandalism or malicious mischief.
j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a "described location" being built, or theft of materials or supplies for use in construction of a "described location", until the "described location" is occupied for its intended use; 3) of a precious or semiprecious stone from its setting;	j. **Theft** -- This includes attempted theft and loss of property from a known place when it is likely that theft occurred. However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a "described location" being built, or theft of materials or supplies for use in construction of a "described location", until the "described location" is occupied for its intended use; 3) of a precious or semiprecious stone from its setting;	

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4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 6) caused by theft that occurs away from the "described location" or the site of the "described location" of: a) trailers or semitrailers; b) campers or camper bodies; c) watercraft or their furnishings, equipment, engines, or motors; or d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.	4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 6) caused by theft that occurs away from the "described location" or the site of the "described location" of: a) trailers or semitrailers; b) campers or camper bodies; c) watercraft or their furnishings, equipment, engines, or motors; or d) property while on the part of residential premises that an "insured" owns, rents, or occupies, except for the time while an "insured" temporarily resides there. "We" do cover the property of an "insured" who is a student while it is in the living quarters occupied by the student at school if the student has been at such living quarters at any time during the 60 days just before the loss.	

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k. **Falling Objects** However, "we" do not pay for loss to: 1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or 2) the object that falls.	k. **Falling Objects** However, "we" do not pay for loss to: 1) the interior of a building, or to property inside a building, unless the falling object has first damaged an outside wall or the roof of the building by impact; or 2) the object that falls.	
l. **Weight Of Ice, Snow, Or Sleet** that causes damage to a building or property inside a building. However, "we" do not pay for loss to: 1) awnings; 2) fences, patios, paved areas, or swimming pools; 3) bulkheads, foundations, or retaining walls; or 4) docks, piers, or wharves.	l. **Weight Of Ice, Snow, Or Sleet** that causes damage to a building or property inside a building. However, "we" do not pay for loss to: 1) awnings; 2) fences, patios, paved areas, or swimming pools; 3) bulkheads, foundations, or retaining walls; or 4) docks, piers, or wharves.	
m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater. However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing.	m. **Sudden And Accidental Tearing Apart, Cracking, Burning, Or Bulging** of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater. However, "we" do not pay for loss caused by or resulting from freezing, except as provided under the peril of Freezing.	

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n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. This includes the reasonable cost of removing and replacing those parts of a building or other structure, owned solely by "you", covered by Coverage A, and on the site of the "described location", needed to repair the system or appliance. However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building that is owned solely by "you" and on the site of the "described location". "We" do not pay for loss: 1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor; 2) to or within the "described location" if the building containing the "described location" has been vacant for more than 60 days in a row just before the loss. A building being built is not vacant; 3) caused by or resulting from freezing, except as provided under the peril of Freezing;	n. **Accidental Discharge Or Overflow Of Water Or Steam** from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. This includes the reasonable cost of removing and replacing those parts of a building or other structure, owned solely by "you", covered by Coverage A, and on the site of the "described location", needed to repair the system or appliance. However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building that is owned solely by "you" and on the site of the "described location". "We" do not pay for loss: 1) caused by continuous or repeated discharge, seepage, or leakage of water, or the presence or condensation of humidity, moisture, or vapor, over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor; 2) to or within the "described location" if the building containing the "described location" has been vacant for more than 60 days in a row just before the loss. A building being built is not vacant; 3) caused by or resulting from freezing, except as provided under the peril of Freezing;	In the proposed form, this peril has been revised to state that coverage is not provided for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.

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4) to or within the "described location" caused by accidental discharge or overflow that occurs away from the building where the "described location" is located; or 5) to the system or appliance from which the water or steam escaped.	4) to or within the "described location" caused by accidental discharge or overflow that occurs away from the building where the "described location" is located; or 5) to the system or appliance from which the water or steam escaped.	
In this peril, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form clarifies that, with respect to this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this peril.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.	The proposed form refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed form makes specific reference to *surface water* and *water below the surface of the ground*.
o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	o. **Freezing** -- This means freezing of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance, subject to the requirements stated in 1) and 2) below. In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed form clarifies that, with respect to this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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1) When the "described location" is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the "described location"; and b) continue the water supply. 2) When the "described location" is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the "described location"; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances. p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents** However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.	1) When the "described location" is protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the "described location"; and b) continue the water supply. 2) When the "described location" is not protected by an automatic fire protective sprinkling system, coverage for loss caused by the peril of Freezing applies only if "you" have taken reasonable care to: a) maintain heat in the "described location"; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances. p. **Sudden And Accidental Damage From Artificially Generated Electrical Currents** However, "we" do not pay for loss to tubes, transistors, electronic components, or circuitry that are a part of any type of an electronic apparatus, including but not limited to appliances, fixtures, computers, and home entertainment units.	

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q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes.	q. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes.	
EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES	**EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**	
"We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	"We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	
These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.	These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.	
a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law;	a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law;	

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2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property. b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy. c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination.	2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property. b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy. c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination.	

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2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils. 3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.	2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils. 3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered.	
d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.	d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.	

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Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	
e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.	e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss.	
f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against.	f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against.	

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"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	
g. **Water Damage** -- "We" do not pay for loss caused by water damage whether the water damage results from or is caused by human or animal forces or an act of nature. Water damage means: 1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, all whether driven by wind or not;	g. **Water** 1) "We" do not pay for loss caused by: a) flood; b) surface water; c) waves, including but not limited to tidal wave and tsunami; d) tides; e) tidal water; f) overflow of any body of water; or g) spray from a) through f) above; whether driven by wind or not. This includes, but is not limited to, tidal surge, storm surge, and storm tide.	The proposed form's exclusion is titled Water instead of Water Damage. In the proposed form, the language that is comparable to the current form's "whether the water damage results from or is caused by human or animal forces or an act of nature' is set forth in item 5)a) of the exclusion. The proposed form specifies that waves includes, but is not limited to, tidal wave and tsunami. The proposed form specifically excludes loss caused by tides. The proposed form specifies that loss caused by flood, etc., includes but is not limited to, loss caused by tidal surge, storm surge, and storm tide.

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2) water or matter present in water that backs up through sewers or drains or that overflows or is discharged from: a) a sump, sump pump, or related equipment; or b) any other type of system designed to remove subsurface water which is drained from the foundation area; or	2) "We" do not pay for loss caused by water that: a) backs up through sewers or drains; or b) overflows or otherwise discharges from: (1) a sump, sump pump, or related equipment; or (2) any other type of system designed to remove subsurface water which is drained from the foundation area.	The proposed form precludes coverage for water that backs up through sewers or drains or that overflows or *otherwise discharges* from a sump, etc. In addition, language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form.
3) water or matter present in water below the surface of the ground. This includes water or matter present in water that exerts pressure on, or seeps or leaks through or into, a building, sidewalk, driveway, foundation, swimming pool, or other structure.	3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure. 4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.	Language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form. In addition, the proposed form specifically mentions water that flows through or into a building, etc., and it also specifically mentions patios. The proposed form precludes coverage for matter present in or carried or otherwise moved by all excluded water.

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	5) The exclusions set forth in 1) through 4) above:	
	a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and	The proposed form specifies that theses exclusions apply regardless of the cause of the excluded event, whether or not such cause is an act of nature.
	b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that: (1) overtops; (2) escapes from; (3) is released from; or (4) is otherwise discharged from; a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.	In addition, the exclusions apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that overtops, escapes from, is released from or is otherwise discharged from a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.
"We" do pay for direct loss to covered property caused by fire or explosion resulting from water damage.	6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.	Editorial revisions.
This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.	Editorial revisions.

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h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	
i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	

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j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	
LIABILITY COVERAGES	**LIABILITY COVERAGES**	
PRINCIPAL LIABILITY COVERAGES	**PRINCIPAL LIABILITY COVERAGES**	
1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.	1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.	

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"We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	"We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	
2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.	2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.	
This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:	This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to:	
a. a person on an "insured premises" with the permission of an "insured"; or	a. a person on an "insured premises" with the permission of an "insured"; or	
b. a person away from an "insured premises" if the "bodily injury":	b. a person away from an "insured premises" if the "bodily injury":	
1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises";	1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises";	
2) is caused by an activity of an "insured";	2) is caused by an activity of an "insured";	

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3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	
INCIDENTAL LIABILITY COVERAGES	**INCIDENTAL LIABILITY COVERAGES**	
This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.	This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages.	
1. **Business**	1. **Business**	
a. "We" pay for "bodily injury" or "property damage" that arises out of:	a. "We" pay for "bodily injury" or "property damage" that arises out of:	
1) the rental or holding for rental of an "insured premises":	1) the rental or holding for rental of an "insured premises":	
a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or	a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or	

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2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	
b. This Incidental Liability Coverage for Business is subject to all of the:	b. This Incidental Liability Coverage for Business is subject to all of the:	
1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	
2. **Claims And Defense Cost** -- "We" pay for:	2. **Claims And Defense Cost** -- "We" pay for:	
a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;	a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;	
b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	

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c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request; d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request; d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	

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3. **Contracts** a. "We" pay for "bodily injury" or "property damage": 1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or 2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period. b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M.	3. **Contracts** a. "We" pay for "bodily injury" or "property damage": 1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or 2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period. b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M.	

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4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage. However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage; b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years;	4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage. However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage; b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years;	

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d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or 2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business";	d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or 2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business";	

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if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.	if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.	
5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	
6. **Loss Assessment**	6. **Loss Assessment**	
a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:	a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of:	
1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or	1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or	
2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.	2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.	

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b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	
c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	
d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.	d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.	
e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	

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7. **Motorized Vehicles** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that: 1) is in dead storage on an "insured premises"; 2) is used only to service: a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads; 3) is designed to assist the handicapped; 4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;	7. **Motorized Vehicles** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that: 1) is in dead storage on an "insured premises"; 2) is used only to service: a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads; 3) is designed to assist the handicapped; 4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions;	

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5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or (b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment;	5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or (b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment;	

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(ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or	(ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or	
(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel:	(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel:	
(a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located.	(a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located.	
b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not:	b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not:	
1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence";	1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence";	

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3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	
c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the:	c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the:	
1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;	1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.;	
2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	

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8. **Watercraft** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that: 1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is: a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or 3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or	8. **Watercraft** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that: 1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is: a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or 3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or	

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b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or (4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired.	b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or (4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired.	

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In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.	In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.	
b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or 4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.	b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or 4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise.	
c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	

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EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	**EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES** 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.	

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b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	

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c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person; 3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person; 3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	

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d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	
e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	

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f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	
g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	

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h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	
i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured". This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended.	i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured". This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended.	

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However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.	However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.	
j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".	j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".	
k. "bodily injury" or "property damage" that arises out of sexual molestation.	k. "bodily injury" or "property damage" that arises out of sexual molestation.	
l. "bodily injury" or "property damage" that arises out of physical or mental abuse.	l. "bodily injury" or "property damage" that arises out of physical or mental abuse.	
m. "bodily injury" or "property damage" that arises out of corporal punishment.	m. "bodily injury" or "property damage" that arises out of corporal punishment.	
n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.	n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.	

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2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured". c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts. d. "property damage" to property owned by an "insured". e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured". c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts. d. "property damage" to property owned by an "insured". e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	

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f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	
g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	
h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.	h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.	
i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.	i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.	

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j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	
3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":	3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":	
a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".	a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".	
b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.	b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.	

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c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	
WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE	**WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE**	
1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.	1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.	

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"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device. b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs. c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device. b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs. c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	

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d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	
e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	
f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents.	f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents.	

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g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	
h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;	h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;	

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2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above; d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss. i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above; d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss. i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	

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2. **Liability Coverages** The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed. "We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state: 1) "your" name and the policy number; 2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses. b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	2. **Liability Coverages** The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed. "We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state: 1) "your" name and the policy number; 2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses. b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	

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c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	
d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	
e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses.	e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses.	
f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	

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HOW MUCH WE PAY FOR LOSS OR OCCURRENCE 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge; and c) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated.	**HOW MUCH WE PAY FOR LOSS OR OCCURRENCE** 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; b) Fire Department Service Charge; and c) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated.	

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2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss. d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss. d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	

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e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance or Law. 1) **Replacement Cost Terms** a) The Replacement Cost Terms apply only to property covered under Coverage A. b) If the damage is repaired or replaced within a reasonable time, the amount used in applying the "terms" under Our Limit is the actual cost to repair or replace the damage.	e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Replacement Cost Terms. If the Replacement Cost Terms do not apply, "we" settle losses according to the Actual Cash Value Terms. In the Replacement Cost Terms and the Actual Cash Value Terms, replacement cost and cost to repair or replace do not include any increased cost that results from the enforcement of a code, ordinance, or law, except to the extent that coverage for such increased cost is provided under the Incidental Property Coverage for Increased Cost -- Ordinance Or Law. 1) **Replacement Cost Terms** a) The Replacement Cost Terms apply only to property covered under Coverage A. b) If the damage is repaired or replaced within a reasonable time, the amount used in applying the "terms" under Our Limit is the actual cost to repair or replace the damage.	

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c) If the damage is not repaired or replaced within a reasonable time, the smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the damaged part of the property with materials of like kind and quality, to the extent practical; or (2) the "actual cash value" of the damaged part of the property just before the loss. 2) **Actual Cash Value Terms** a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms. b) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or (2) the "actual cash value" of the lost or damaged part of the property just before the loss.	c) If the damage is not repaired or replaced within a reasonable time, the smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the damaged part of the property with materials of like kind and quality, to the extent practical; or (2) the "actual cash value" of the damaged part of the property just before the loss. 2) **Actual Cash Value Terms** a) The Actual Cash Value Terms apply to all property not subject to the Replacement Cost Terms. b) The smaller of the following amounts is used in applying the "terms" under Our Limit: (1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or (2) the "actual cash value" of the lost or damaged part of the property just before the loss.	

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2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	
3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident.	3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident.	

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When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	
4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	
5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	

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6. **Insurance Under More Than One Policy** a. **Property Coverages** 1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense. However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund.	6. **Insurance Under More Than One Policy** a. **Property Coverages** 1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense. However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund.	

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2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible.	
b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy. If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	

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7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, including a warranty, plan, or agreement in the name of an association or a corporation of property owners, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, including a warranty, plan, or agreement in the name of an association or a corporation of property owners, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	
8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	

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PAYMENT OF LOSS

1. **Property Coverages**

   a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

      1) "we" reach an agreement with "you";
      2) there is an entry of a final judgment; or
      3) there is a filing of an appraisal award with "us".

      Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

   b. "We" may:

      1) pay the loss in money; or
      2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

      If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

PAYMENT OF LOSS

1. **Property Coverages**

   a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

      1) "we" reach an agreement with "you";
      2) there is an entry of a final judgment; or
      3) there is a filing of an appraisal award with "us".

      Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

   b. "We" may:

      1) pay the loss in money; or
      2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

      If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

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c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	
2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	
3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	
a. to "you" on behalf of the owner; or	a. to "you" on behalf of the owner; or	
b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	

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POLICY CONDITIONS	**POLICY CONDITIONS**	
CONDITIONS APPLICABLE TO ALL COVERAGES	**CONDITIONS APPLICABLE TO ALL COVERAGES**	
1. **Assignment** -- This policy may not be assigned without "our" written consent.	1. **Assignment** -- This policy may not be assigned without "our" written consent.	
2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.	2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.	

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When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk. If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk. If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	

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3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations". However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms".	3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations". However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms".	

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4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy. b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.	4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy. b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified.	

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6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	
7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	

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8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage. In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage. In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	
CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY	**CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY**	
1. **Abandonment of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	

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2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection. A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection. A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	

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3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	
4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee. b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so.	4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee. b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so.	

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All "terms" of this policy apply to the mortgagee unless changed by this clause.	All "terms" of this policy apply to the mortgagee unless changed by this clause.	
c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.	c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.	
d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	
5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	
6. **Policy Period** -- This policy covers only losses that occur during the policy period.	6. **Policy Period** -- This policy covers only losses that occur during the policy period.	

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7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first. At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first. At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	
8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.	8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.	
9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.	9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.	

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CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require. 3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.	**CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY** 1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy. 2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require. 3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.	

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4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	

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LIMITED FORM

The following Table of Contents shows how the policy is organized. It will help "you" locate particular sections of the policy.

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LIMITED FORM

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	Endorsements and schedules may also be part of this policy. They are identified on the "declarations".	
Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	Words and phrases that have special meaning are shown in quotation marks. The special meanings for these words and phrases are set forth in Definitions.	
AGREEMENT This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	**AGREEMENT** This policy, subject to all of its "terms", provides the described insurance coverages during the policy period. In return "you" must pay the required premium. Each of the Principal Coverages described in this policy applies only if a "limit" is shown on the "declarations" for that coverage.	

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DEFINITIONS 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	**DEFINITIONS** 1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household. 2. The words "we", "us", and "our" mean the company providing this insurance. 3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, to the extent practical, less a deduction for depreciation, however caused. 4. Under the Liability Coverages provided by this policy, "aircraft" means an apparatus or a device designed or used for flight, but this does not include: a. a model aircraft that is not designed or used to carry people or cargo; b. a "hovercraft"; or c. a model hovercraft that is not designed or used to carry people or cargo.	

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5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	5. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services. However, "bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of mental or emotional injury, suffering, or distress that does not result from actual physical injury to a person. 6. "Business" means: a. a trade, a profession, or an occupation, including farming, all whether full time, part time, or occasional. This includes the rental of property to others, but does not include: 1) the occasional rental for residential purposes of that part of the "described location" normally occupied solely by "your" household; or 2) the rental or holding for rental of a portion of that part of the "described location" normally occupied by "your" household to no more than two roomers or boarders for use as a residence; or	

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b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500. 7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	b. any other activity undertaken for money or other compensation, but this does not include: 1) providing care services to a relative of an "insured"; 2) providing services for the care of persons who are not relatives of an "insured" and for which the only compensation is the mutual exchange of like services; 3) a volunteer activity for which: a) an "insured" receives no compensation; or b) an "insured's" only compensation is the reimbursement of expenses incurred to carry out the activity; or 4) an activity not described in 1) through 3) above for which no "insured's" total compensation for the 12 month period just before the first day of this policy period was more than $2,500. 7. "Declarations" means all pages labeled declarations, supplemental declarations, or schedule that pertain to this policy.	

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8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location. However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	8. "Described location" means the one- to four-family house, the townhouse, or the row house where "you" reside and which is shown on the "declarations" as the "described location". It includes related private structures and grounds at that location. However, if the "described location" is a townhouse or a row house, it includes only related private structures and grounds at that location that are used or occupied solely by "your" household for residential purposes.	
9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business". However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads.	9. "Domestic employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the "described location". This includes a person who performs duties of a similar nature elsewhere for an "insured", provided such duties are not in connection with an "insured's" "business". However, "domestic employee" does not include a person who is furnished to an "insured": a. as a temporary substitute for a permanent "domestic employee" who is on leave; or b. to meet seasonal or short-term workloads.	

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10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".	10. "Employee" means a person employed by an "insured", or a person leased to an "insured" under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a "domestic employee".	
11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.	11. "Fungi" means any kind or form of fungus, including but not limited to mildew and mold, and any chemical, matter, or compound produced or released by a fungus, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.	
12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft. However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo.	12. Under the Liability Coverages provided by this policy, "hovercraft" means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water. This includes, but is not limited to, a flarecraft. However, "hovercraft" does not include: a. a model hovercraft that is not designed or used to carry people or cargo; b. an "aircraft"; c. a model aircraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. a "watercraft"; or f. a model watercraft that is not designed or used to carry people or cargo.	

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13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives; e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or	13. "Insured" means: a. "you"; b. "your" relatives if residents of "your" household; c. "your" relatives under the age of 25 years who: 1) are financially dependent upon "you"; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; d. persons, other than "your" relatives, under the age of 21 years who: 1) reside in "your" household; and 2) are in "your" care or in the care of "your" resident relatives; e. persons, other than "your" relatives, under the age of 21 years who: 1) are in "your" care or in the care of "your" resident relatives; 2) are students enrolled in school full time, as defined by the school; and 3) were residents of "your" household just before moving out to attend school; or	

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f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies; 3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or	f. solely with respect to the Liability Coverages provided by this policy: 1) persons in the course of acting as "your" real estate manager for the "described location", but only with respect to acts falling within the scope of such duties; 2) persons while engaged in the employ of an "insured" as defined in a., b., c., d., or e. above, but only with respect to a "motorized vehicle" to which this insurance applies; 3) persons using a "motorized vehicle" to which this insurance applies on an "insured premises" with "your" consent, but only with respect to such use; 4) persons or organizations accountable by law for "watercraft" or animals: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such "watercraft" or animals. However, this does not include persons or organizations using or having charge or control of such "watercraft" or animals in the course of "business" or without the owner's consent; or	

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5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart. However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent. The phrase an "insured", wherever it appears in this policy, means one or more "insureds".	5) persons or organizations accountable by law for a motorized golf cart: a) owned by an "insured" as defined in a., b., c., d., or e. above; and b) to which this insurance applies; but only with respect to such golf cart. However, this does not include persons or organizations using or having charge or control of such golf cart without the owner's consent. The phrase an "insured", wherever it appears in this policy, means one or more "insureds".	
14. "Insured premises" means: a. the "described location"; b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises"; c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;	14. "Insured premises" means: a. the "described location"; b. that part of any other premises used by "you" as a residence and shown on the "declarations" as an "insured premises"; c. that part of any other premises used by "you" as a residence and that is acquired by "you" during the policy period for such use;	

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d. premises used by "you" in connection with a premises described in a., b., or c. above; e. cemetery lots and burial vaults of an "insured"; f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence; g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land. 15. "Limit" means amount of insurance. 16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or	d. premises used by "you" in connection with a premises described in a., b., or c. above; e. cemetery lots and burial vaults of an "insured"; f. that part of a premises not owned by an "insured" and that is temporarily used by an "insured" as a residence; g. that part of a premises occasionally rented to an "insured" for other than "business" purposes; and h. vacant land owned by or rented to an "insured". This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an "insured's" residence. This does not include farm land. 15. "Limit" means amount of insurance. 16. "Motorized vehicle" means: a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include a: 1) "hovercraft"; 2) model hovercraft that is not designed or used to carry people or cargo; 3) "watercraft"; or	

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4) model watercraft that is not designed or used to carry people or cargo; or	4) model watercraft that is not designed or used to carry people or cargo; or	
b. a trailer or semitrailer that:	b. a trailer or semitrailer that:	
1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by;	1) is attached to or being carried on or towed by; or 2) becomes detached while being carried on or towed by;	
a vehicle described in a. above.	a vehicle described in a. above.	
17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	17. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.	
18. "Pollutant" means:	18. "Pollutant" means:	
a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and	a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned; and	
b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.	b. electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.	

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19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged. 20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy. 21. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	19. "Property damage" means: a. physical injury to or destruction of tangible property; or b. the loss of use of tangible property whether or not it is physically damaged. 20. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy. 21. Under the Liability Coverages provided by this policy, "watercraft" means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include: a. a model watercraft that is not designed or used to carry people or cargo; b. a "hovercraft"; c. a model hovercraft that is not designed or used to carry people or cargo; d. a "motorized vehicle"; e. an "aircraft"; or f. a model aircraft that is not designed or used to carry people or cargo.	

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PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

   a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

   b. "We" do not cover:

      1) land, including the land on which covered property is located;
      2) underground water or surface water;
      3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
      4) grave markers or mausoleums.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

1. **Coverage A -- Residence**

   a. "We" cover the residence on the "described location". This includes additions attached to the residence and built-in components and fixtures, as well as building materials and supplies located on or adjacent to the "described location" for use in the construction, alteration, or repair of the residence or related private structures on the "described location".

   b. "We" do not cover:

      1) land, including the land on which covered property is located;
      2) underground water or surface water;
      3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; or
      4) grave markers or mausoleums.

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c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.	c. The "limit" that applies to Coverage A is the most "we" pay per occurrence for all property covered under Coverage A.	
2. **Coverage B -- Related Private Structures**	2. **Coverage B -- Related Private Structures**	
a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.	a. "We" cover related private structures on the "described location" that are not attached to the residence covered under Coverage A. Structures that are connected to the residence covered under Coverage A by only a fence, a utility line, or a similar connection are not considered attached.	
b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.	b. "We" also cover fences, driveways, sidewalks, and other permanently installed outdoor fixtures.	
c. "We" do not cover:	c. "We" do not cover:	
1) land, including the land on which covered property is located; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums; or	1) land, including the land on which covered property is located; 2) underground water or surface water; 3) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal and the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns; 4) grave markers or mausoleums; or	

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5) any structure: a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes; b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and	5) any structure: a) rented or held for rental to any person who is not a tenant of the residence covered under Coverage A, other than a structure used solely for private garage purposes; b) used, in whole or in part, for the direction or operation of a "business"; or c) used, in whole or in part, for the storage of "business" property. However, this exclusion does not apply to a structure used by an "insured" or a tenant of the residence covered under Coverage A to store "business" property that: (1) is a private passenger auto, a pickup truck, a van, or a "motorized vehicle" designed for grounds maintenance activities such as lawn mowing or snow plowing; or (2) is owned solely by such "insured" or tenant and is not a "motorized vehicle"; and	

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does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	does not consist of or contain gaseous or liquid fuel, other than fuel contained in a permanently installed fuel tank of a vehicle, craft, or grounds maintenance machine or in a portable container that is designed to hold fuel and has a capacity of no more than five U.S. gallons.	
d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.	d. The "limit" that applies to Coverage B is the most "we" pay per occurrence for all property covered under Coverage B.	
3. **Coverage C -- Personal Property**	3. **Coverage C -- Personal Property**	
a. **While On The Described Location** -- "We" cover personal property owned or used by an "insured" while on the "described location". At "your" option personal property owned by others is covered while it is in that part of the "described location" occupied by an "insured".	a. **While On The Described Location** -- "We" cover personal property owned or used by an "insured" while on the "described location". At "your" option personal property owned by others is covered while it is in that part of the "described location" occupied by an "insured".	
b. **While Away From The Described Location** -- "We" also cover personal property owned or used by an "insured" while it is away from the "described location". However, coverage is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater. This limitation does not apply to personal property:	b. **While Away From The Described Location** -- "We" also cover personal property owned or used by an "insured" while it is away from the "described location". However, coverage is limited to 10% of the Coverage C "limit" or $1,000, whichever is greater. This limitation does not apply to personal property:	

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1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.	1) that is removed from the "described location" because the "described location" is undergoing alteration, reconstruction, or repair and is unfit for use as a residence or a place in which to store property; or 2) in "your" newly acquired principal place of residence for 30 days from the date that "you" first move property there.	
c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class.	c. **Limitations On Certain Property** -- The special "limits" shown below do not increase the Coverage C "limit". The "limit" for each class is the total "limit" per occurrence for all items in that class.	
1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically. 2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.	1) $250 on money; bank notes; bullion; gold other than goldware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinumware and platinum-plated ware; coins; medals; scrip; smart cards; and cards or other devices on which a cash value is stored electronically. 2) $1,500 on securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, accounts, deeds, evidence of debt, passports, and manuscripts. This special "limit" applies regardless of the medium on which these items exist, and includes the cost of research or other expenses necessary to reproduce, replace, or restore the item.	

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3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft.	3) $1,500 on electronic devices and accessories while in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of the "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 4) $1,500 on electronic devices and accessories used primarily for "business" purposes while away from the "described location" and not in or on a "motorized vehicle" or watercraft, if the device can be operated from the electrical system of a "motorized vehicle" or watercraft and by another source of power. Accessories include antennas, films, tapes, wires, discs, records, or other media that can be used with such devices. 5) $1,500 on watercraft, including their furnishings, equipment, engines, motors, trailers, and semitrailers. However, this does not apply to: a) model watercraft that is not designed or used to carry people or cargo; or b) hovercraft.	

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6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft. 7) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data. d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects;	6) $1,500 on trailers and semitrailers, other than trailers and semitrailers designed for or used with watercraft. 7) For loss to personal property used primarily for "business" purposes, other than property rented or held for rental to others: a) $2,500 on property while on the "described location"; and b) $500 on property while away from the "described location". However, this special "limit" does not apply to electronic devices and accessories described in 3) and 4) above. These special "limits" include the cost of research or other expenses necessary to reproduce, replace, or restore "business" data. d. **Personal Property Not Covered** -- "We" do not cover: 1) property separately described and specifically insured by this or any other policy, regardless of the "limit" that applies to such property under such insurance; 2) animals, birds, fish, or insects;	

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3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices;	3) "motorized vehicles". a) This includes: (1) their parts, equipment, and accessories, other than property described in c.3) above; and (2) electronic devices and accessories that can be operated only from the electrical system of a "motorized vehicle", including antennas, films, tapes, wires, discs, records, or other media that can be used with such devices;	

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while in or on a "motorized vehicle".	while in or on a "motorized vehicle".	
b) However, this does not include a "motorized vehicle":	b) However, this does not include a "motorized vehicle":	
(1) that is designed to assist the handicapped; or	(1) that is designed to assist the handicapped; or	
(2) that is:	(2) that is:	
(a) owned by an "insured";	(a) owned by an "insured";	
(b) designed only for use off of public roads; and	(b) designed only for use off of public roads; and	
(c) used only to service an "insured premises" or a premises of another;	(c) used only to service an "insured premises" or a premises of another;	
if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	if such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property and is not used for "business" purposes;	
4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.	4) aircraft, meaning apparatus or devices designed or used for flight. This includes parts or equipment of aircraft, whether or not attached.	
However, this does not include model aircraft that are not designed or used to carry people or cargo;	However, this does not include model aircraft that are not designed or used to carry people or cargo;	

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5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo; 6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; or b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence;	5) hovercraft, meaning self-propelled motorized ground effect machines or air cushion vehicles, including but not limited to flarecraft, designed or used to travel over land or water. This includes parts or equipment of hovercraft, whether or not attached. However, this does not include model hovercraft that are not designed or used to carry people or cargo; 6) property of roomers, boarders, or other tenants, but this does not include property of roomers or boarders who are related to an "insured"; 7) property rented or held for rental to others by an "insured", but this does not include property in: a) that part of the "described location" normally occupied solely by "your" household while rented to others on an occasional basis for residential purposes; or b) the portion of that part of the "described location" normally occupied by "your" household that is rented or held for rental to no more than two roomers or boarders for use as a residence;	

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8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums; 10) land, including the land on which covered property is located; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.	8) loss that results from credit cards, electronic fund transfer cards, or electronic access devices that make possible the deposit, withdrawal, or transfer of funds, except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 9) grave markers or mausoleums; 10) land, including the land on which covered property is located; 11) underground water or surface water; or 12) trees, plants, shrubs, or lawns, except as provided under the Incidental Property Coverage for Debris Removal or the Incidental Property Coverage for Trees, Plants, Shrubs, Or Lawns.	
e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.	e. Subject to the limitations described in b. and c. above, the "limit" that applies to Coverage C is the most "we" pay per occurrence for all property covered under Coverage C.	

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4. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.	4. **Coverage D -- Additional Living Costs And Loss Of Rent** a. "We" pay for the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your" household if that part of the "described location" occupied by "your" household is made unfit for use as a residence by a loss covered under the Property Coverages. "We" pay only for the period of time reasonably required to make the "described location" fit for use or, if "your" household is permanently relocated, only for the period of time reasonably required for relocation. This period of time is not limited by the policy period. b. "We" pay for the fair rental value of that part of the "described location" rented or held for rental to others by "you" if it is made unfit for use as a residence by a loss covered under the Property Coverages. However, "we" will deduct from the fair rental value any charges or expenses that do not continue while the part of the "described location" rented or held for rental to others is unfit for use.	

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"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	"We" pay only for the period of time reasonably required to repair or replace the part of the "described location" rented or held for rental to others. This period of time is not limited by the policy period.	
c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	c. "We" pay for "your" additional living costs and fair rental value as described in a. and b. above for up to two weeks if a premises neighboring the "described location" is directly damaged by a Peril Insured Against covered by this policy and "you" may not, by order of civil authority, use the "described location". This period of time is not limited by the policy period.	
d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.	d. "We" do not pay for loss, cost, or expense due to the cancellation of a lease or an agreement.	
e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.	e. The "limit" that applies to Coverage D is the most "we" pay for all of the coverages described in a., b., and c. above.	
INCIDENTAL PROPERTY COVERAGES	**INCIDENTAL PROPERTY COVERAGES**	
This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated.	This policy provides the following Incidental Property Coverages. They are subject to all of the "terms" of the applicable Coverage A, Coverage B, or Coverage C. These coverages provide additional insurance unless otherwise stated.	

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1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and 2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you"; b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".	1. **Association Deductible** a. "We" pay for "your" share of a deductible applicable to the insurance held by a homeowners, condominium, or similar residential association. Coverage applies only when the deductible: 1) is charged against "you", during the policy period, as owner or tenant of the "described location"; and 2) results from direct loss to property that: a) would be eligible for coverage by this policy if it were owned by "you"; b) is covered under the insurance held by "your" association; and c) is caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption. b. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Association Deductible is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of deductibles charged against "you".	

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c. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	c. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	
2. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money**	2. **Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money**	
a. "We" pay for loss if an "insured":	a. "We" pay for loss if an "insured":	
1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured";	1) by law must pay for the theft or unauthorized use of credit cards issued or registered in the name of an "insured";	
2) has a loss resulting from the theft or unauthorized use of:	2) has a loss resulting from the theft or unauthorized use of:	
a) an electronic fund transfer card; or	a) an electronic fund transfer card; or	
b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;	b) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds;	
issued or registered in the name of an "insured";	issued or registered in the name of an "insured";	
3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or	3) has a loss when checks, drafts, or negotiable instruments are forged or altered; or	
4) accepts in good faith counterfeit United States or Canadian paper money.	4) accepts in good faith counterfeit United States or Canadian paper money.	

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The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	The most "we" pay is $1,500 per occurrence unless a higher "limit" for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money is shown on the "declarations". All loss resulting from a series of acts committed by any one person or in which any one person is involved or implicated is considered one occurrence.	
b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name. Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	b. "We" will defend a suit seeking damages against an "insured" if the suit results from the theft or unauthorized use of: 1) a credit card; 2) an electronic fund transfer card; or 3) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; issued or registered in an "insured's" name. Subject to the limitation set forth in d. below, "we" will pay for the expense of such defense. Defense will be provided by counsel that "we" choose.	
c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	c. At "our" option, "we" may defend an "insured" or an "insured's" bank against a suit for the enforcement of payment when checks, drafts, or negotiable instruments are forged or altered. If "we" choose to provide such defense, "we" will pay for the expense. Defense will be provided by counsel that "we" choose.	

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d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	d. "We" may make investigations and settle all claims or suits under this coverage that "we" decide are appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies to Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money as a result of a judgment or a written settlement agreed to by "us".	
e. "We" do not pay for loss: 1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds: a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted; b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";	e. "We" do not pay for loss: 1) that results from the use of a credit card, an electronic fund transfer card, or an electronic access device that makes possible the deposit, withdrawal, or transfer of funds: a) if an "insured" has not complied with all rules under which the credit card, fund transfer card, or access device was issued or granted; b) by a resident of "your" household; or c) by a person who has the credit card, fund transfer card, or access device with the consent of an "insured";	

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2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss. 3. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal. This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	2) caused by the dishonesty of an "insured"; or 3) that results from the "business" of an "insured"; nor do "we" provide a defense for suits resulting from such loss. 3. **Debris Removal** a. "We" pay for the reasonable cost to remove the debris of covered property after a loss. The loss must be caused by a Peril Insured Against that applies to the damaged property. "We" also pay for the reasonable cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to a covered building or covered property contained in a building. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, if the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal. This coverage does not include any cost or expense to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants".	

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b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of Windstorm Or Hail; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy. Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree. c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.	b. Subject to the limitations set forth in c. below, "we" also pay for the reasonable cost to remove from the "described location": 1) "your" fallen tree or trees if the falling of the tree or trees is caused by the peril of Windstorm Or Hail; or 2) a neighbor's fallen tree or trees if the falling of the tree or trees is caused by any of the Perils Insured Against covered by this policy. Regardless of the number of fallen trees, the most "we" pay is $1,000 per occurrence. However, "we" pay no more than $500 of this "limit" to remove any one tree. c. The coverage described in b. above applies only to a fallen tree that: 1) causes damage to a covered structure; 2) prevents a "motorized vehicle" that is registered for use on public roads or property from using a driveway on the "described location"; or 3) obstructs a ramp or other fixture designed to make the residence on the "described location" accessible to a handicapped person.	

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4. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Property Coverages do not apply to such property while removed. However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	4. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from a Peril Insured Against. The property is covered for up to 30 days, however this coverage does not extend past the date on which this policy expires. This coverage does not increase the "limits" that apply to the property being removed. The Exclusions That Apply To Property Coverages do not apply to such property while removed. However, "we" do not pay any "insured" for loss that results from any act committed by or at the direction of an "insured" with the intent to cause a loss. This applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	
5. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.	5. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or an agreement when a fire department is called to save or protect covered property from a Peril Insured Against.	

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However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	However, "we" do not pay for such charges when the property is located within the limits of the city, municipality, or protection district that provides the fire department response. The most "we" pay is $500 per occurrence unless a higher "limit" for Fire Department Service Charge is shown on the "declarations".	
6. **Glass Or Safety Glazing Material**	6. **Glass Or Safety Glazing Material**	
a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window. "We" pay to replace damaged glass with safety glazing materials if required by code, ordinance, or law; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.	a. "We" pay for: 1) the breakage of glass or safety glazing material that is part of a covered building or storm door or window. "We" pay to replace damaged glass with safety glazing materials if required by code, ordinance, or law; and 2) direct physical loss to covered property caused only by broken pieces of glass or safety glazing material that, before breaking, was part of a building or storm door or window.	
b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.	b. The Earth Movement exclusion under Exclusions That Apply To Property Coverages does not apply with respect to the coverage described in a. above.	

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c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A residence being built is not vacant. d. The most "we" pay is $100 per occurrence. This coverage does not increase the "limits" that apply to the property covered. 7. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period;	c. Under this Incidental Property Coverage, "we" do not pay for loss: 1) to covered property that occurs because of the breakage of glass or safety glazing material, except as provided in a.2) above; or 2) on the "described location" if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. However, this does not apply to loss caused by breakage of glass or safety glazing material that is the direct result of earth movement. A residence being built is not vacant. d. The most "we" pay is $100 per occurrence. This coverage does not increase the "limits" that apply to the property covered. 7. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association. Coverage applies only when the assessment: 1) is levied during the policy period;	

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2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location". b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.	2) results from direct loss to property that is: a) owned collectively by all association members; b) of the type that would be eligible for coverage by this policy if it were owned by "you"; and c) caused by a Peril Insured Against covered by this policy, but this does not include: (1) earthquake; or (2) land shock waves or tremors before, during, or after a volcanic eruption; and 3) is levied against "you" as owner or tenant of the "described location". b. However, "we" do not pay for an assessment that: 1) results from a deductible in the insurance held by the association; or 2) is levied against "you" or the association by any governmental body or authority. c. The most "we" pay is $1,500 per occurrence unless a higher "limit" for Loss Assessment is shown on the "declarations". The "limit" that applies is the most "we" pay for any one loss, regardless of the number of assessments.	

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d. The Policy Period condition under Conditions Applicable to Property Coverages Only does not apply to this Incidental Property Coverage.	d. The Policy Period condition under Conditions Applicable To Property Coverages Only does not apply to this Incidental Property Coverage.	
8. **Reasonable Repairs**	8. **Reasonable Repairs**	
a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.	a. "We" pay for the reasonable costs incurred by "you" for necessary measures performed solely to protect covered property from further damage by a Peril Insured Against if a Peril Insured Against has already caused a loss.	
b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.	b. If the measures described in a. above involve repair to other damaged property, "we" pay only if the property that is repaired is covered by this policy and only if the damage that necessitates the repair is caused by a Peril Insured Against. This coverage does not: 1) increase the "limit" that applies to the property covered; or 2) relieve "you" of the duties described in 1.b., Protecting Property, under What Must Be Done In Case Of Loss Or Occurrence.	

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9. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit. Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.	9. **Refrigerated Property** -- "We" pay for direct loss to covered property stored in a freezer or refrigerated unit on the "described location" caused by: a. complete or partial disruption of electrical power due to conditions beyond an "insured's" control, if such disruption is caused by damage to the generating or transmission equipment; or b. mechanical breakdown of the freezer or refrigerated unit. Coverage applies only if the freezer or refrigerated unit had been maintained in proper working order prior to the loss. The most "we" pay is $500 per occurrence unless a higher "limit" for Refrigerated Property is shown on the "declarations". The Power Failure and Bacteria, Fungi, Wet Rot, Or Dry Rot exclusions under Exclusions That Apply To Property Coverages do not apply to this Incidental Property Coverage.	

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10. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft. "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	10. **Trees, Plants, Shrubs, Or Lawns** -- "We" pay for direct physical loss to trees, plants, shrubs, or lawns on the "described location" caused by: a. Fire Or Lightning, Explosion, Riot Or Civil Commotion, Aircraft; b. Vehicles if not owned or operated by an occupant of the "described location"; or c. Vandalism Or Malicious Mischief or Theft. "You" may apply up to 5% of the Coverage A "limit" to cover trees, plants, shrubs, or lawns. "We" do not pay more than $500 for each tree, plant, or shrub. This includes the cost to remove the debris of the covered item. "We" do not cover trees, plants, shrubs, or lawns grown for "business".	
PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D "We" insure against direct physical loss to property covered under Coverage A, Coverage B, or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning**	**PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D** "We" insure against direct physical loss to property covered under Coverage A, Coverage B, or Coverage C caused by the following perils, unless the loss is excluded under the Exclusions That Apply To Property Coverages: a. **Fire Or Lightning**	

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b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.	b. **Windstorm Or Hail** However, "we" do not pay for loss: 1) to the interior of a building, or to property inside, caused by dust, rain, sand, sleet, or snow, all whether driven by wind or not, that enters through an opening in the building not made by the direct force of wind or hail; or 2) to watercraft or their furnishings, equipment, engines, motors, trailers, or semitrailers unless inside a fully enclosed building.	
c. **Explosion**	c. **Explosion**	
d. **Riot Or Civil Commotion**	d. **Riot Or Civil Commotion**	
e. **Aircraft** -- This includes self-propelled missiles and spacecraft.	e. **Aircraft** -- This includes self-propelled missiles and spacecraft.	
f. **Vehicles** However, "we" do not pay for loss caused by a vehicle owned or operated by an occupant of the "described location".	f. **Vehicles** However, "we" do not pay for loss caused by a vehicle owned or operated by an occupant of the "described location".	
g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from fireplaces or from agricultural smudging or industrial operations.	g. **Sudden And Accidental Damage From Smoke** -- This includes sudden and accidental damage from fumes, smoke, soot, or vapors that emit or back up from a boiler, furnace, or related equipment. However, "we" do not pay for loss caused by smoke from fireplaces or from agricultural smudging or industrial operations.	

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h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors.	h. **Volcanic Eruption** However, this does not include loss caused by earthquake, land shock waves, or tremors.	
i. **Vandalism Or Malicious Mischief** However, "we" do not pay for loss to property on the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed in the course of vandalism or malicious mischief; if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	i. **Vandalism Or Malicious Mischief** However, "we" do not pay for loss to property on the "described location": 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if the residence covered under Coverage A was vacant for more than 60 days in a row just before the loss. A residence being built is not vacant.	The proposed form specifies that coverage for an ensuing loss from a wrongful act committed *intentionally* in the course of vandalism or malicious mischief is excluded.
j. **Theft** -- This includes attempted theft and loss of property from a known place on the "described location" when it is likely that theft occurred.	j. **Theft** -- This includes attempted theft and loss of property from a known place on the "described location" when it is likely that theft occurred.	

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However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) of a precious or semiprecious stone from its setting; 4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 6) caused by theft that occurs away from the "described location". Under this peril, personal property placed for safekeeping in a bank, trust or safe deposit company, or public warehouse is considered on the "described location". The most "we" pay for loss caused by theft is $1,000 per occurrence.	However, "we" do not pay for loss: 1) caused by theft by an "insured"; 2) caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use; 3) of a precious or semiprecious stone from its setting; 4) that results from the theft of: a) a credit card; b) an electronic fund transfer card; or c) an electronic access device that makes possible the deposit, withdrawal, or transfer of funds; except as provided under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money; 5) caused by theft from a part of the "described location" rented by an "insured" to a person other than another "insured"; or 6) caused by theft that occurs away from the "described location". Under this peril, personal property placed for safekeeping in a bank, trust or safe deposit company, or public warehouse is considered on the "described location". The most "we" pay for loss caused by theft is $1,000 per occurrence.	

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k. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes.	k. **Sinkhole Collapse** -- This means the sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation. However, "we" do not cover the cost of filling sinkholes.	
EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES	**EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**	
"We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	"We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.	
These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.	These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.	
a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Glass Or Safety Glazing Material;	a. **Ordinance Or Law** -- "We" do not pay for: 1) any loss or increased cost that results from the enforcement of a code, ordinance, or law that regulates the construction, repair, or demolition of property or the removal of its debris, except as provided under the Incidental Property Coverage for Glass Or Safety Glazing Material;	

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2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property. b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy. c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination.	2) any loss in value of property that results from the enforcement of a code, ordinance, or law; or 3) any loss, cost, or expense that results from the enforcement of a code, ordinance, or law requiring that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants". This exclusion applies whether or not there has been physical damage to covered property. b. **Civil Authority** -- "We" do not pay for loss caused by the confiscation, destruction, or seizure of property covered under Coverage A, Coverage B, or Coverage C by order of civil authority. "We" do pay for loss caused by acts ordered by a civil authority at the time of a fire to prevent its spread, but only if loss caused by the fire would be covered by this policy. c. **Nuclear Hazard** 1) "We" do not pay for loss caused by nuclear reaction, radiation, or radioactive contamination: a) whether controlled or uncontrolled; or b) however caused; or any consequence of such reaction, radiation, or contamination.	

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2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils. 3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered. d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.	2) Loss caused by nuclear reaction, radiation, or radioactive contamination is not considered loss caused by: a) fire; b) explosion; or c) smoke; even if this policy provides coverage for loss caused by one or more of these perils. 3) Direct loss by fire resulting from nuclear reaction, radiation, or radioactive contamination is covered. d. **War And Military Action** -- "We" do not pay for loss caused by: 1) war, including undeclared or civil war; 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.	

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With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental. e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss. f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against.	With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction, radiation, or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental. e. **Neglect** -- "We" do not pay for loss caused by the neglect of an "insured" to use all reasonable means to save and preserve covered property at and after the time of a loss. f. **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against.	

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"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	"We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	
g. **Water Damage** -- "We" do not pay for loss caused by water damage whether the water damage results from or is caused by human or animal forces or an act of nature. Water damage means: 1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, all whether driven by wind or not;	g. **Water** 1) "We" do not pay for loss caused by: a) flood; b) surface water; c) waves, including but not limited to tidal wave and tsunami; d) tides; e) tidal water; f) overflow of any body of water; or g) spray from a) through f) above; whether driven by wind or not. This includes, but is not limited to, tidal surge, storm surge, and storm tide.	The proposed form's exclusion is titled Water instead of Water Damage. In the proposed form, the language that is comparable to the current form's "whether the water damage results from or is caused by human or animal forces or an act of nature' is set forth in item 5)a) of the exclusion. The proposed form specifies that waves includes, but is not limited to, tidal wave and tsunami. The proposed form specifically excludes loss caused by tides. The proposed form specifies that loss caused by flood, etc., includes but is not limited to, loss caused by tidal surge, storm surge, and storm tide.

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2) water or matter present in water that backs up through sewers or drains or that overflows or is discharged from: a) a sump, sump pump, or related equipment; or b) any other type of system designed to remove subsurface water which is drained from the foundation area; or	2) "We" do not pay for loss caused by water that: a) backs up through sewers or drains; or b) overflows or otherwise discharges from: (1) a sump, sump pump, or related equipment; or (2) any other type of system designed to remove subsurface water which is drained from the foundation area.	The proposed form precludes coverage for water that backs up through sewers or drains or that overflows or *otherwise discharges* from a sump, etc. In addition, language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form.
3) water or matter present in water below the surface of the ground. This includes water or matter present in water that exerts pressure on, or seeps or leaks through or into, a building, sidewalk, driveway, foundation, swimming pool, or other structure.	3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.	Language that's comparable to the current form's 'matter present in water' is set forth in item 4) of the exclusion in the proposed form. In addition, the proposed form specifically mentions water that flows through or into a building, etc., and it also specifically mentions patios.
	4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.	The proposed form precludes coverage for matter present in or carried or otherwise moved by all excluded water.

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	5) The exclusions set forth in 1) through 4) above:	
	a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and	The proposed form specifies that theses exclusions apply regardless of the cause of the excluded event, whether or not such cause is an act of nature.
	b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that: (1) overtops; (2) escapes from; (3) is released from; or (4) is otherwise discharged from; a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.	In addition, the exclusions apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that overtops, escapes from, is released from or is otherwise discharged from a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.
"We" do pay for direct loss to covered property caused by fire or explosion resulting from water damage.	6) "We" do pay for direct loss to covered property caused by fire or explosion resulting from an event excluded in 1) through 4) above.	Editorial revisions.
This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.	Editorial revisions.

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h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	h. **Power Failure** -- "We" do not pay for loss caused by the failure of power or other utility service, whether or not it is caused by a Peril Insured Against, if the cause of the failure is not on the "described location". "We" do pay for direct loss that is otherwise covered by this policy that occurs on the "described location" as a result of the failure of power or other utility service.	
i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	i. **Intentional Acts** -- "We" do not pay any "insured" for loss that results from any act committed: 1) by an "insured", alone or in collusion with another; or 2) at the direction of an "insured"; with the intent to cause a loss. This exclusion applies even with respect to an "insured" who was not involved in the commission or direction of the act that caused the loss.	
j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	j. **Bacteria, Fungi, Wet Rot, Or Dry Rot** -- "We" do not pay for loss, cost, or expense caused by, consisting of, or relating to the existence of or any activity of bacteria, "fungi", wet rot, or dry rot that is not the direct result of a Peril Insured Against. "We" do pay for direct loss to covered property caused by a Peril Insured Against resulting from bacteria, "fungi", wet rot, or dry rot.	

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LIABILITY COVERAGES **PRINCIPAL LIABILITY COVERAGES** 1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose. "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	**LIABILITY COVERAGES** **PRINCIPAL LIABILITY COVERAGES** 1. **Coverage L -- Personal Liability** -- "We" pay, up to the "limit" that applies, all sums for which an "insured" is legally liable because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. "We" will defend a suit seeking damages if the suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose. "We" may make investigations and settle claims or suits that "we" decide are appropriate. "We" do not have to settle or provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.	

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2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses. This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to: a. a person on an "insured premises" with the permission of an "insured"; or b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	2. **Coverage M -- Medical Payments To Others** -- "We" pay the necessary medical expenses if they are incurred or medically determined within three years from the date of an accident causing "bodily injury" covered by this policy. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses. This coverage does not apply to "you" or to any person who is a regular resident of "your" household, other than a "domestic employee". With respect to others, this coverage applies only to: a. a person on an "insured premises" with the permission of an "insured"; or b. a person away from an "insured premises" if the "bodily injury": 1) arises out of a condition on an "insured premises" or the access ways immediately adjoining an "insured premises"; 2) is caused by an activity of an "insured"; 3) is caused by a "domestic employee" in the course of his or her employment by an "insured"; or 4) is caused by an animal owned by or in the care of an "insured".	

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INCIDENTAL LIABILITY COVERAGES This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages. 1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or 2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	**INCIDENTAL LIABILITY COVERAGES** This policy provides the following Incidental Liability Coverages. They are subject to all of the "terms" of Coverage L and Coverage M. Except for Claims And Defense Cost, Damage To Property Of Others, First Aid Expense, and Loss Assessment, they do not increase the "limits" stated for the Principal Liability Coverages. 1. **Business** a. "We" pay for "bodily injury" or "property damage" that arises out of: 1) the rental or holding for rental of an "insured premises": a) on an occasional basis for use only as a residence; b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or c) in part for use as a school, studio, office, or private garage; or 2) the "business" activities of an "insured" under the age of 21 years, but only if such "insured" is involved in a part-time or occasional, self-employed "business" that does not employ others and the "bodily injury" or "property damage" arises out of activities related to that "business".	

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b. This Incidental Liability Coverage for Business is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	b. This Incidental Liability Coverage for Business is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M.	
2. **Claims And Defense Cost** -- "We" pay for:	2. **Claims And Defense Cost** -- "We" pay for:	
a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;	a. the costs incurred by "us" and the costs taxed to an "insured" in a suit "we" defend;	
b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	b. the premiums on required bonds in a suit "we" defend, but only for bond amounts up to the "limit" that applies. "We" are not required to apply for or furnish bonds;	
c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	c. the necessary costs incurred by an "insured" at "our" request for assisting "us" in the investigation or defense of a claim or suit. This includes up to $250 per day, per "insured", for the actual loss of earnings, but not loss of other income, for time spent away from work at "our" request;	

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d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	d. the interest on the entire judgment that accrues after the entry of the judgment, but ending when "we" tender, pay, or deposit in court that part of the judgment that does not exceed the "limit" that applies; and	
e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	e. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit" that applies, "we" will not pay any prejudgment interest based on that period of time after the offer.	
3. **Contracts**	3. **Contracts**	
a. "We" pay for "bodily injury" or "property damage": 1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or 2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.	a. "We" pay for "bodily injury" or "property damage": 1) for which an "insured" is liable under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or 2) for which "you" are liable under a written contract, made before the loss, in which "you" have assumed the liability of others. The loss causing the "bodily injury" or "property damage" must have occurred during the policy period.	

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b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage. However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;	b. This Incidental Liability Coverage for Contracts is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M; 2) Additional Exclusions That Apply Only To Coverage L, other than exclusion c.; and 3) Additional Exclusions That Apply Only To Coverage M. 4. **Damage To Property Of Others** -- Regardless of an "insured's" legal liability, "we" pay, at replacement cost, for "property damage" to property of others caused by an "insured". The "limit" that applies to this coverage is $1,000 per "occurrence". The exclusions that apply to Coverage L and Coverage M do not apply to this coverage. However, "we" do not pay for "property damage": a. covered under the Property Coverages section of this policy. However, "we" will pay for "property damage" in excess of the amount recoverable under the Property Coverages, to the extent that such "property damage" is covered under the "terms" of this Incidental Liability Coverage;	

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b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years; d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or	b. to property owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or a tenant of an "insured"; c. caused intentionally by an "insured" who has attained the age of 13 years; d. arising out of an act or omission in any way related to a: 1) "business" undertaken by an "insured"; or 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, leasing, loading, or unloading of "aircraft", "hovercraft", "motorized vehicles", or "watercraft". However, this exclusion does not apply to "property damage" arising out of a "motorized vehicle": 1) that is not owned by an "insured" and is designed: a) for recreational use off of public roads; or b) to assist the handicapped; or	

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2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.	2) that is not owned by an "insured" and is used only to service: a) an "insured premises"; or b) a premises of another, not in the course of "business"; if, at the time of the "occurrence", such "motorized vehicle" is not required by law or governmental regulation to be registered for use on public roads or property.	
5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	5. **First Aid Expense** -- "We" pay the expenses incurred by an "insured" for first aid to persons, other than "insureds", for "bodily injury" covered by this policy.	
6. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of: 1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or	6. **Loss Assessment** a. "We" pay for "your" share of an assessment levied by a homeowners, condominium, or similar residential association if the assessment is levied as a result of: 1) "bodily injury" or "property damage" to which Coverage L and Coverage M apply; or	

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2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.	2) damages or legal fees the association legally must pay for the acts of a director, officer, or trustee that result from the exercise of his or her duties solely on behalf of the association. This applies only to the acts of a director, officer, or trustee who is elected by the members of the association and who serves without receiving a fee, salary, or other compensation, other than reimbursement of expenses incurred.	
b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	b. However, "we" do not pay for assessments levied against "you" or a homeowners, condominium, or similar residential association by any governmental body or authority.	
c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	c. Coverage applies only when the assessment is levied during the policy period and is levied against "you" as owner or tenant of the "described location".	
d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.	d. The most "we" pay is $1,500 per occurrence. Regardless of the number of assessments, this "limit" is the most "we" pay for loss arising out of: 1) any one accident, including repeated exposures to similar conditions; or 2) an act of a director or trustee. An act involving more than one director or trustee is considered a single act.	

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e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	e. The Policy Period condition under Conditions Applicable To Liability Coverages Only does not apply to this Incidental Liability Coverage.	
7. **Motorized Vehicles**	7. **Motorized Vehicles**	
a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:	a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "motorized vehicle" that:	
1) is in dead storage on an "insured premises";	1) is in dead storage on an "insured premises";	
2) is used only to service:	2) is used only to service:	
a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or	a) an "insured premises", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; or	
b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;	b) an "insured premises" or a premises of another, but only if such "motorized vehicle" is designed only for use off of public roads;	
3) is designed to assist the handicapped;	3) is designed to assist the handicapped;	

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4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; 5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and	4) is designed for recreational use off of public roads and is: a) not owned by an "insured"; or b) owned by an "insured", but only if the "occurrence" takes place on an "insured premises" as defined in 14.a., 14.b., 14.c., 14.f., 14.g., or 14.h. under Definitions; 5) is operated only from electrical current supplied by a battery and is: a) not built or modified after manufacture to exceed a speed of 15 miles per hour on level ground; and b) not a motorized bicycle, moped, or golf cart; or 6) is a motorized golf cart that: a) is owned by an "insured"; b) is designed to carry no more than four persons; c) is not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground; and	

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d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or (b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or	d) at the time of the "occurrence", is within the legal boundaries of: (1) a golfing establishment and is: (a) parked or stored there; or (b) being used by an "insured" to: (i) play the game of golf or for other recreational or leisure activity allowed by the establishment; (ii) travel to or from an area where "motorized vehicles" or golf carts are parked or stored; or (iii) cross public roads at designated points to access other parts of the golfing establishment; or	

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(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located. b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	(2) a private residential community, including its public roads upon which a motorized golf cart can legally travel: (a) that is subject to the authority of an association of property owners; and (b) in which an "insured premises" is located. b. The coverage described in a. above applies only to a "motorized vehicle" that, at the time of the "occurrence", is not: 1) registered for use on public roads or property; 2) required by law or governmental regulation to be registered for use at the location of the "occurrence"; 3) being used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest; 4) being rented to others; 5) being used to carry people or cargo for a fee; or 6) being used for any "business" purpose, except a motorized golf cart while on a golfing establishment.	

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c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 8. **Watercraft** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that: 1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is: a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	c. This Incidental Liability Coverage for Motorized Vehicles is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than: a) exclusions c. and e.; and b) solely with respect to the use of a motorized golf cart while on a golfing establishment, exclusion g.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. 8. **Watercraft** a. Subject to the limitations set forth in b. and c. below, "we" pay for "bodily injury" or "property damage" that arises out of a "watercraft" that: 1) is in storage; 2) is a sailing vessel, with or without auxiliary power, that is: a) less than 26 feet in overall length; or b) 26 feet or more in overall length and not owned by or rented to an "insured"; or	

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3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or	3) is not a sailing vessel and is powered by: a) an inboard or inboard-outdrive engine or motor, including an engine or motor that powers a water jet pump, of: (1) 50 horsepower or less if not owned by an "insured"; or (2) more than 50 horsepower if not owned by or rented to an "insured"; or b) one or more outboard engines or motors with: (1) 25 total horsepower or less; (2) more than 25 horsepower if the outboard engine or motor is not owned by an "insured"; (3) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or	

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(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired. In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer. b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or	(4) more than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if: (a) it is listed on the "declarations" as insured for personal liability; or (b) a written request for liability coverage is received by "us" within 45 days after it is acquired. In this Incidental Liability Coverage for Watercraft, horsepower means the maximum power rating assigned to the engine or motor by the manufacturer. b. The coverage described in a. above applies only to a "watercraft" that, at the time of the "occurrence", is not being: 1) rented to others; 2) used to carry people or cargo for a fee; 3) used for any "business" purpose; or	

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4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise. c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. **EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES** 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war;	4) used in, or in the practice or the preparation for, a prearranged or organized racing, speed, pulling or pushing, demolition, or stunt activity or contest. However, this does not apply to a sailing vessel or to a "watercraft" being used in a predicted log contest or cruise. c. This Incidental Liability Coverage for Watercraft is subject to all of the: 1) Exclusions That Apply To Coverage L And Coverage M, other than exclusions c. and e.; 2) Additional Exclusions That Apply Only To Coverage L; and 3) Additional Exclusions That Apply Only To Coverage M. **EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES** 1. **Exclusions That Apply To Coverage L And Coverage M** -- Coverage L and Coverage M do not apply to: a. "bodily injury" or "property damage" caused directly or indirectly by: 1) war, including undeclared or civil war;	

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2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental. b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft".	2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental. b. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of "aircraft" or "hovercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of "aircraft" or "hovercraft" by any person; 3) the entrustment or loaning of "aircraft" or "hovercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to "aircraft" or "hovercraft".	

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However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	
c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person; 3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft".	c. "bodily injury" or "property damage" arising out of: 1) the ownership or leasing of a "motorized vehicle" or "watercraft" by an "insured"; 2) the operation, maintenance, use, occupancy, loading, or unloading of a "motorized vehicle" or "watercraft" by any person; 3) the entrustment or loaning of a "motorized vehicle" or "watercraft" by an "insured" to any person; or 4) an "insured's" negligent supervision of or failure to supervise any person with respect to a "motorized vehicle" or "watercraft".	
However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured" or if coverage is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	

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d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	d. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to: 1) "aircraft"; or 2) "hovercraft". This applies whether or not such liability is imposed by law.	
e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	e. "bodily injury" or "property damage" for which an "insured" is vicariously liable if the "bodily injury" or "property damage" arises out of the actions of a child or minor with respect to a: 1) "motorized vehicle"; or 2) "watercraft". This applies whether or not such liability is imposed by law. However, this exclusion does not apply to the extent that coverage for the "motorized vehicle" or "watercraft" is provided under the Incidental Liability Coverage for Motorized Vehicles or the Incidental Liability Coverage for Watercraft.	

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f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	f. "bodily injury" or "property damage" arising out of the rendering of or the failing to render a professional service.	
g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	g. "bodily injury" or "property damage" arising out of or in any way related to a "business" conducted from an "insured premises" or undertaken by an "insured", regardless of location, whether or not the "business" is owned or operated by an "insured" or employs an "insured". This includes but is not limited to "bodily injury" or "property damage" arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the "business". However, this exclusion does not apply to the extent that coverage is provided: 1) for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or 2) under the Incidental Liability Coverage for Business.	

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h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	h. "bodily injury" or "property damage" that arises out of premises that are: 1) owned by an "insured"; 2) rented to an "insured"; or 3) rented to others by an "insured"; and that are not "insured premises". However, this exclusion does not apply to "bodily injury" to a "domestic employee" arising out of and in the course of his or her employment by an "insured".	
i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured". This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended.	i. "bodily injury" or "property damage" that is: 1) expected by, directed by, or intended by an "insured"; 2) the result of a criminal act of an "insured"; or 3) the result of an intentional and malicious act by or at the direction of an "insured". This exclusion applies even if the "bodily injury" or "property damage": 1) that occurs is different than what was expected, directed, or intended; or 2) is suffered by persons, entities, or property not expected, directed, or intended.	

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However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.	However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force by an "insured" to protect people or property.	
j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".	j. "bodily injury" or "property damage" that arises out of the transmission of a communicable disease by an "insured".	
k. "bodily injury" or "property damage" that arises out of sexual molestation.	k. "bodily injury" or "property damage" that arises out of sexual molestation.	
l. "bodily injury" or "property damage" that arises out of physical or mental abuse.	l. "bodily injury" or "property damage" that arises out of physical or mental abuse.	
m. "bodily injury" or "property damage" that arises out of corporal punishment.	m. "bodily injury" or "property damage" that arises out of corporal punishment.	
n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.	n. "bodily injury" or "property damage" that arises out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.	

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2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured". c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts. d. "property damage" to property owned by an "insured". e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	2. **Additional Exclusions That Apply Only To Coverage L** -- Coverage L does not apply to: a. "bodily injury" to an "insured" as defined in 13.a., 13.b., 13.c., 13.d., or 13.e. under Definitions. b. any claim made or suit brought against an "insured" seeking: 1) reimbursement of; or 2) contribution toward; damages for which another person may be liable because of "bodily injury" to an "insured". c. liability under a contract or an agreement entered into by an "insured", except as provided under the Incidental Liability Coverage for Contracts. d. "property damage" to property owned by an "insured". e. cost or expense for measures performed on property owned by an "insured" to prevent: 1) injury to a person; or 2) damage to property of others; on or away from an "insured premises", whether such cost or expense is incurred by an "insured" or others.	

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f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	f. "property damage" to property that is rented to, occupied by, used by, or in the care of an "insured". However, this exclusion does not apply to "property damage" to such property caused by fire, smoke, or explosion.	
g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	g. sickness, disease, or death of a "domestic employee" unless a written notice is received by "us" within 36 months after the end of the policy period in which the injury occurred.	
h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.	h. "bodily injury" to a person, including a "domestic employee", if: 1) an "insured" has a workers' compensation policy covering the injury; or 2) benefits are payable or are required to be provided by an "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.	
i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.	i. liability for any assessment levied by a homeowners, condominium, or similar residential association, except as provided under the Incidental Liability Coverage for Loss Assessment.	

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j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	j. "bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under a nuclear energy liability policy but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, or Nuclear Insurance Association of Canada or their successors.)	
3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":	3. **Additional Exclusions That Apply Only To Coverage M** -- Coverage M does not apply to "bodily injury":	
a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".	a. to an "insured" or any other person, other than a "domestic employee", who regularly resides on any part of the "insured premises".	
b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.	b. to a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided or required to be provided under a workers' compensation, non-occupational disability, occupational disease, or like law.	

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c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	c. to a "domestic employee" if the "bodily injury": 1) occurs away from an "insured premises"; and 2) does not arise out of or in the course of his or her employment by an "insured". d. from any: 1) nuclear reaction; 2) nuclear radiation; or 3) radioactive contamination; whether controlled or uncontrolled or however caused; or 4) any consequence of 1), 2), or 3) above.	
WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE	**WHAT MUST BE DONE IN CASE OF LOSS OR OCCURRENCE**	
1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.	1. **Property Coverages** The following duties apply when there is loss to covered property. These duties must be performed by "you", "your" representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.	

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"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device. b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs. c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	"We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Prompt notice must be given to "us" or "our" agent. "We" may request written notice. Notice must be given to the police when the loss involves theft. Notice must be given to the credit card, electronic fund transfer card, or electronic access device company when the loss involves a credit card, an electronic fund transfer card, or an electronic access device. b. **Protecting Property** -- All reasonable measures must be taken to protect covered property at and after a covered loss to avoid further loss. If the property must be repaired, "you" must: 1) make reasonable and necessary repairs to protect the property; and 2) keep an accurate record of the costs of such repairs. c. **Cooperation** -- All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with "us" in the investigation of a claim.	

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d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	d. **Inventory Of Damaged Personal Property** -- "We" must be given an inventory of personal property involved in a loss that shows, in detail, the: 1) quantity; 2) description; 3) "actual cash value"; and 4) amount of loss. Copies of all bills, receipts, and related documents that confirm the figures stated in the inventory must be attached.	
e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	e. **Showing Damaged Property** -- As often as "we" reasonably request, "we" must be: 1) shown the damaged property; and 2) allowed to take samples of damaged property for inspection, testing, and analysis.	
f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents.	f. **Records And Documents** -- As often as "we" reasonably request, "we" must be: 1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and 2) permitted to make copies of such records and documents.	

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g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	g. **Examination Under Oath** -- As often as "we" reasonably request, all "insureds" must: 1) submit to examination under oath in matters that relate to the loss or claim; and 2) sign such statement made under oath. If more than one person is examined, "we" have the right to examine and receive statements separately from each person and not in the presence of other "insureds".	
h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;	h. **Proof Of Loss** -- "We" must be given a signed, sworn proof of loss, within 60 days after "our" request, that: 1) states, to the best of "your" knowledge and belief, the: a) time and cause of the loss; and b) interests of all "insureds" and the interests of all others, including all mortgages and liens, in the property involved in the loss;	

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2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above; d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss. i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	2) identifies: a) other policies that may cover the loss; and b) any changes in title or use of the property during the policy period; and 3) provides: a) available plans and specifications of damaged buildings; b) detailed estimates for repair; c) the inventory of damaged personal property described in d. above; d) receipts for additional living costs incurred and records that prove the fair rental value; and e) evidence or affidavit supporting a claim under the Incidental Property Coverage for Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money and stating the amount and cause of loss. i. **Assistance With Enforcing Right Of Recovery** -- At "our" request, "we" must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.	

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2. **Liability Coverages** The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed. "We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state: 1) "your" name and the policy number; 2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses. b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	2. **Liability Coverages** The following duties apply when there has been an "occurrence". These duties must be performed by "you" or another "insured". "You" must assist "us" by seeing that they are performed. "We" are not obligated to provide the coverages described in this policy if these duties are not performed. a. **Notice** -- Written notice must be given to "us" or "our" agent as soon as is practical. The notice must state: 1) "your" name and the policy number; 2) reasonably available information regarding the time, location, and other details of the "occurrence"; and 3) the names and addresses of all known potential claimants and witnesses. b. **Volunteer Payments** -- Any: 1) payments made; 2) rewards paid or offered; or 3) obligations or other costs assumed; by an "insured" will be at the "insured's" own cost. However, this does not apply to costs that are covered under the Incidental Liability Coverage for First Aid Expense.	

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c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	c. **Cooperation** -- The "insured" must cooperate with "us" in the investigation, defense, or settlement of a claim or suit.	
d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	d. **Notices, Demands, And Legal Papers** -- The "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence".	
e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses.	e. **Assistance With Claims And Suits** -- At "our" request, the "insured" must help "us": 1) to settle a claim; 2) to enforce the right of recovery or indemnification against all parties who may be liable to an "insured"; 3) to conduct suits. This includes being at trials and hearings; 4) in the securing of and giving of evidence; and 5) in obtaining the attendance of all witnesses.	
f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	f. **Other Duties -- Damage To Property Of Others** -- "We" must be given a sworn statement of loss within 60 days after the loss. The damaged property must be shown to "us" if it is within an "insured's" control.	

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HOW MUCH WE PAY FOR LOSS OR OCCURRENCE 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;	**HOW MUCH WE PAY FOR LOSS OR OCCURRENCE** 1. **Property Coverages** a. **Our Limit** -- "We" pay the lesser of: 1) the "limit" that applies; or 2) the amount determined under the applicable Loss Settlement Terms; regardless of the number of "insureds" with an interest in the property. However, no "insured" will be paid an amount that exceeds his or her interest in the property at the time of loss. b. **Deductible** 1) This applies to all Principal Property Coverages and all Incidental Property Coverages except: a) Credit Card; Electronic Fund Transfer Card Or Access Device; Forgery; And Counterfeit Money;	

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b) Fire Department Service Charge; and c) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated. 2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.	b) Fire Department Service Charge; and c) Refrigerated Property. It applies to all Perils Insured Against unless otherwise stated. 2) Subject to the "limits" that apply, "we" pay that part of the loss over the deductible. The deductible applies: a) per occurrence and, with respect to the Incidental Property Coverages for Association Deductible and Loss Assessment, regardless of the number of deductibles charged or assessments levied; and b) separately at each covered location. Only one deductible applies at each location. c. **Loss To A Pair Or Set** -- If there is a loss to an item that is part of a pair or set, "we" pay only to replace or repair the item, or "we" pay the difference in the "actual cash value" of the pair or set just before the loss and the "actual cash value" just after the loss.	

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d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	d. **Loss To Parts** -- If there is a loss to a part of an item that consists of several parts when it is complete, "we" pay only for the value of the lost or damaged part or the cost to repair or replace it.	
e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Actual Cash Value Terms. In the Actual Cash Value Terms, cost to repair or replace does not include any increased cost that results from the enforcement of a code, ordinance, or law. **Actual Cash Value Terms** The smaller of the following amounts is used in applying the "terms" under Our Limit: 1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or 2) the "actual cash value" of the lost or damaged part of the property just before the loss.	e. **Loss Settlement Terms** -- Subject to the "terms" shown above, "we" settle losses according to the Actual Cash Value Terms. In the Actual Cash Value Terms, cost to repair or replace does not include any increased cost that results from the enforcement of a code, ordinance, or law. **Actual Cash Value Terms** The smaller of the following amounts is used in applying the "terms" under Our Limit: 1) the cost to repair or replace the lost or damaged part of the property with materials of like kind and quality, to the extent practical; or 2) the "actual cash value" of the lost or damaged part of the property just before the loss.	

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2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	2. **Coverage L -- Personal Liability** -- The "limit" shown on the "declarations" for Coverage L is the most "we" pay for loss for each "occurrence". This applies regardless of the number of: a. persons insured under this policy; b. parties who sustain injury or damage; c. claims made or suits brought; or d. policy periods involved. All "bodily injury" and "property damage" arising out of any one accident or out of repeated exposures to similar conditions will be considered one "occurrence".	
3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	3. **Coverage M -- Medical Payments To Others** -- The "limit" shown on the "declarations" per person for Coverage M is the most "we" pay for all medical expenses payable for "bodily injury" to one person as the result of one accident. When a "limit" is shown on the "declarations" per accident for Coverage M, that "limit" is the most "we" pay for any one accident. The payment of a claim under Coverage M does not mean an admission of liability on "our" part or on the part of any "insured".	

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4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	4. **Severability** -- The Liability Coverages provided by this policy apply separately to each "insured", but this does not increase the "limit" that applies for any one "occurrence".	
5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy applies to a loss, "we" pay no more than the actual loss.	
6. **Insurance Under More Than One Policy**	6. **Insurance Under More Than One Policy**	
a. **Property Coverages**	a. **Property Coverages**	
1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.	1) If there is other insurance that applies to a loss, cost, or expense, other than insurance in the name of an association or a corporation of property owners, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount of insurance that applies to the loss, cost, or expense.	

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However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund. 2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible. b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy.	However, this does not apply to loss, cost, or expense that is also covered by: a) a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, even if such warranty, plan, or agreement has the characteristics or qualities of insurance; or b) a government fund. 2) When a loss, cost, or expense is also covered by insurance in the name of an association or a corporation of property owners, this insurance is excess over the "limit" that applies under such other insurance. However, this excess provision does not apply with respect to the coverage provided under the Incidental Property Coverage for Association Deductible. b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim, other than insurance written specifically to provide coverage in excess of the "limits" that apply in this policy.	

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If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	If the other insurance is also excess, "we" pay only "our" share of the loss. "We" pay only that part of the loss that the applicable "limit" under this policy bears to the total amount of insurance covering the loss.	
7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	7. **Warranties And Service Or Maintenance Plans Or Agreements** -- If loss, cost, or expense covered by this policy is also covered by a home warranty, a service or maintenance plan or agreement, or any other warranty, plan, or agreement that provides for the repair or replacement of property, this insurance is excess over any amount payable by such warranty, plan, or agreement. This applies even if such warranty, plan, or agreement has the characteristics or qualities of insurance.	
8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	8. **Government Funds** -- If loss, cost, or expense covered by this policy is also covered by a government fund, "we" pay "our" share of the loss, cost, or expense. "Our" share is that part of the loss, cost, or expense that the "limit" of this policy bears to the total amount payable for the loss, cost, or expense to the extent permitted by law.	

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PAYMENT OF LOSS

1. **Property Coverages**

   a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

      1) "we" reach an agreement with "you";
      2) there is an entry of a final judgment; or
      3) there is a filing of an appraisal award with "us".

      Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

   b. "We" may:

      1) pay the loss in money; or
      2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

      If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

PAYMENT OF LOSS

1. **Property Coverages**

   a. Except as provided in 3. below, "we" adjust each loss with "you". "We" pay a covered loss within 60 days after an acceptable proof of loss is received and:

      1) "we" reach an agreement with "you";
      2) there is an entry of a final judgment; or
      3) there is a filing of an appraisal award with "us".

      Payment is made to "you" unless a loss payee or some other person or entity is named in the policy or is legally entitled to receive payment.

   b. "We" may:

      1) pay the loss in money; or
      2) rebuild, repair, or replace the property. "We" must give "you" written notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

      If "we" pay the loss in money, "we" may take all or part of the damaged property at the agreed or appraised value. Property paid for or replaced by "us" becomes "ours".

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c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	c. If the "described location" is made unfit for use for more than one month, loss, cost, or expense covered under Coverage D is paid on a monthly basis. "You" must give "us" proof of such loss, cost, or expense.	
2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	2. **Liability Coverages** -- A person who has secured a judgment against an "insured" for a covered loss or has liability established by a written agreement between the claimant, an "insured", and "us" is entitled to recover under this policy to the extent of coverage provided.	
3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	3. **Damage To Personal Property Of Others** -- At "our" option, a covered loss may be adjusted with and paid:	
a. to "you" on behalf of the owner; or	a. to "you" on behalf of the owner; or	
b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	b. to the owner. If "we" pay the owner, "we" do not have to pay an "insured".	
POLICY CONDITIONS	**POLICY CONDITIONS**	
CONDITIONS APPLICABLE TO ALL COVERAGES	**CONDITIONS APPLICABLE TO ALL COVERAGES**	
1. **Assignment** -- This policy may not be assigned without "our" written consent.	1. **Assignment** -- This policy may not be assigned without "our" written consent.	

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2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective. When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk.	2. **Cancellation And Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice. During the first 59 days this policy is in effect, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective. When this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only at the anniversary date unless: a. the premium has not been paid when due; b. the policy was obtained through fraud, material misrepresentation, or omission of fact, which, if known by "us", would have caused "us" not to issue the policy; or c. there has been a material change or increase in hazard of the risk.	

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If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before cancellation is effective. If "we" cancel this policy for any other reason when it has been in effect for 60 days or more, "we" will give "you" notice at least 30 days before cancellation is effective. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective. "Your" return premium, if any, will be calculated on a pro rata basis and will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.	
3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".	3. **Change, Modification, Or Waiver Of Policy Terms** a. A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. b. If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which the "described location" is located. This applies only to revisions adopted within 60 days prior to or during the policy period shown on the "declarations".	

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However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms". 4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy.	However, this does not apply to revisions adopted as part of an overall program revision that both broadens and restricts coverage, whether "we" bring about the program revision by introducing: 1) a subsequent edition of "our" policy; or 2) an endorsement that amends "our" policy. c. "Our" request for an appraisal or examination under oath does not waive policy "terms". 4. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which the "described location" is located are changed to conform to such laws. 5. **Death** -- The "terms" in a. and b. below apply if any person named as the insured on the "declarations" or that person's spouse, if a resident of the same household, dies. a. "We" provide coverage for the legal representative of the deceased person: 1) but only with respect to the deceased person's premises and property covered by this policy at the time of death; and 2) only to the extent that coverage is provided by this policy.	

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b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified. 6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	b. "Insured" includes: 1) an "insured" who is a member of the deceased person's household at the time of the deceased person's death, but only while a resident of the "described location"; and 2) persons having proper, temporary custody of the deceased person's covered property, but only with respect to such property and only until such time as a legal representative is appointed and qualified. 6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.	

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7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	7. **Misrepresentation, Concealment, Or Fraud** -- "We" do not provide coverage for any "insured" if, before or after a loss: a. an "insured" has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or b. there has been fraudulent conduct or false swearing by an "insured" with regard to a matter that relates to this insurance or the subject thereof. This applies even with respect to an "insured" who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.	
8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.	8. **Subrogation** -- If "we" pay for a loss, "we" may require that the "insured" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, an "insured" impairs "our" right to recover against others. An "insured" may waive his or her right to recover, in writing and before a loss occurs, without affecting coverage.	

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In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	In the event that "we" require such an assignment, the "insured" must: a. sign and give to "us" all related documents; and b. cooperate with "us". Subrogation does not apply to Coverage M -- Medical Payments To Others or to the Incidental Liability Coverage for Damage To Property Of Others.	
CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY	**CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY**	
1. **Abandonment of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	1. **Abandonment Of Property** -- An "insured" may not abandon property to "us" unless "we" agree.	
2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.	2. **Appraisal** -- If "you" and "we" do not agree as to the value or amount of loss, either may demand an appraisal of such loss. In this event, "you" and "we" will each select a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they do not agree on an umpire within 15 days, "you" or "we" may ask a judge of a court of record of the state where the "described location" is located to make the selection.	

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A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	A written agreement of the two appraisers will set the amount of loss. If the appraisers fail to agree, they will submit their differences to the umpire. The written agreement of any two of these three will set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay the expense of "our" appraiser. "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal. Under no circumstance will an appraisal be used to interpret policy "terms", determine causation, or determine whether or not a loss is covered under this policy.	
3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	3. **Loss Payable Clause** -- With respect to those items of personal property for which a loss payee is shown on the "declarations", the definition of "insured" is extended to include that loss payee, but only with respect to those items of personal property. If "we" cancel or do not renew this policy, "we" will so notify, in writing, any loss payees shown on the "declarations".	

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4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee. b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so. All "terms" of this policy apply to the mortgagee unless changed by this clause. c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.	4. **Mortgage Clause** a. If a mortgagee is named on the "declarations", a loss payable under Coverage A or Coverage B will be paid to the mortgagee and "you", as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. The word mortgagee includes trustee. b. If "we" deny "your" claim, that denial does not apply to a valid claim of the mortgagee if the mortgagee has: 1) notified "us" of change in ownership, occupancy, or substantial change in risk of which the mortgagee became aware; 2) paid the premium due under this policy on demand if "you" neglected to pay the premium; and 3) submitted a signed, sworn statement of loss within 60 days after receiving notice from "us" if "you" failed to do so. All "terms" of this policy apply to the mortgagee unless changed by this clause. c. If "we" cancel or do not renew this policy, "we" will notify any mortgagees named on the "declarations" at least ten days before the date cancellation or nonrenewal takes effect.	

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d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	d. If "we" pay the mortgagee for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to all the rights of the mortgagee granted under the mortgage on the property. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim. At "our" option, "we" may pay to the mortgagee the whole principal on the mortgage plus the accrued interest. In this event, "we" will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.	
5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	5. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of covered property.	
6. **Policy Period** -- This policy covers only losses that occur during the policy period.	6. **Policy Period** -- This policy covers only losses that occur during the policy period.	
7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.	7. **Recoveries** -- This applies if "we" pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss. "You" must inform "us" or "we" must inform "you" if either recovers property or receives payment. Proper costs incurred by either party are paid first.	

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At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	At "your" option, "you" may keep the recovered property. If "you" keep the recovered property, the amount of the claim paid, or a lesser amount to which "we" agree, must be returned to "us". If the claim paid is less than the agreed loss due to a deductible or other limiting "terms", the recovery is prorated between "you" and "us" based on the interest of each in the loss.	
8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.	8. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Property Coverages have been complied with and the suit is brought within two years after the loss. If a law of the state where the "described location" is located makes this time period invalid, the suit must be brought within the time period allowed by the law.	
9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.	9. **Volcanic Eruption** -- All volcanic eruption that occurs within a 72-hour period constitutes a single occurrence.	
CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY	**CONDITIONS APPLICABLE TO LIABILITY COVERAGES ONLY**	
1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.	1. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.	

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2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.	2. **Duties Of An Injured Person -- Medical Payments To Others Coverage** -- In case of a loss, the injured person or someone acting on behalf of that person must: a. give "us" written proof of claim (under oath if "we" request) as soon as practical; and b. authorize "us" to get copies of medical records. The injured person must submit to medical exams by doctors chosen by "us" when and as often as "we" may reasonably require.	
3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.	3. **Policy Period** -- This policy covers only "bodily injury" and "property damage" that occur during the policy period.	
4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	4. **Suit Against Us** -- No suit may be brought against "us" unless all of the "terms" that apply to the Liability Coverages have been complied with and the amount of the "insured's" liability has been fixed by: a. a final judgment against the "insured" as a result of a trial; or b. a written agreement of the "insured", the claimant, and "us". No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".	

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WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement. **PROPERTY COVERAGES** The following is added: 1. "We" insure against direct physical loss to property covered under the Property Coverages caused by water or matter present in water that: a. backs up through sewers or drains; or b. overflows or is discharged from: 1) a sump, sump pump, or related equipment; or 2) any other type of system designed to remove subsurface water which is drained from the foundation area; even if such overflow or discharge results from mechanical breakdown.	**WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW** This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement. **PROPERTY COVERAGES** The following is added: 1. "We" insure against direct physical loss to property covered under the Property Coverages caused by water or matter present in or carried or otherwise moved by water that: a. backs up through sewers or drains; or b. overflows or otherwise discharges from: 1) a sump, sump pump, or related equipment; or 2) any other type of system designed to remove subsurface water which is drained from the foundation area; even if such overflow or discharge results from mechanical breakdown.	The proposed endorsements coverage grant has been revised to correspond with the changes made to the Water exclusion in the proposed booklet forms.

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The most "we" pay is $5,000 per occurrence. This does not increase the “limits” that apply to the property covered or the "limit" that applies to Coverage D.	The most "we" pay for such direct physical loss is $5,000 per occurrence. This does not increase the "limits" that apply to the property covered, nor does this coverage increase the "limit" that applies to Coverage D.	The proposed endorsement specifies that the limit applies to direct physical loss.
2. However, this coverage does not apply to: a. loss caused by the negligence of an "insured"; or b. loss of: 1) a sump, sump pump, or related equipment; or 2) any other type of system designed to remove subsurface water which is drained from the foundation area; that is caused by mechanical breakdown.	2. However, this coverage does not apply to: a. loss caused by the negligence of an "insured"; or b. loss of: 1) a sump, sump pump, or related equipment; or 2) any other type of system designed to remove subsurface water which is drained from the foundation area; that is caused by mechanical breakdown.	
EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES	**EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**	
1. In all forms except HO 0005, the Water Damage exclusion is deleted and replaced by the following.	With respect to the limited coverage provided by this endorsement, item 2) under Water is deleted and replaced by the following:	The proposed endorsement deletes and replaces only the pertinent portion of the Water exclusion (as opposed to the exclusion in its entirety).

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However, this does not delete or replace the provisions added to the Water Damage exclusion by any of the following endorsements, if attached to this policy: a. Computer Coverage; b. Coverage C -- Personal Property -- Special Coverage; or c. Unit-Owners Coverage C -- Special Coverage. **Water Damage** -- "We" do not pay for loss caused by water damage whether the water damage results from or is caused by human or animal forces or an act of nature. Water damage means: 1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, all whether driven by wind or not; 2) water or matter present in water that backs up through sewers or drains or that overflows or is discharged from: a) a sump, sump pump, or related equipment; or b) any other type of system designed to remove subsurface water which is drained from the foundation area; as a direct or indirect result of flood; or	2) "We" do not pay for loss caused by water that: a) backs up through sewers or drains; or b) overflows or otherwise discharges from: (1) a sump, sump pump, or related equipment; or (2) any other type of system designed to remove subsurface water which is drained from the foundation area; as a direct or indirect result of flood.	In the proposed endorsement, the restated provision has been revised to correspond with the changes made to the Water exclusion in the proposed booklet forms.

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3) water or matter present in water below the surface of the ground. This includes water or matter present in water that exerts pressure on, or seeps or leaks through or into, a building, sidewalk, driveway, foundation, swimming pool, or other structure. "We" do pay for direct loss to covered property caused by fire or explosion resulting from water damage. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.		
2. In form HO 0005, the Water Damage exclusion is deleted and replaced by the following: **Water Damage** -- "We" do not pay for loss caused by water damage whether the water damage results from or is caused by human or animal forces or an act of nature. Water damage means: 1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, all whether driven by wind or not; 2) water or matter present in water that backs up through sewers or drains or that overflows or is discharged from: a) a sump, sump pump, or related equipment; or		The proposed endorsement replaces only the pertinent portion of the Water exclusion, therefore, a separate amendment for form HO 0005 is unnecessary.

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b) any other type of system designed to remove subsurface water which is drained from the foundation area; as a direct or indirect result of flood; or 3) water or matter present in water below the surface of the ground. This includes water or matter present in water that exerts pressure on, or seeps or leaks through or into, a building, sidewalk, driveway, foundation, swimming pool, or other structure. "We" do pay for direct loss to covered property caused by fire or explosion resulting from water damage. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy. "We" do pay for direct loss caused by water damage to property covered under Coverage C while away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". Water damage to property covered under Coverage C while on a premises or location owned by, rented to, occupied by, or controlled by an "insured" is excluded even if weather conditions initiate, set in motion, or in any way contribute to the loss.		

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HOW MUCH WE PAY FOR LOSS OR OCCURRENCE With respect to the coverage provided by this endorsement, Deductible is deleted and replaced by the following: **Deductible** -- "We" pay only that part of the total of all loss payable under the Property Coverages that exceeds $250. No other deductible applies to this coverage. However, the deductible does not apply to loss covered under Coverage D.	**HOW MUCH WE PAY FOR LOSS OR OCCURRENCE** With respect to the coverage provided by this endorsement, Deductible is deleted and replaced by the following: **Deductible** -- "We" pay only that part of the total of all loss payable under the Property Coverages that exceeds $250. No other deductible applies to this coverage. However, the deductible does not apply to loss covered under Coverage D.	

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COVERAGE C -- PERSONAL PROPERTY
SPECIAL COVERAGE

This policy is amended to include the following "terms".

"We" agree to provide the coverage described in this endorsement with the understanding that the part of the residence or building in which the property covered under Coverage C is usually located is occupied by "you" and is not rented or sublet to another.

All other "terms" of the policy apply, except as amended by this endorsement.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

Coverage C -- Personal Property

Limitations On Certain Property

Item 7) is deleted and replaced by the following:

COVERAGE C -- PERSONAL PROPERTY
SPECIAL COVERAGE

This policy is amended to include the following "terms".

"We" agree to provide the coverage described in this endorsement with the understanding that the part of the residence or building in which the property covered under Coverage C is usually located is occupied by "you" and is not rented or sublet to another.

All other "terms" of the policy apply, except as amended by this endorsement.

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

Coverage C -- Personal Property

Limitations On Certain Property

Item 7) is deleted and replaced by the following:

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7) For loss by theft, misplacing, or losing: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns.	7) For loss by theft, misplacing, or losing: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs; b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns.	
INCIDENTAL PROPERTY COVERAGES The Incidental Property Coverage for Collapse is deleted.	**INCIDENTAL PROPERTY COVERAGES** 1. Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, the Incidental Property Coverage for Collapse is deleted. 2. Item g. under the Incidental Property Coverage for Liquid Fuel Remediation is deleted and replaced by the following: g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.	In the proposed endorsement, paragraph g. has been added to specify that the terms stated in a. through f. do not limit coverage for direct loss to covered property caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

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PERILS INSURED AGAINST -- COVERAGES C AND D Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, the Perils Insured Against are deleted and replaced by the following: "We" insure property covered under Coverage C for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage C. 1. **Exclusions That Apply To Coverage C** a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages. b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. 1) When the "described location" is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the "described location"; and b) continue the water supply.	**PERILS INSURED AGAINST -- COVERAGES C AND D** Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, the Perils Insured Against are deleted and replaced by the following: "We" insure property covered under Coverage C for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage C. 1. **Exclusions That Apply To Coverage C** a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages or the Additional Exclusions That Apply To Property Coverages. b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. 1) When the "described location" is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the "described location"; and b) continue the water supply.	The proposed endorsement specifies that the company does not pay for loss excluded under the Additional Exclusions That Apply To Property Coverages.

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2) When the "described location" is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the "described location"; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances. With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	2) When the "described location" is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the "described location"; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances. With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement further specifies that plumbing systems and domestic appliances do not include any type of system designed to remove subsurface water which is drained from the foundation area.
c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to: 1) fences, patios, paved areas, or swimming pools; 2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure; 3) bulkheads or retaining walls that do not support all or part of a building or other structure; or 4) docks, piers, or wharves.	c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to: 1) fences, patios, paved areas, or swimming pools; 2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure; 3) bulkheads or retaining walls that do not support all or part of a building or other structure; or 4) docks, piers, or wharves.	

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d. **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.	d. **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.	
e. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by: 1) continuous or repeated discharge, seepage, or leakage of water; or 2) the presence or condensation of humidity, moisture, or vapor; over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	e. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by: 1) continuous or repeated discharge, seepage, or leakage of water; or 2) the presence or condensation of humidity, moisture, or vapor; over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	The proposed endorsement specifies that there is no coverage provided for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.

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Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under the exception to this exclusion.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed endorsement makes specific references to *surface water* and *water below the surface of the ground*. The proposed endorsement specifies that the exception applies only to the discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the described location is located, and only if no insured *knew of* or could reasonably be expected to suspect such discharge, etc. The proposed endorsement specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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f. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of: 1) bulkheads; 2) ceilings; 3) floors; 4) footings; 5) foundations; 6) patios; 7) paved areas; 8) roofs; or 9) walls.	f. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of: 1) bulkheads; 2) ceilings; 3) floors; 4) footings; 5) foundations; 6) patios; 7) paved areas; 8) roofs; or 9) walls.	
g. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by: 1) birds; 2) "vermin"; 3) rodents; 4) insects; or 5) any animal owned or kept by an "insured"; except as provided under the Incidental Property Coverages.	g. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by: 1) birds; 2) "vermin"; 3) rodents; 4) insects; or 5) any animal owned or kept by an "insured"; except as provided under the Incidental Property Coverage for Glass Or Safety Glazing Material.	The proposed endorsement specifies the Incidental Property Coverage for Glass Or Safety Glazing Material.

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	However, this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.	The proposed endorsement specifies that this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.
h. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	h. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	
i. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement were not attached. However, this exclusion does not apply with respect to the Incidental Property Coverage for Liquid Fuel Remediation.	i. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy. However, this exclusion does not apply with respect to the Incidental Property Coverage for Liquid Fuel Remediation.	Editorial revisions.
j. **Wear And Tear** -- "We" do not pay for loss caused by: 1) wear and tear, marring, or deterioration; 2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;	j. **Wear And Tear** -- "We" do not pay for loss caused by: 1) wear and tear, marring, or deterioration; 2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;	

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3) rust or other corrosion or smog; or 4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation. However, the reference to mechanical breakdown in this exclusion does not apply with respect to the Incidental Property Coverage for Refrigerated Property. k. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains, and similar fragile articles. However, this exclusion does not apply to: 1) jewelry; watches; bronzes; cameras and photographic lenses; or	3) rust or other corrosion or smog; or 4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation. However, the reference to mechanical breakdown in this exclusion does not apply with respect to the Incidental Property Coverage for Refrigerated Property. k. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains, and similar fragile articles. However, this exclusion does not apply to: 1) jewelry; watches; bronzes; cameras and photographic lenses; or	

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2) loss caused by or resulting from: (a) fire; lightning; windstorm; hail; smoke (other than smoke from agricultural smudging or industrial operations); explosion; riot; civil commotion; aircraft; vehicles; vandalism and malicious mischief; collapse or the impairment of structural integrity of a building or any part of a building; water not otherwise excluded; theft or attempted theft; or sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater; or (b) Sinkhole Collapse or Volcanic Eruption as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement were not attached.	2) loss caused by or resulting from: a) fire; lightning; windstorm; hail; smoke (other than smoke from agricultural smudging or industrial operations); explosion; riot; civil commotion; aircraft; vehicles; vandalism and malicious mischief; collapse or the impairment of structural integrity of a building or any part of a building; water not otherwise excluded; theft or attempted theft; or sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater; or b) Sinkhole Collapse or Volcanic Eruption as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.	Editorial revisions.

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l. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment, and outboard engines or motors, caused by collision, sinking, swamping, or stranding. This exclusion does not apply to collision of watercraft with a land vehicle.	l. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment, and outboard engines or motors, caused by collision, sinking, swamping, or stranding. This exclusion does not apply to collision of watercraft with a land vehicle.	
m. **Dampness And Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. This does not apply to loss caused directly by rain, snow, sleet, or hail.	m. **Dampness And Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. This does not apply to loss caused directly by rain, snow, sleet, or hail.	
n. **Refinishing, Renovating, Or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches, and furs, caused by a refinishing, renovating, or repairing process. However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.	n. **Refinishing, Renovating, Or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches, and furs, caused by a refinishing, renovating, or repairing process. However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.	
o. **Acts Or Decisions** -- "We" do not pay for loss caused by an act or a decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide.		In the proposed endorsement, the exclusion for Acts Or Decisions has been omitted, as a general property exclusion for Errors, Omissions, And Defects now applies with respect to the coverage that is provided.

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2. **Exceptions To Exclusions That Apply To Coverage C**	2. **Exceptions To Exclusions That Apply To Coverage C**	
a. "We" pay for an ensuing loss that results from 1.b. through 1.j. or 1.o. above, unless the ensuing loss itself is excluded.	a. "We" pay for an ensuing loss that results from 1.b. through 1.j. above, unless the ensuing loss itself is excluded.	Editorial revisions.
b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage C that results from water or steam that, due to a cause or event excluded under 1.f. through 1.j. above, accidentally discharges or overflows from: 1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or 2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located. "We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.	b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage C that results from water or steam that, due to a cause or event excluded under 1.f. through 1.j. above, accidentally discharges or overflows from: 1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or 2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located. "We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.	
In this exception, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this exception.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.	The proposed endorsement refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed endorsement makes specific reference to *surface water* and *water below the surface of the ground*.
EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES	**EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**	
1. Earth Movement is deleted and replaced by the following: **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement were not attached. "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, the Exclusions That Apply To Property Coverages are amended as follows. 1. Item 5) under Earth Movement is deleted and replaced by the following: 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.	In the proposed endorsement, the amendments to the exclusion apply only to property that is not in a residence or building regularly rented or sublet to another. In the proposed endorsement only item 5) of Earth Movement is deleted and replaced. Editorial revisions.

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2. The following is added to Water Damage:	2. The following is added to Water:	
	8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement specifies that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the described location is located when such loss is not otherwise excluded. In the proposed endorsement, this exception specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
"We" do pay for direct loss caused by water damage to property covered under Coverage C while away from a premises or location owned by, rented to, occupied by, or controlled by an "insured".	9) These exclusions do not apply with respect to direct physical loss to property covered under Coverage C while such property is away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Additional Exclusions That Apply To Property Coverages does not apply.	Editorial revisions. In addition, the proposed endorsement specifies that with respect to loss by water to personal property while away from a premises owned by, etc. an insured, the Weather Conditions exclusion does not apply.
Water damage to property covered under Coverage C while on a premises or location owned by, rented to, occupied by, or controlled by an "insured" is excluded even if weather conditions initiate, set in motion, or in any way contribute to the loss.		The proposed endorsement does not include a statement regarding weather conditions and personal property on a premises owned by, etc. an insured, as a Weather Conditions exclusion is now included in the proposed endorsement. (See following page.)

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	3. The following is added to Bacteria, Fungi, Wet Rot, Or Dry Rot: However, this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.	The proposed endorsement now includes a provision that amends the Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion to specify that the exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or part of a building.
	Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, Property Coverages is amended to include the following section, entitled Additional Exclusions That Apply To Property Coverages. **ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES** "We" do not pay for loss or damage that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy. a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages.	In the proposed endorsement, Weather Conditions and Errors, Omissions, and Defects exclusions apply with respect to the open perils coverage that it grants.

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	b. **Errors, Omissions, And Defects** 1) "We" do not pay for loss caused by one or more of the following: a) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or b) a defect, a weakness, the inadequacy, a fault, or unsoundness in the: (1) development, planning, siting, surveying, zoning; (2) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship; (3) materials used in construction, remodeling, renovation, or repair; or (4) maintenance; of any property, whether in whole or in part, and whether on or away from the "described location".	

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	2) However, this exclusion does not apply with respect to: a) direct physical loss to covered property involving the collapse of a building or a part of a building; or b) the Incidental Property Coverage for Emergency Removal.	

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COMPUTER COVERAGE

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

The coverage provided by this endorsement does not:

1. increase the Coverage C "limit"; or
2. change the "terms" under Limitations On Certain Property or Personal Property Not Covered.

DEFINITIONS

The following definition is added with respect to the coverage provided by this endorsement:

"Computer equipment" means:

a. computer hardware, including but not limited to:

   1) personal computers and workstations;

COMPUTER COVERAGE

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

The coverage provided by this endorsement does not:

1. increase the Coverage C "limit"; or
2. change the "terms" under Limitations On Certain Property or Personal Property Not Covered.

DEFINITIONS

The following definition is added with respect to the coverage provided by this endorsement:

"Computer equipment" means:

a. computer hardware, including but not limited to:

   1) personal computers and workstations;

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2) laptops and other portable computer devices and accessories; and 3) peripheral data processing equipment, such as printers, keyboards, monitors, and modems; and b. computer software, including but not limited to the following types of property used with computer hardware: 1) media; 2) programs; and 3) data.	2) laptops and other portable computer devices and accessories; and 3) peripheral data processing equipment, such as printers, keyboards, monitors, and modems; and b. computer software, including but not limited to the following types of property used with computer hardware: 1) media; 2) programs; and 3) data.	
PROPERTY COVERAGES	**PROPERTY COVERAGES**	
PERILS INSURED AGAINST With respect to "computer equipment", the Perils Insured Against that apply to Coverage C are deleted and replaced by the following: "We" cover an "insured's" "computer equipment" for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Computer Equipment. a. **Exclusions That Apply To Computer Equipment** 1) "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages.	**PERILS INSURED AGAINST** With respect to "computer equipment", the Perils Insured Against that apply to Coverage C are deleted and replaced by the following: "We" cover an "insured's" "computer equipment" for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Computer Equipment. a. **Exclusions That Apply To Computer Equipment** 1) "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages or the Additional Exclusions That Apply To Property Coverages.	Editorial revisions.

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2) "We" do not pay for loss caused by: a) freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance in the building where "computer equipment" is located, except as stated in (1) and (2) below. (1) When the building is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: (a) maintain heat in the building; and (b) continue the water supply. (2) When the building is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: (a) maintain heat in the building; or (b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	2) "We" do not pay for loss caused by: a) freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance in the building where "computer equipment" is located, except as stated in (1) and (2) below. (1) When the building is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: (a) maintain heat in the building; and (b) continue the water supply. (2) When the building is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: (a) maintain heat in the building; or (b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	

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With respect to this exclusion and the exceptions stated in (1) and (2) above, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment;	With respect to this exclusion and the exceptions stated in (1) and (2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment;	The proposed endorsement specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
b) theft in or to a residence being built until the residence is occupied for its intended use;	b) theft in or to a residence being built until the residence is occupied for its intended use;	
c) continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor;	c) continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	The proposed endorsement further specifies that the exclusion applies to continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.

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	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment;	The proposed endorsement makes an exception to certain portions of the Water exclusion for loss by discharge, etc. from a plumbing system, etc. on the described location of which an insured was unaware and could not reasonably be expected to suspect. The proposed endorsement specifies that the exception applies only to the discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the described location, and only if no insured *knew of* or could reasonably be expected to suspect such discharge, etc. The proposed endorsement specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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d) dampness of atmosphere or extremes of temperature. However, this does not apply to loss caused directly by rain, snow, sleet, or hail; e) a process to repair, refinish, or renovate the covered property. However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion;	d) dampness of atmosphere or extremes of temperature. However, this does not apply to loss caused directly by rain, snow, sleet, or hail; e) a process to repair, refinish, or renovate the covered property. However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion;	

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f) the collision, sinking, swamping, or stranding of a watercraft, but this does not include collision of a watercraft with a land vehicle;	f) the collision, sinking, swamping, or stranding of a watercraft, but this does not include collision of a watercraft with a land vehicle; or	
g) an act or a decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide;		In the proposed endorsement, the exclusion for an act or a decision has been omitted, as a general property exclusion for Errors, Omissions, And Defects now applies with respect to the coverage that is provided.
h) any of the following: (1) wear and tear, marring, or deterioration; (2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself; (3) rust or other corrosion or smog; (4) smoke from agricultural smudging or industrial operations; (5) discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement were not attached; or	g) any of the following: (1) wear and tear, marring, or deterioration; (2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself; (3) rust or other corrosion or smog; (4) smoke from agricultural smudging or industrial operations; (5) discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to "computer equipment" if this endorsement was not attached to the policy; or	Editorial revisions.

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(6) animals owned or kept by an "insured", birds, "vermin", rodents, or insects.	(6) animals owned or kept by an "insured", birds, "vermin", rodents, or insects.	
	However, this exclusion does not apply with respect to direct physical loss to "computer equipment" involving the collapse of a building or a part of a building.	The proposed endorsement specifies that the exclusion does not apply to direct physical loss to computer equipment involving the collapse of a building or a part of a building.
b. **Exceptions To Exclusions That Apply To Computer Equipment**	b. **Exceptions To Exclusions That Apply To Computer Equipment**	
1) "We" pay for an ensuing loss that results from a cause or event excluded under exclusions 2)a), 2)b), 2)c), 2)g), or 2)h) above, unless the ensuing loss itself is excluded.	1) "We" pay for an ensuing loss that results from a cause or event excluded under exclusions 2)a), 2)b), 2)c), or 2)g) above, unless the ensuing loss itself is excluded.	Editorial revisions.
2) Unless the loss is otherwise excluded by this policy, "we" pay for loss to "computer equipment" that results from water or steam that, due to a cause or event excluded under 2)h) above, accidentally discharges or overflows from:	2) Unless the loss is otherwise excluded by this policy, "we" pay for loss to "computer equipment" that results from water or steam that, due to a cause or event excluded under 2)g) above, accidentally discharges or overflows from:	Editorial revisions.
a) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or b) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location".	a) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or b) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location".	

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In this exception, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this exception.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.	The proposed endorsement refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed endorsement makes specific reference to *surface water* and *water below the surface of the ground*.
EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES	**EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**	
	With respect to "computer equipment", the Exclusions That Apply To Property Coverages are amended as follows.	Editorial revisions.

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	1. Item 5) under Earth Movement is deleted and replaced by the following: 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to "computer equipment" if this endorsement was not attached to the policy.	In the proposed endorsement item 5) of Earth Movement is deleted and replaced.
The following is added under Water Damage:	2. The following is added to Water: With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement specifies that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the described location when the loss is not otherwise excluded. In the proposed endorsement, this exception specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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"We" do pay for direct loss caused by water damage to "computer equipment" while away from a premises or location owned by, rented to, occupied by, or controlled by an "insured".	These exclusions do not apply with respect to direct physical loss to "computer equipment" while the "computer equipment" is away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Additional Exclusions That Apply To Property Coverages does not apply.	Editorial revisions. In addition, the proposed endorsement specifies that with respect to loss by water to computer equipment that is away from the premises owned by, etc. an insured, the Weather Conditions exclusion does not apply.
Water damage to "computer equipment" while on a premises or location owned by, rented to, occupied by, or controlled by an "insured" is excluded even if weather conditions initiate, set in motion, or in any way contribute to the loss.		The proposed endorsement does not include a statement regarding weather conditions and computer equipment on a premises owned by, etc. an insured, as a Weather Conditions exclusion is now included in the proposed endorsement. (See the following page.)
	3. The following is added to Bacteria, Fungi, Wet Rot, Or Dry Rot: However, this exclusion does not apply with respect to direct physical loss to "computer equipment" involving the collapse of a building or a part of a building.	The proposed endorsement now includes a provision that amends the Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion to specify that the exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or part of a building.
	With respect to "computer equipment", Property Coverages is amended to include the following section, entitled Additional Exclusions That Apply To Property Coverages. **ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES** "We" do not pay for loss or damage that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.	In the proposed endorsement, Weather Conditions and Errors, Omissions, and Defects exclusions apply with respect to the open perils coverage that it grants.

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	a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages. b. **Errors, Omissions, And Defects** 1) "We" do not pay for loss caused by one or more of the following: a) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or b) a defect, a weakness, the inadequacy, a fault, or unsoundness in the: (1) development, planning, siting, surveying, zoning; (2) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship;	

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	(3) materials used in construction, remodeling, renovation, or repair; or (4) maintenance; of any property, whether in whole or in part, and whether on or away from the "described location". 2) However, this exclusion does not apply with respect to: a) direct physical loss to "computer equipment" involving the collapse of a building or a part of a building; or b) the Incidental Property Coverage for Emergency Removal.	

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OFFICE, PROFESSIONAL, PRIVATE SCHOOL, OR STUDIO OCCUPANCY **DESCRIBED LOCATION** (Entries required to complete the Schedule will be shown below or on the "declarations".) **Schedule** **Description of "business":** **The "business" is conducted in:** [ ] the the residence or unit in which the "insured" resides and which is shown on the "declarations" as the "described location"; or [ ] a related private structure on the "described location". Related private structure: Limit $ Description:	**OFFICE, PROFESSIONAL, PRIVATE SCHOOL, OR STUDIO OCCUPANCY** **DESCRIBED LOCATION** (Entries required to complete the Schedule will be shown below or on the "declarations".) **Schedule** **Description of "business":** **The "business" is conducted in:** [ ] the residence or unit in which the "insured" resides and which is shown on the "declarations" as the "described location"; or [ ] a related private structure on the "described location". Related private structure: Limit $ Description:	

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Subject to the "terms" of this endorsement, this policy covers the "business" described in the Schedule above which is conducted by an "insured" on the "described location". All other "terms" of the policy apply, except as amended by this endorsement.	Subject to the "terms" of this endorsement, this policy covers the "business" described in the Schedule above which is conducted by an "insured" on the "described location". All other "terms" of the policy apply, except as amended by this endorsement.	
PROPERTY COVERAGES	**PROPERTY COVERAGES**	
1. If the "business" described in the Schedule above is conducted in a related private structure described in the Schedule, "we" cover that structure for direct physical loss caused by a Peril Insured Against described under: a. Coverage A, if this policy includes form HO 0006; or b. Coverage B, if this policy does not include form HO 0006. 2. Except as amended by this endorsement, all of the "terms" of: a. Coverage A, if this policy includes form HO 0006; or b. Coverage B, if this policy does not include form HO 0006; apply to a related private structure described in the Schedule above.	1. If the "business" described in the Schedule above is conducted in a related private structure described in the Schedule, "we" cover that structure for direct physical loss caused by a Peril Insured Against described under: a. Coverage A, if this policy includes form HO 0006; or b. Coverage B, if this policy does not include form HO 0006. 2. Except as amended by this endorsement, all of the "terms" of: a. Coverage A, if this policy includes form HO 0006; or b. Coverage B, if this policy does not include form HO 0006; apply to a related private structure described in the Schedule above.	

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However, with respect to the coverage provided by this endorsement, the exclusions applicable to structures used for the direction or operation of a "business" and structures used for the storage of "business" property do not apply.	However, with respect to the coverage provided by this endorsement, the exclusions applicable to structures used for the direction or operation of a "business" and structures used for the storage of "business" property do not apply.	
3. The "limit" shown on the "declarations" for:	3. The "limit" shown on the "declarations" for:	
a. Coverage A, if this policy includes form HO 0006; or	a. Coverage A, if this policy includes form HO 0006; or	
b. Coverage B, if this policy does not include form HO 0006;	b. Coverage B, if this policy does not include form HO 0006;	
does not apply to a related private structure described in the Schedule above. "We" will pay no more for loss to a structure described in the Schedule than the "limit" shown in the Schedule for that structure.	does not apply to a related private structure described in the Schedule above. "We" will pay no more for loss to a structure described in the Schedule than the "limit" shown in the Schedule for that structure.	The proposed endorsement has been revised by only a change in format. The paragraph that begins with the phrase "does not apply to" has been revised so that the provision is now applicable to both items a. and b.
4. With respect to the coverage provided by this endorsement, under Coverage C -- Personal Property, Limitations On Certain Property, the "limit" that applies to personal property used primarily for "business" purposes while on the "described location" does not apply to furnishings, supplies, and equipment pertaining to the "business" described in the Schedule above.	4. With respect to the coverage provided by this endorsement, under Coverage C -- Personal Property, Limitations On Certain Property, the "limit" that applies to personal property used primarily for "business" purposes while on the "described location" does not apply to furnishings, supplies, and equipment pertaining to the "business" described in the Schedule above.	

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LIABILITY COVERAGES	**LIABILITY COVERAGES**	
INCIDENTAL LIABILITY COVERAGES With respect to the coverage provided by this endorsement, the following is added under the Incidental Liability Coverage for Business: "We" pay for "bodily injury" or "property damage" that arises out of the use of the "described location" to conduct the "business" described in the Schedule above.	**INCIDENTAL LIABILITY COVERAGES** With respect to the coverage provided by this endorsement, the following is added under the Incidental Liability Coverage for Business: "We" pay for "bodily injury" or "property damage" that arises out of the use of the "described location" to conduct the "business" described in the Schedule above.	
EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES **Exclusions That Apply To Coverage L And Coverage M** With respect to the coverage provided by this endorsement, the following exclusion is added: Coverage L and Coverage M do not apply to "bodily injury" to any "employee" arising out of the "business" described in the Schedule above.	**EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES** **Exclusions That Apply To Coverage L And Coverage M** With respect to the coverage provided by this endorsement, the following exclusion is added: Coverage L and Coverage M do not apply to "bodily injury" to any "employee" arising out of the "business" described in the Schedule above.	

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AAIS CURRENT HO 7029 01 06	AAIS PROPOSED HO 7029 09 08	COMMENTS
UNIT-OWNERS COVERAGE C **SPECIAL COVERAGE** This policy is amended to include the following "terms". "We" agree to provide the coverage described in this endorsement with the understanding that the unit in which the property covered under Coverage C is usually located is occupied by "you". All other "terms" of the policy apply, except as amended by this endorsement.	**UNIT-OWNERS COVERAGE C** **SPECIAL COVERAGE** This policy is amended to include the following "terms". "We" agree to provide the coverage described in this endorsement with the understanding that the unit in which the property covered under Coverage C is usually located is occupied by "you". All other "terms" of the policy apply, except as amended by this endorsement.	
PROPERTY COVERAGES	**PROPERTY COVERAGES**	
PRINCIPAL PROPERTY COVERAGES **Coverage C -- Personal Property** **Limitations On Certain Property** Item 7) is deleted and replaced by the following: 7) For loss by theft, misplacing, or losing: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;	**PRINCIPAL PROPERTY COVERAGES** **Coverage C -- Personal Property** **Limitations On Certain Property** Item 7) is deleted and replaced by the following: 7) For loss by theft, misplacing, or losing: a) $2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;	

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b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns.	b) $2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and c) $2,500 on guns and items related to guns.	
INCIDENTAL PROPERTY COVERAGES	**INCIDENTAL PROPERTY COVERAGES**	
1. With respect only to property covered under Coverage C, the Incidental Property Coverage for Collapse is deleted.	1. With respect to property covered under Coverage C, other than property in a unit that "you" regularly rent or hold for rental to others, the Incidental Property Coverage for Collapse is deleted.	The proposed endorsement specifies that this provision does not apply to property in a unit that the insured regularly rents or holds for rental to others.
2. With respect to covered property, other than property covered under Coverage C, Collapse is amended as follows: a. Item a.1) is deleted and replaced by the following: 1) a Peril Insured Against described under Coverage A; b. When this policy includes an endorsement providing Unit-Owners Coverage A -- Special Coverage, the following is added under item b.: However, the "terms" stated in 1) and 2) of this provision do not limit coverage for direct loss to covered property caused by one or more of the Perils Insured Against that would apply to property covered under Coverage A if this endorsement were not attached.	2. With respect to covered property, other than property covered under Coverage C, Collapse is amended as follows: a. Item a.1) is deleted and replaced by the following: 1) a Peril Insured Against described under Coverage A; b. When this policy includes an endorsement providing Unit-Owners Coverage A -- Special Coverage, the following is added under item b.: However, the "terms" stated in 1) and 2) of this provision do not limit coverage for direct loss to covered property caused by one or more of the Perils Insured Against that would apply to property covered under Coverage A if this endorsement was not attached to the policy.	Editorial revisions.

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	3. Item g. under Liquid Fuel Remediation is deleted and replaced by the following: g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.	In the proposed endorsement, paragraph g. has been added to specify that the terms stated in a. through f. do not limit coverage for direct loss to covered property caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

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PERILS INSURED AGAINST With respect to Coverage C, but not including property in a unit that "you" regularly rent or hold for rental to others, the Perils Insured Against are deleted and replaced by the following: "We" insure property covered under Coverage C for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage C. 1. **Exclusions That Apply To Coverage C** a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages. b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. 1) When the "described location" is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:	**PERILS INSURED AGAINST** With respect to Coverage C, other than property in a unit that "you" regularly rent or hold for rental to others, the Perils Insured Against are deleted and replaced by the following: "We" insure property covered under Coverage C for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage C. 1. **Exclusions That Apply To Coverage C** a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages or the Additional Exclusions That Apply To Property Coverages. b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. 1) When the "described location" is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:	The proposed endorsement specifies that the company does not pay for loss excluded under the Additional Exclusions That Apply To Property Coverages.

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a) maintain heat in the "described location"; and b) continue the water supply. 2) When the "described location" is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the "described location"; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances. With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	a) maintain heat in the "described location"; and b) continue the water supply. 2) When the "described location" is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the "described location"; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances. With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement further specifies that plumbing systems and domestic appliances do not include any type of system designed to remove subsurface water which is drained from the foundation area.
c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to: 1) fences, patios, paved areas, or swimming pools;	c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to: 1) fences, patios, paved areas, or swimming pools;	

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2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure; 3) bulkheads or retaining walls that do not support all or part of a building or other structure; or 4) docks, piers, or wharves.	2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure; 3) bulkheads or retaining walls that do not support all or part of a building or other structure; or 4) docks, piers, or wharves.	
d. **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.	d. **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.	
e. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by: 1) continuous or repeated discharge, seepage, or leakage of water; or 2) the presence or condensation of humidity, moisture, or vapor; over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	e. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by: 1) continuous or repeated discharge, seepage, or leakage of water; or 2) the presence or condensation of humidity, moisture, or vapor; over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	The proposed endorsement specifies that there is no coverage provided for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.

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Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under the exception to this exclusion.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed endorsement makes specific reference to *surface water* and *water below the surface of the ground*. The proposed endorsement specifies that the exception applies only to the discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the described location is located, and only if no insured *knew of* or could reasonably be expected to suspect such discharge, etc. The proposed endorsement specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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f. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of: 1) bulkheads; 2) ceilings; 3) floors; 4) footings; 5) foundations; 6) patios; 7) paved areas; 8) roofs; or 9) walls.	f. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of: 1) bulkheads; 2) ceilings; 3) floors; 4) footings; 5) foundations; 6) patios; 7) paved areas; 8) roofs; or 9) walls.	
g. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by: 1) birds; 2) "vermin"; 3) rodents; 4) insects; or 5) any animal owned or kept by an "insured"; except as provided under the Incidental Property Coverages.	g. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by: 1) birds; 2) "vermin"; 3) rodents; 4) insects; or 5) any animal owned or kept by an "insured"; except as provided under the Incidental Property Coverage for Glass Or Safety Glazing Material. However, this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.	The proposed endorsement specifies the Incidental Property Coverage for Glass Or Safety Glazing Material. The proposed endorsement specifies that this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.

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h. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	h. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	
i. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement were not attached. However, this exclusion does not apply with respect to the Incidental Property Coverage for Liquid Fuel Remediation.	i. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy. However, this exclusion does not apply with respect to the Incidental Property Coverage for Liquid Fuel Remediation.	Editorial revisions.
j. **Wear And Tear** -- "We" do not pay for loss caused by: 1) wear and tear, marring, or deterioration; 2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;	j. **Wear And Tear** -- "We" do not pay for loss caused by: 1) wear and tear, marring, or deterioration; 2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;	

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3) rust or other corrosion or smog; or 4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation. However, the reference to mechanical breakdown in this exclusion does not apply with respect to the Incidental Property Coverage for Refrigerated Property. k. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains, and similar fragile articles. However, this exclusion does not apply to: 1) jewelry; watches; bronzes; cameras and photographic lenses; or	3) rust or other corrosion or smog; or 4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation. However, the reference to mechanical breakdown in this exclusion does not apply with respect to the Incidental Property Coverage for Refrigerated Property. k. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains, and similar fragile articles. However, this exclusion does not apply to: 1) jewelry; watches; bronzes; cameras and photographic lenses; or	

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2) loss caused by or resulting from: (a) fire; lightning; windstorm; hail; smoke (other than smoke from agricultural smudging or industrial operations); explosion; riot; civil commotion; aircraft; vehicles; vandalism and malicious mischief; collapse or the impairment of structural integrity of a building or any part of a building; water not otherwise excluded; theft or attempted theft; or sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater; or (b) Sinkhole Collapse or Volcanic Eruption as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement were not attached.	2) loss caused by or resulting from: a) fire; lightning; windstorm; hail; smoke (other than smoke from agricultural smudging or industrial operations); explosion; riot; civil commotion; aircraft; vehicles; vandalism and malicious mischief; collapse or the impairment of structural integrity of a building or any part of a building; water not otherwise excluded; theft or attempted theft; or sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater; or b) Sinkhole Collapse or Volcanic Eruption as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.	Editorial revisions.
I. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment, and outboard engines or motors, caused by collision, sinking, swamping, or stranding. This exclusion does not apply to collision of watercraft with a land vehicle.	I. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment, and outboard engines or motors, caused by collision, sinking, swamping, or stranding. This exclusion does not apply to collision of watercraft with a land vehicle.	

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m. **Dampness And Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. This does not apply to loss caused directly by rain, snow, sleet, or hail.	m. **Dampness And Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. This does not apply to loss caused directly by rain, snow, sleet, or hail.	
n. **Refinishing, Renovating, Or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches, and furs, caused by a refinishing, renovating, or repairing process. However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.	n. **Refinishing, Renovating, Or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches, and furs, caused by a refinishing, renovating, or repairing process. However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.	
o. **Acts Or Decisions** -- "We" do not pay for loss caused by an act or a decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide.		In the proposed endorsement, the exclusion for Acts Or Decisions has been omitted, as a general property exclusion for Errors, Omissions, And Defects is added with respect to the coverage provided.

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2. **Exceptions To Exclusions That Apply To Coverage C** a. "We" pay for an ensuing loss that results from 1.b. through 1.j. or 1.o. above, unless the ensuing loss itself is excluded. b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage C that results from water or steam that, due to a cause or event excluded under 1.f. through 1.j. above, accidentally discharges or overflows from: 1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or 2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located. "We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.	2. **Exceptions To Exclusions That Apply To Coverage C** a. "We" pay for an ensuing loss that results from 1.b. through 1.j. above, unless the ensuing loss itself is excluded. b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage C that results from water or steam that, due to a cause or event excluded under 1.f. through 1.j. above, accidentally discharges or overflows from: 1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or 2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located. "We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.	Editorial revisions.

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In this exception, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this exception.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.	The proposed endorsement refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed endorsement makes specific reference to *surface water* and *water below the surface of the ground*.

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EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES	**EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**	
1. Earth Movement is deleted and replaced by the following: **Earth Movement** -- "We" do not pay for loss caused by earth movement whether the earth movement results from or is caused by human or animal forces or an act of nature. Earth movement means: 1) earthquake; 2) land shock waves or tremors before, during, or after a volcanic eruption; 3) landslide, mudflow, mudslide; 4) subsidence, erosion; or 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement were not attached. "We" do pay for direct loss to covered property caused by fire or explosion resulting from earth movement. This exclusion does not apply to loss caused by theft that is otherwise covered by this policy.	With respect to property covered under Coverage C, other than property in a unit that "you" regularly rent or hold for rental to others, the Exclusions That Apply To Property Coverages are amended as follows. 1. Item 5) under Earth Movement is deleted and replaced by the following: 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.	The proposed endorsement specifies that the amendments to the exclusion do not apply with respect to property in a unit regularly rented or held for rental to others. In the proposed endorsement only item 5) of Earth Movement is deleted and replaced. Editorial revisions.

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2. The following is added to Water Damage:	2. The following is added to Water:	
	8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement specifies that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the described location is located when loss is not otherwise excluded. In the proposed endorsement, this exception specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
"We" do pay for direct loss caused by water damage to property covered under Coverage C while away from a premises or location owned by, rented to, occupied by, or controlled by an "insured".	9) These exclusions do not apply with respect to direct physical loss to property covered under Coverage C while such property is away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Additional Exclusions That Apply To Property Coverages does not apply.	Editorial revisions. In addition, the proposed endorsement specifies that with respect to loss by water to personal property while away from a premises owned by, etc. an insured, the Weather Conditions exclusion does not apply.
Water damage to property covered under Coverage C while on a premises or location owned by, rented to, occupied by, or controlled by an "insured" is excluded even if weather conditions initiate, set in motion, or in any way contribute to the loss.		The proposed endorsement does not include a statement regarding weather conditions and personal property on a premises owned by, etc. an insured, as a Weather Conditions exclusion is now included in the proposed endorsement. (See following page.)

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	3. The following is added to Bacteria, Fungi, Wet Rot, Or Dry Rot: However, this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.	The proposed endorsement now includes a provision that amends the Bacteria, Fungi, Wet Rot, Or Dry Rot exclusion to specify that the exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or part of a building.
	With respect to property covered under Coverage C, other than property in a unit that "you" regularly rent or hold for rental to others, Property Coverages is amended to include the following section, entitled Additional Exclusions That Apply To Property Coverages.	
	ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES	
	"We" do not pay for loss or damage that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.	In the proposed endorsement, Weather Conditions and Errors, Omissions, and Defects exclusions apply with respect to the open perils coverage that it grants.
	a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages.	
	b. **Errors, Omissions, And Defects** 1) "We" do not pay for loss caused by one or more of the following: a) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or	

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	b) a defect, a weakness, the inadequacy, a fault, or unsoundness in the: (1) development, planning, siting, surveying, zoning; (2) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship; (3) materials used in construction, remodeling, renovation, or repair; or (4) maintenance; of any property, whether in whole or in part, and whether on or away from the "described location". 2) However, this exclusion does not apply with respect to: a) direct physical loss to covered property involving the collapse of a building or a part of a building; or b) the Incidental Property Coverage for Emergency Removal.	

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UNIT-OWNERS COVERAGE A **SPECIAL COVERAGE** This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.	**UNIT-OWNERS COVERAGE A** **SPECIAL COVERAGE** This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.	
PROPERTY COVERAGES	**PROPERTY COVERAGES**	
	INCIDENTAL PROPERTY COVERAGES Except when this policy includes an endorsement providing Unit-Owners Coverage C -- Special Coverage, item g. under Liquid Fuel Remediation is deleted and replaced by the following: g. The "terms" stated in a. through f. above do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that applies to property covered under Coverage C.	In the proposed endorsement, paragraph g. has been added to specify that the terms stated in a. through f. of the incidental coverage for Liquid Fuel Remediation do not limit coverage for direct loss to covered property caused by a Peril Insured Against that would apply to property covered under Coverage C.

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PERILS INSURED AGAINST With respect to property covered under Coverage A, the Perils Insured Against are deleted and replaced by the following: "We" insure property covered under Coverage A for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage A. 1. **Exclusions That Apply To Coverage A** a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages. b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. 1) When the "described location" is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the "described location"; and b) continue the water supply.	**PERILS INSURED AGAINST** With respect to property covered under Coverage A, the Perils Insured Against are deleted and replaced by the following: "We" insure property covered under Coverage A for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage A. 1. **Exclusions That Apply To Coverage A** a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages or the Additional Exclusions That Apply To Property Coverages. b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance. 1) When the "described location" is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the "described location"; and b) continue the water supply.	The proposed endorsement specifies that the company does not pay for loss excluded under the Additional Exclusions That Apply To Property Coverages.

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2) When the "described location" is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the "described location"; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	2) When the "described location" is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to: a) maintain heat in the "described location"; or b) shut off the water supply and completely empty water from all systems, heaters, and appliances.	

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AAIS CURRENT HO 7032 01 06	AAIS PROPOSED HO 7032 09 08	COMMENTS
With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement specifies that plumbing systems and domestic appliances do not include any type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.
c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to: 1) fences, patios, paved areas, or swimming pools; 2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure; 3) bulkheads or retaining walls that do not support all or part of a building or other structure; or 4) docks, piers, or wharves.	c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to: 1) fences, patios, paved areas, or swimming pools; 2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure; 3) bulkheads or retaining walls that do not support all or part of a building or other structure; or 4) docks, piers, or wharves.	
d. **Theft** -- "We" do not pay for loss caused by theft in or to a unit being built, or theft of materials or supplies for use in construction of the unit, until the unit is occupied for its intended use.	d. **Theft** -- "We" do not pay for loss caused by theft in or to a unit being built, or theft of materials or supplies for use in construction of the unit, until the unit is occupied for its intended use.	

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e. **Vandalism Or Malicious Mischief** -- "We" do not pay for loss: 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if the building containing the "described location" was vacant for more than 60 days in a row just before the loss. A building being built is not vacant.	e. **Vandalism Or Malicious Mischief** -- "We" do not pay for loss: 1) caused by vandalism or malicious mischief; or 2) that ensues from a wrongful act committed intentionally in the course of vandalism or malicious mischief; if the building containing the "described location" was vacant for more than 60 days in a row just before the loss. A building being built is not vacant.	
f. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by: 1) continuous or repeated discharge, seepage, or leakage of water; or 2) the presence or condensation of humidity, moisture, or vapor; over a period of weeks, months, or years, unless no "insured" could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	f. **Water, Humidity, Moisture, Or Vapor** -- "We" do not pay for loss caused by: 1) continuous or repeated discharge, seepage, or leakage of water; or 2) the presence or condensation of humidity, moisture, or vapor; over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor.	The proposed endorsement specifies that there is no coverage provided for loss caused by continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no insured *knew of* or could reasonably be expected to suspect such discharge, etc.

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AAIS CURRENT HO 7032 01 06	AAIS PROPOSED HO 7032 09 08	COMMENTS
Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under the exception to this exclusion.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed endorsement makes specific reference to *surface water* and *water below the surface of the ground*. The proposed endorsement specifies that the exception applies only to the discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the described location is located, and only if no insured *knew of* or could reasonably be expected to suspect such discharge, etc. The proposed endorsement specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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AAIS CURRENT HO 7032 01 06	AAIS PROPOSED HO 7032 09 08	COMMENTS
g. **Collapse Or Impairment** -- "We" do not pay for loss involving: 1) collapse; or 2) impairment of structural integrity, including but not limited to sagging, bowing, bending, leaning, or inadequacy of load bearing capacity; except as provided under the Incidental Property Coverage for Collapse.	g. **Collapse Or Impairment** -- "We" do not pay for loss involving: 1) collapse; or 2) impairment of structural integrity, including but not limited to sagging, bowing, bending, leaning, or inadequacy of load bearing capacity; except as provided under the Incidental Property Coverage for Collapse.	
h. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of: 1) bulkheads; 2) ceilings; 3) floors; 4) footings; 5) foundations; 6) patios; 7) paved areas; 8) roofs; or 9) walls.	h. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of: 1) bulkheads; 2) ceilings; 3) floors; 4) footings; 5) foundations; 6) patios; 7) paved areas; 8) roofs; or 9) walls.	

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AAIS CURRENT HO 7032 01 06	AAIS PROPOSED HO 7032 09 08	COMMENTS
i. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by: 1) birds; 2) "vermin"; 3) rodents; 4) insects; or 5) animals owned or kept by an "insured"; except as provided under the Incidental Property Coverages.	i. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by: 1) birds; 2) "vermin"; 3) rodents; 4) insects; or 5) animals owned or kept by an "insured"; except as provided under the Incidental Property Coverages.	
j. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	j. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.	
k. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against described under Coverage C. However, this exclusion does not apply with respect to the Incidental Property Coverage for Liquid Fuel Remediation.	k. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage A if this endorsement was not attached to the policy. However, this exclusion does not apply with respect to the Incidental Property Coverage for Liquid Fuel Remediation.	Editorial revisions.

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AAIS CURRENT HO 7032 01 06	AAIS PROPOSED HO 7032 09 08	COMMENTS
l. **Wear And Tear** -- "We" do not pay for loss caused by: 1) wear and tear, marring, or deterioration; 2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself; 3) rust or other corrosion or smog; or 4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation. 2. **Exceptions To Exclusions That Apply To Coverage A** a. "We" pay for an ensuing loss that results from 1.b. through 1.l. above, unless the ensuing loss itself is excluded. b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage A that results from water or steam that, due to a cause or event excluded under 1.h. through 1.l. above, accidentally discharges or overflows from: 1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or	l. **Wear And Tear** -- "We" do not pay for loss caused by: 1) wear and tear, marring, or deterioration; 2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself; 3) rust or other corrosion or smog; or 4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation. 2. **Exceptions To Exclusions That Apply To Coverage A** a. "We" pay for an ensuing loss that results from 1.b. through 1.l. above, unless the ensuing loss itself is excluded. b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage A that results from water or steam that, due to a cause or event excluded under 1.h. through 1.l. above, accidentally discharges or overflows from: 1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or	

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AAIS CURRENT HO 7032 01 06	AAIS PROPOSED HO 7032 09 08	COMMENTS
2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located. This includes the reasonable cost of removing and replacing those parts of a building, or other structure owned solely by "you", at the site of the "described location" needed to repair the system, heater, or appliance. However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building owned solely by "you" at the site of the "described location". "We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.	2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located. This includes the reasonable cost of removing and replacing those parts of a building, or other structure owned solely by "you", at the site of the "described location" needed to repair the system, heater, or appliance. However, "we" will pay the cost of removing and replacing part of a structure that is not a building only if the water or steam causes direct physical loss to a building owned solely by "you" at the site of the "described location". "We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.	

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In this exception, plumbing systems and domestic appliances do not include roof drains, gutters, downspouts, or like equipment or sumps, sump pumps, or related equipment.	In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.
Under Exclusions That Apply To Property Coverages, 1) and 3) of the Water Damage exclusion do not apply with respect to loss by water covered under this exception.	Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.	The proposed endorsement refers to the Water exclusion instead of the Water Damage exclusion, and it also refers to item 1)b) instead of item 1). Additionally, the proposed endorsement makes specific reference to *surface water* and *water below the surface of the ground*.

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AAIS CURRENT HO 7032 01 06	AAIS PROPOSED HO 7032 09 08	COMMENTS
	EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES With respect to property covered under Coverage A, the Exclusions That Apply To Property Coverages are amended as follows.	
	1. Item 5) under Earth Movement is deleted and replaced by the following: 5) any other earth movement, including but not limited to earth sinking, rising, shifting, expanding, or contracting. However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to property covered under Coverage A if this endorsement was not attached to the policy.	In the proposed endorsement item 5) of Earth Movement is deleted and replaced.

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	2. The following is added to Water: 8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.	The proposed endorsement specifies that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the described location is located when loss is not otherwise excluded. In the proposed endorsement, this exception specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained away from the foundation area; or roof drains, gutters, downspouts, or like equipment.

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AAIS CURRENT HO 7032 01 06	AAIS PROPOSED HO 7032 09 08	COMMENTS
	With respect to property covered under Coverage A, Property Coverages is amended to include the following section, entitled Additional Exclusions That Apply To Property Coverages.	Editorial revisions.
EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES	**ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**	
The following exclusions are added:		
"We" do not pay for loss or damage to property covered under Coverage A that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss to property covered under Coverage A that is otherwise covered by this policy.	"We" do not pay for loss or damage that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.	
1. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages. However, this does not apply with respect to the Errors, Omissions, And Defects exclusion added below.	a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages.	Because the Errors, Omissions, and Defects exclusion is now added under the heading 'Additional Exclusions That Apply To Property Coverages', it is not necessary for the Weather Conditions exclusion to make an exception for it
2. **Errors, Omissions, And Defects** -- "We" do not pay for loss caused by one or more of the following: a. an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or	b. **Errors, Omissions, And Defects** -- "We" do not pay for loss caused by one or more of the following: 1) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or	

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AAIS CURRENT HO 7032 01 06	AAIS PROPOSED HO 7032 09 08	COMMENTS
b. a defect, a weakness, the inadequacy, a fault, or unsoundness in the: 1) development, planning, siting, surveying, zoning; 2) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship; 3) materials used in construction, remodeling, renovation, or repair; or 4) maintenance; of any property, whether in whole or in part, and whether on or away from the "described location", except as provided under the Incidental Property Coverage for Collapse.	2) a defect, a weakness, the inadequacy, a fault, or unsoundness in the: a) development, planning, siting, surveying, zoning; b) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship; c) materials used in construction, remodeling, renovation, or repair; or d) maintenance; of any property, whether in whole or in part, and whether on or away from the "described location". However, this exclusion does not apply with respect to the Incidental Property Coverage for Collapse or the Incidental Property Coverage for Emergency Removal.	Editorial revisions. Additionally, the proposed form specifies that this exclusion does not apply with respect to the Incidental Property Coverage for Emergency Removal.

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AMERICAN ASSOCIATION OF INSURANCE SERVICES

COMPANY ACTION EXHIBIT

ARKANSAS

FORMS AND ENDORSEMENTS

Companies that have granted AAIS filing authority for forms and endorsements for this line of insurance:

- can adopt an AAIS forms and endorsements filing, without modifications, on the effective date designated by AAIS without notifying the Arkansas Insurance Department (ARID).

- can adopt an AAIS forms and endorsements filing on an earlier effective date by notifying the ARID at least 30 days before their chosen effective date.

- can adopt an AAIS forms and endorsements filing on a later effective date by notifying the ARID at least 30 days before the effective date designated by AAIS.

- can modify an AAIS forms and endorsements filing by establishing an effective date and submitting their modifications to the ARID at least 30 days before their chosen effective date.

- can choose not to adopt an AAIS forms and endorsements filing by notifying the ARID on or before the effective date designated by AAIS.

Companies that have not granted AAIS filing authority for forms and endorsements for this line of insurance:

- can adopt an AAIS forms and endorsements filing by establishing an effective date and making a reference filing with the ARID at least 30 days before their chosen effective date. A reference filing should contain only transmittal forms and the filing reference numbers. Copies of AAIS filed and approved materials should ***not*** be included in a reference filing.

Include the AAIS and state file numbers in all correspondence with the ARID.

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ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Basic Form

FORM NUMBER: HO 0001

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 53.3, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Broad Form

FORM NUMBER: HO 0002

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 54.12, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Special Form

FORM NUMBER: HO 0003

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 53.57, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Contents Broad Form

FORM NUMBER: HO 0004

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 53.8, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Special Building and Contents Form

FORM NUMBER: HO 0005

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 53.63, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Unit-Owners Form

FORM NUMBER: HO 0006

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 54.04, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Limited Form

FORM NUMBER: HO 0008

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 54.19, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Water Back Up and Sump Discharge or Overflow

FORM NUMBER: HO 2708

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 61.15, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Coverage C -- Personal Property - Special Coverage

FORM NUMBER: HO 2730

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 49.3, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Computer Coverage

FORM NUMBER: HO 2770

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 43.88, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Office, Professional, Private School, Or Studio Occupancy - Described Location

FORM NUMBER: HO 3542

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 51.31, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Unit-Owners Coverage C - Special Coverage

FORM NUMBER: HO 7029

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 48.92, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services 0000-31400

DESCRIPTION: Unit-Owners Coverage A - Special Coverage

FORM NUMBER: HO 7032

EDITION DATE: 09 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 48.97, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.

Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

Form F-1
Rev. 4/96

ARKANSAS INSURANCE DEPARTMENT

FORM FILING ABSTRACT

ALL QUESTIONS MUST BE ANSWERED

Companies filing for a group may use a consolidated abstract if all forms are identical.

1. Date Filed November 11, 2008

2. Company Name(s) American Association of Insurance Services

   Group Name _____ NAIC No. 31400 Group No. 0000

3. (a) Annual Statement Line of Business Number (Page 14) 4.0 Homeowners
   (b) Class of Business 4.0000 Homeowners Sub-TOI Combinations
   © Coverages Affected _____

4. (a) Name of Advisory Organization, if any NA, we are advisory organization.
   (b) Affiliations with Advisory Organization: Member (☐) Subscriber (☐)

5. Is this a reference filing? Yes (☐) No (☐) If yes, please provide the following:
   (a) Name of Advisory Organization (or Affiliated Company)
   _____
   (b) Date of Filing _____
   © Filing Designation Number or Description _____

PROVIDE THE INFORMATION REQUESTED ON PAGE 2 OF THIS FORM

7. Has the form(s) been approved for use in your domiciliary state and/or other states?
   Countrywide filing and is currently pending in domiciliary state.

8. Is the form filed in response to or due to legislation? If so, specify legislation.
   No

9. Is the form in response to or due to recent court decisions? If so, give citation.
   No

THIS INFORMATION IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

_____
Signature

Jolanda Staten
Title

630-681-8347
Telephone Number

Old Form No.	Proposed Effective Date of New Form	New Form No.	Title of the Form(s); also Indicate Withdrawals: Provide Synopsis of Coverage
HO 0001 01 06	6/1/2009	HO 0001 09 08	Basic Form
HO 0002 01 06	6/1/2009	HO 0002 09 08	Broad Form
HO 0003 01 06	6/1/2009	HO 0003 09 08	Special Form
HO 0004 01 06	6/1/2009	HO 0004 09 08	Contents Broad Form
HO 0005 01 06	6/1/2009	HO 0005 09 08	Special Building and Contents Form
HO 0006 01 06	6/1/2009	HO 0006 09 08	Unit-Owners Form
HO 0008 01 06	6/1/2009	HO 0008 09 08	Limited Form
HO 2708 01 06	6/1/2009	HO 2708 09 08	Water Back Up and Sump Discharge or Overflow
HO 2730 01 06	6/1/2009	HO 2730 09 08	Coverage C -- Personal Property - Special Coverage
HO 2770 01 06	6/1/2009	HO 2770 09 08	Computer Coverage
HO 3542 01 06	6/1/2009	HO 3542 09 08	Office, Professional, Private School, Or Studio Occupancy - Described Location
HO 7029 01 06	6/1/2009	HO 7029 09 08	Unit-Owners Coverage C - Special Coverage
HO 7032 01 06	6/1/2009	HO 7032 09 08	Unit-Owners Coverage A - Special Coverage