

SERFF Tracking Number: RFIC-125612683 State: Arkansas
Filing Company: Ranchers and Farmers Insurance Company State Tracking Number: #2526 \$50
Company Tracking Number: AR RP (08.04) F
TOI: 04.0 Homeowners Sub-TOI: 04.0004 Tenant Homeowners
Product Name: Renters Program
Project Name/Number: /

Filing at a Glance

Company: Ranchers and Farmers Insurance Company

Product Name: Renters Program	SERFF Tr Num: RFIC-125612683	State: Arkansas
TOI: 04.0 Homeowners	SERFF Status: Closed	State Tr Num: #2526 \$50
Sub-TOI: 04.0004 Tenant Homeowners	Co Tr Num: AR RP (08.04) F	State Status: Fees verified and received
Filing Type: Form	Co Status: Filed	Reviewer(s): Becky Harrington, Betty Montesi, Brittany Yielding
	Author: Martin Bobek	Disposition Date: 04/23/2008
	Date Submitted: 04/17/2008	Disposition Status: Approved
Effective Date Requested (New): On Approval		Effective Date (New):
Effective Date Requested (Renewal): On Approval		Effective Date (Renewal):

State Filing Description:

General Information

Project Name:	Status of Filing in Domicile: Not Filed
Project Number:	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 04/23/2008	
State Status Changed: 04/21/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
This is an initial filing for Ranchers and Farmers Insurance Company - Renters Program	

Company and Contact

Filing Contact Information

Martin Bobek, VP	mbobek@ssuga.com
PO Box 3730	(409) 924-8200 [Phone]

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Beaumont, TX 77704-3730 (409) 924-8282[FAX]

Filing Company Information

Ranchers and Farmers Insurance Company CoCode: 11853 State of Domicile: Texas
PO Box 3730 Group Code: 3497 Company Type: Stock Property and
Casualty

Beaumont, TX 77704-3730 Group Name: Mirage Interests, Inc. State ID Number:
(409) 924-8200 ext. 732[Phone] FEIN Number: 20-0505287

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Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation: 2 Forms = \$25 x 2 = \$50

Also, \$125 filing fee paid with rate filing AR RP (08.04) R
Per Company: No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
2526	\$50.00	04/14/2008

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Becky Harrington	04/23/2008	04/23/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	04/18/2008	04/18/2008	Martin Bobek	04/18/2008	04/18/2008

SERFF Tracking Number: *RFIC-125612683* *State:* *Arkansas*
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Product Name: *Renters Program*
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Disposition

Disposition Date: 04/23/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment: Effective upon approval

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document (revised)	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty		Yes
Supporting Document (revised)	Forms Listing	Approved	Yes
Supporting Document	Forms Listing		Yes
Form (revised)	Contents Broad Form	Approved	Yes
Form	Contents Broad Form		Yes
Form	Declarations Page	Withdrawn	Yes

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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 04/18/2008

Submitted Date 04/18/2008

Respond By Date

Dear Martin Bobek,

This will acknowledge receipt of the captioned filing.

Objection 1

- Declarations Page (Form)

Comment: This form shows Southeast Surplus Underwrites as the company and that it is for a mobile home policy. This form is unacceptable.

Objection 2

- Uniform Transmittal Document-Property & Casualty (Supporting Document)
- Contents Broad Form (Form)
- Declarations Page (Form)
- Forms Listing (Supporting Document)

Comment: Attachments must be in pdf format. Please re-submit all attachments.

Please feel free to contact me if you have questions.

Sincerely,

Becky Harrington

Response Letter

Response Letter Status Submitted to State

Response Letter Date 04/18/2008

Submitted Date 04/18/2008

Dear Becky Harrington,

Comments:

Response 1

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Comments: Ms. Harrington,

My apologies for not submitting this correctly on the first try.

Regarding your first objection: Upon further review, the currently approved Arkansas HO dec page is in our new format. I mistakenly assumed our original Arkansas HO and DF filings used the old format. There are no differences between the HO dec page used in this program and the approved dec page on file other than the form coverage variables. I would like to withdraw the unnecessary dec page filing.

Second objection: I replaced all the attachments with .pdf versions.

Please let me know if you have any additional questions.

Regards,

Martin

Related Objection 1

Applies To:

- Declarations Page (Form)

Comment:

This form shows Southeast Surplus Underwrites as the company and that it is for a mobile home policy. This form is unacceptable.

Related Objection 2

Applies To:

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Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Uniform Transmittal Document-Property & Casualty

Comment:

Satisfied -Name: Forms Listing

Comment: Attached is the Forms Listing referenced in the Transmittal document.

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Contents Broad Form	RFIC Form 4	04 08	Policy/Coverage Form	New			RFIC Form 4 04 08.pdf

Previous Version

Contents Broad Form	RFIC Form 4	04 08	Policy/Coverage Form	New			RFIC Form 4 04.08.doc
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No Rate/Rule Schedule items changed.

Sincerely,
 Martin Bobek

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Contents Broad Form	RFIC Form 4	04 08	Policy/CoveNew rage Form			RFIC Form 4 04 08.pdf

CONTENTS 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".

Refer to the Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

AGREEMENT

This policy, subject to all of its "terms", provides property and liability insurance and other described 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.

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

"Bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of:
 - a. a communicable disease;
 - b. the actual, alleged, or threatened sexual molestation of a person;
 - c. mental or emotional injury, suffering, or distress that does not result from physical injury;
 - d. physical abuse;
 - e. corporal punishment; or
 - f. the use, sale, manufacture, delivery, transfer, or possession by any person of Controlled Substances 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 does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.
4. "Business" means a trade, a profession, or an occupation including farming, all whether full or part time. This includes the rental of property to others. It does not include the occasional rental for residential purposes of

the part of the "insured premises" normally occupied solely by "your" household.

"Business" includes services regularly provided by an "insured" for the care of others and for which an "insured" is compensated. A mutual exchange of like services is not considered compensation.

"Business" does not include:

- a. part-time or seasonal activities that are performed by minors; or
 - b. activities that are related to "business", but are usually not viewed as "business" in nature.
5. "Declarations" are all pages labeled Declarations, Supplemental Declarations, or Schedules which pertain to this policy.
 6. "Domestic employee" means a person employed by an "insured" to perform duties that relate to the use and care of the "insured premises". This includes a person who performs duties of a similar nature elsewhere for an "insured". This does not include a person while performing duties in connection with the "business" of an "insured".
 7. "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.
 8. "Insured" means:
 - a. "you";
 - b. "your" relatives if residents of "your" household;
 - c. persons under the age of 21 residing in "your" household and in "your" care or in the care of "your" resident relatives; and "your" legal representative, if "you" die while insured by this policy. This person is an "insured" only for liability arising

out of the "insured premises". An "insured" at the time of "your" death remains an

"insured" while residing on the "insured premises".

9. "Insured premises"
 - a. Described Location -- If "you" reside on the premises shown on the "declarations" as the described location, the "insured premises" means the parts of the described location which are used or occupied solely by "your" household for residential purposes.
10. "Limit" means the amount of coverage that applies.
11. "Motorized vehicle" means a self-propelled land or amphibious vehicle regardless of method of surface contact.
This does not include vehicles that are designed and used to assist the handicapped and are not required to be licensed for road use.
12. "Motor vehicle" means a "motorized vehicle", a trailer, or a semi-trailer, and all attached machinery or equipment, if:
 - a. it is subject to "motor vehicle" registration; or
 - b. it is designed for use on public roads.
13. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.
14. "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 recycled, reclaimed, or reconditioned, as well as disposed of; and
 - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.

15. "Property damage" means:

- a. physical injury or destruction of tangible property; or
- b. the loss of use of tangible property whether or not it is physically damaged.

16. "Recreational motor vehicle" means a "motorized vehicle", a trailer, or attached equipment that is designed or is used for leisure time activities, and which is not a "motor vehicle".

17. "Residence" means a one- to four-family house, a townhouse, a row house, or a one- or two-family mobile home used mainly for family residential purposes.

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

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

Coverage C -- Personal Property

1. "We" cover personal property owned by or in the care of an "insured". Coverage for personal property usually on residential premises of an "insured" other than the "insured premises" is limited to 10% of the Coverage C "limit" or \$1000, whichever is greater.
2. "We" cover personal property in a newly acquired principal place of residence. The full Coverage C "limit" applies for 30 days from the date "you" begin to move. After that, coverage for personal property in a newly acquired principal place of residence is limited to 10% of the Coverage C "limit" or \$1000, whichever is greater. This coverage does not extend past the date on

which the policy expires or the date on which the policy is terminated.

3. **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.

a. The lesser of \$1,000 or 10% of the Coverage C "limit" for loss to electronic devices. Electronic devices include but are not limited to:

- 1) Computers including peripheral devices, telephones, sound reproducing devices, televisions and monitors, video reproducing devices, data storage devices, or any wiring or accessories;
- 2) Antennas; or
- 3) Tapes, records, compact discs, DVDs, or other media for use with any electronic devices.

b. \$250 on canoes, kayaks or rowboats.

c. \$150 on trailers not otherwise provided for.

d. \$250 on jewelry, watches, precious and semiprecious stones, gems, and furs.

e. \$250 on silverware, goldware, pewterware, and items plated with gold or silver.

f. \$250 on guns.

g. \$250 on musical instruments.

h. \$250 on sports equipment including but not limited to equipment used for team sports, golfing, fishing, skin or SCUBA diving, and hunting.

i. \$250 for photography equipment and accessories including video cameras and equipment.

j. \$250 for sports and other memorabilia.

k. \$250 for objects of fine art including but not limited to paintings, lithographs,

serigraphs, sculptures, ceramics, and decorative rugs.

l. \$250 for tools.

m. \$250 for trees, shrubs, and other plants located in the residence. No more than \$50 of this limit is available for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

n. The lesser of \$1000 or 10% of the Coverage C limit for clothes.

o. \$100 for food.

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

a. property covered by scheduled insurance;

b. animals, birds, fish, or insects;

c. "motorized vehicles" whether or not subject to motor vehicle registration, and all other motorized land conveyances including but not limited to any type of all terrain vehicles. This includes:

1) their parts, equipment, and accessories.

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

while in or on a "motorized vehicle".

d. aircraft, including their parts and equipment. This does not include model aircraft which is not designed or used to carry people or cargo;

e. watercraft of all types (excluding rowboats, kayaks or canoes) including their trailers, furnishings, equipment and engines or motors;

- f. property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";
- g. property in an apartment regularly rented or held for rental to others by an "insured";
- h. property rented or held for rental to others off the "insured premises";
- i. money, bank notes, bullion, gold other than goldware and gold-plated ware, silver other than silverware and silver-plated ware, platinum, and numismatic property;
- k. securities, stamps, letters of credit, notes other than bank notes, personal records, tickets, stamps, accounts, deeds, evidence of debt, passports, and manuscripts.
- l. "Business" data, including such data stored in:
 - 1) books of account, drawings, or other paper records; or
 - 2) Electronic data processing tapes, wires, records, discs or other software media. However, subject to the special limits of liability in this policy, we do cover the cost of blank recording or storage media, and of pre-recorded programs available on the retail market;
- l. property used at any time or in any manner for any "business" purpose.
- m. any building additions or alterations.
- n. loss that results from credit or debit cards, except as provided under Incidental Property Coverages; or
- o. land, including the land on which covered property is located, underground water, or surface water.

Coverage D -- Additional Living Costs

"We" pay the necessary and reasonable increase in living costs "you" incur to maintain the normal standard of living of "your"

household if a part of the "insured premises" occupied by "your" household is made unfit for use by an insured loss. "We" pay only for the period of time reasonably required to make the "insured premises" fit for use or until "your" household is permanently relocated, whichever is less. This period of time is not limited by the policy period.

"We" pay "your" additional living costs as described above for up to two weeks if a premises neighboring the "insured premises" is damaged from a peril insured against by this policy and "you" may not, by order of civil authority, use the "insured premises". This is not limited by the policy period.

"We" do not pay for loss of rent or costs due to the cancellation of a lease or an agreement.

The "limit" shown on the "declarations" for Coverage D is the most "we" pay for all of the coverages described above. You may use up to 4% of the Coverage C limit for each month the premises are uninhabitable. The daily benefit for periods less than a calendar month shall be one thirtieth (1/30) of the monthly benefit. In no event shall the maximum payment under this coverage exceed three (3) months.

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. **Emergency Removal** -- "We" pay for direct physical loss to covered property that is moved from a premises to prevent a loss from perils 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" shown for the property being removed. The Exclusions That Apply To Property Coverages do not apply to this coverage, however "we" do not pay any "insured" for loss which results from any act committed

by or at the direction of any "insured" with the intent to cause a loss.

2. **Debris Removal** -- "We" pay for the cost to remove the debris of covered property after a loss. The loss must be caused by a peril that applies to the damaged property. "We" also pay for the cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to property covered under Coverage C or Tenant's Improvements.

"You" may apply up to 10% of the "limit" that applies to the damaged property to cover debris removal. "We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property.

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".

"We" also pay the cost to remove fallen trees which cause damage to property covered under Coverage C or Tenant's Improvements if:

- a. the falling of the tree is caused by any of the perils insured against described under Coverage C; and
- b. coverage is not provided elsewhere by this policy.

Regardless of the number of fallen trees, the most "we" will pay is \$250 per occurrence.

3. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or agreement when a fire department is called to save or protect covered property from a peril insured against.

The most "we" pay is \$250 per occurrence unless a higher "limit" is shown on the "declarations". No deductible applies to this coverage.

4. **Credit Card, Forgery, and Counterfeit Money** -- "We" pay for loss if an "insured":

- a. by law must pay for the unauthorized use of credit or debit cards issued or registered in the name of an "insured";
 - b. has a loss when checks, drafts, notes, or negotiable instruments are forged or altered; or
 - c. accepts in good faith counterfeit United States or Canadian paper money.
- The most "we" pay is \$500 per occurrence unless a higher "limit" is shown on the "declarations".

"We" do not pay for a loss if:

- a. an "insured" has not complied with the rules under which the credit or debit card was issued;
- b. the loss is caused by the dishonesty of an "insured";
- c. the loss results from the "business" of an "insured"; or
- d. the loss occurs while a person who is not an "insured" has the credit or debit card with the consent of an "insured".

5. **Collapse** -- "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. a Peril Insured Against;
- b. 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;
- c. decay, but only if no "insured" could reasonably be expected to suspect the presence of such decay prior to the collapse;
- d. weight of animals, equipment, people, or personal property;
- e. weight of rain that collects on a roof; or

- f. 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 b) through f) 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 b) through f) 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.

In this Incidental Property Coverage:

- a. 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
- b. the following are not considered to be in a state of collapse:
- 1) 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;
 - 2) a building or a part of a building in danger of caving in, falling in, falling down, or giving way; or
 - 3) 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.

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

6. **Bacteria, Fungi, Wet Rot, Or Dry Rot -** "We" will pay up to the "limit" of this coverage inclusive of all of the following in the event of a loss caused by a peril insured against and resulting in loss payable under Coverage C caused by bacteria, "fungi", wet rot, or dry rot

- a. The cost to remove bacteria, "fungi", wet rot, or dry rot from property covered under Coverage C
- b. The cost of testing of air or property to confirm the absence, presence or level of bacteria, "fungi", wet rot, or dry rot whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of bacteria, "fungi", wet rot, or dry rot on covered property.

The most we will pay for the total of all loss or costs payable, including any Additional Living Expense is the lesser of \$1,000 or 10% of the limit of liability that applies to Coverage C as shown in the declarations page, regardless of the:

- a. Number of locations insured; or
- b. Number of occurrences or claims made.

Payment under this coverage reduces the Coverage C limit of liability by the amount paid for the same loss.

7. **Tenant's Improvements** -- "We" pay for direct physical loss to permanent improvements, fixtures, alterations, decorations, or additions to the "insured premises" made or acquired at "your" expense. The loss must be caused by a peril insured against described under Coverage C.

If "you" repair or replace the damaged improvements, fixtures, alterations, decorations, or additions, "we" also pay for the increased cost which results from the enforcement of a code, ordinance, or law which regulates the use, construction, repair, or demolition of the property or the removal of its debris. However, "we" do not pay for:

- a. any loss in value of property which results from the enforcement of a code, ordinance, or law; or
- b. any loss, cost, or expense which results from the enforcement of a code, ordinance, or law requiring that any "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".

The most "we" pay per occurrence is the lesser of \$1000 or 10% of the Coverage C "limit".

Payment under this coverage reduces the Coverage C limit of liability by the amount paid for the same loss.

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:

1. **Fire or Lightning**
2. **Windstorm or Hail** -- However, "we" do not pay for loss, other than ensuing direct fire loss, to property inside a structure caused by dust, rain, sand, sleet, snow, or water, all whether driven by wind or not, which enter through an opening in the structure not made by the direct force of wind or hail; or
3. **Explosion**
4. **Riot or Civil Commotion**
5. **Aircraft**
6. **Vehicles**
7. **Sudden and Accidental Damage from Smoke** -- However, "we" do not pay for loss caused by smoke from agricultural smudging or industrial operations.
8. **Sinkhole Collapse** -- This means direct physical loss caused by 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 value of land or the cost of filling sinkholes.
9. **Volcanic Action** -- This means:
 - a. airborne volcanic blast or airborne shock waves;
 - b. ash, dust, or particulate matter; and
 - c. lava flow.
However, "we" do not cover removal of ash, dust, or particulate matter that does not cause direct physical loss to covered property.
10. **Vandalism** -- However, "we" do not pay for loss to property on the "insured premises" if the dwelling is vacant for more than 30 days in a row just before the loss. In the case of a direct ensuing fire loss, "we" do not pay for loss to property on the "insured premises" if the dwelling is vacant for more than 60 days in a row just before the loss. A dwelling being built is not vacant.
11. **Burglary** -- meaning damage to covered property by Burglars. This peril includes theft of covered personal property only if there is visible evidence of forced entry to the dwelling on the "insured premises". This coverage only applies in the event that the burglary or attempted burglary is reported to the policy within 24 hours of your discovery.

This peril does not include damage caused by burglars to property on the Described Location, or theft of property from the residence on the "insured location" if the residence has been vacant or unoccupied for more than 30 consecutive days immediately before the loss occurs. In the case of a direct ensuing fire loss, "we" do not pay for loss to property on the "insured premises" if the dwelling is vacant for more than 60 days in a row just before the loss. A dwelling being built is not vacant.

12. **Falling Objects** -- However, "we" do not pay for loss to:
- property inside a structure unless the falling object has first damaged an outside wall or the roof of the structure by impact; or
 - the object which falls.
13. **Sudden and Accidental Tearing Apart, Cracking, Burning, or Bulging** of a heating, air-conditioning, or automatic fire protective sprinkling system or water heater. However, "we" do not pay for loss caused by freezing, except as provided under the peril of Freezing.
14. **Accidental Discharge or Overflow of Liquids 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:
- caused by continuous or repeated seepage or leakage;
 - caused by freezing, except as provided under the peril of Freezing;
 - on the "insured premises" caused by accidental discharge or overflow which comes from off the premises where the "insured premises" is located; or
 - to the system, heater, or appliance from which the liquid or steam escapes.

In this peril, plumbing systems and domestic appliances do not include a sump, sump pump, or related equipment.

15. **Freezing** of a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance. However, "we" do not pay for loss on the "insured premises" while it is unoccupied unless "you" have taken reasonable care to:
- maintain heat at the "insured premises"; or
 - shut off the liquid supply and drain the system, heater, or domestic appliance.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

- "We" do not pay for loss if one or more of the following exclusions apply to the loss, 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.
 - Ordinance or Law** -- "We" do not pay for:
 - loss or increased cost which results from the enforcement of a code, ordinance, or law which regulates the use, construction, repair, or demolition of property or the removal of its debris, except as provided under Incidental Property Coverages;
 - any loss in value of property which results from the enforcement of a code, ordinance, or law; or
 - any loss, cost, or expense which results from the enforcement of a code, ordinance, or law requiring that any "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 applies whether or not there has been physical damage to covered property.

- b. **Civil Authority** -- "We" do not pay for a loss which results from order of civil authority, except as provided under Coverage D.

"We" do pay for loss which results from acts of a civil authority to prevent the spread of fire. "We" do not pay if the fire was caused by an excluded peril.

- c. **Nuclear Hazard** -- "We" do not pay for loss which results from nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by, contributed to, or aggravated by a peril insured against; and whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

- d. **War** -- "We" do not pay for loss which results from declared or undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, or destruction, seizure, or use of property for a military purpose. It includes the consequences of these. Discharge of a nuclear weapon is deemed an act of war even if it is accidental.

- e. **Neglect** -- "We" do not pay for loss which results from the neglect of the "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 which results from earth movement whether the earth movement results from natural or artificial causes.

Earth movement includes but is not limited to:

- 1) earthquake;

- 2) landslide, subsidence, erosion;
- 3) mudflow;
- 4) earth sinking, rising, shifting, expanding, or contracting. This does not include Sinkhole Collapse as described under Perils Insured Against; and
- 5) volcanic eruption, explosion, or effusion. Volcanic eruption, explosion, or effusion does not include Volcanic Action as described under Perils Insured Against.

"We" do pay for direct loss caused by fire; explosion (other than a volcanic explosion); and theft resulting from earth movement.

"We" do pay for the breakage of glass that is part of a covered structure resulting from earth movement.

- g. **Water Damage** -- "We" do not pay for loss which results from the following:

- 1) flood, surface water, waves, tidal water, overflow of a body of water, or spray, all whether driven by wind or not;
- 2) water or sewage which backs up through sewers or drains or water which overflows from within a sump pump, sump pump well, or other type of system designed to remove subsurface water which is drained from the foundation area; or
- 3) water below the surface of the ground. This includes water which 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 caused by fire; explosion (other than a volcanic explosion); and theft resulting from water damage.

- h. **Power Disruption** -- "We" do not pay for loss which results from the disruption of power or other utility service, whether or not it is caused by a peril insured

against, if the cause of the disruption is not on the "insured premises".

"We" do pay for direct loss that is otherwise covered by this policy which occurs on the "insured premises" as a result of the disruption of power.

- i. **Intentional Acts** -- "We" do not pay any "insured" for loss which results from any act committed by or at the direction of any "insured" with the intent to cause a loss.

2. "We" do not pay for loss if one or more of the following exclusions apply to the loss. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.

- a. **Weather Conditions** -- "We" do not pay for loss which results from weather conditions that initiate, set in motion, or in any way contribute to losses excluded under the preceding Exclusions That Apply To Property Coverages (Numbers 1.a. through 1. i.).

- b. **Errors, Omissions, and Defects** -- "We" do not pay for loss which results from one or more of the following:

- 1) an act, error, or omission (negligent or not) relating to:
 - a) land use;
 - b) the design, specification, construction, workmanship, or installation of property;
 - c) planning, zoning, development, surveying, siting, grading, compaction; or
 - d) maintenance of property (including land, structures, or improvements);

whether on or off the "insured premises"; or

- 2) a defect, a weakness, the inadequacy, a fault, or unsoundness in materials used in construction or repair whether on or off the "insured premises";

except as provided under the Incidental Property Coverage for Collapse.

- c. **Wear and Tear** -- "We" do not pay for loss which results from wear and tear, marring, deterioration, inherent vice, latent defect, mechanical breakdown, rust, wet or dry rot, corrosion, mold, contamination, or smog.

LIABILITY COVERAGES

PRINCIPAL COVERAGES -- LIABILITY AND MEDICAL PAYMENTS TO OTHERS

Coverage L -- Personal Liability -- "We" pay, up to "our" "limit", all sums for which an "insured" is liable by law 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" not excluded under this coverage.

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

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 applies only to:

1. a person on the "insured premises" with the permission of an "insured"; and
2. a person away from the "insured premises" if the "bodily injury":
 - a. is a result of a condition on an "insured premises";

- b. is caused by an activity of an "insured";
- c. is caused by a person in the course of performing duties as a "domestic employee";
- d. is caused by an animal owned by or in the care of an "insured"; or
- e. is sustained by a "domestic employee" and arises out of and in the course of employment.

INCIDENTAL LIABILITY COVERAGES

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

1. **Damage to Property of Others --** Regardless of an "insured's" legal liability, "we" pay for property of others damaged by an "insured", or "we" repair or replace the property, to the extent practical, with property of like kind and quality. "Our" "limit" for this coverage is \$500 per "occurrence".

The exclusions that apply to Coverages L and M do not apply to this coverage. However, "we" do not pay for damage to property:

- a. owned by an "insured", or owned by, rented to, or leased to another resident of "your" household or the tenant of an "insured";
- b. caused intentionally by an "insured" who has attained the age of 13; or
- c. resulting in whole or in part from:
 - 1) activities related to a "business" of an "insured";
 - 2) premises owned, rented, or controlled by an "insured", other than an "insured premises"; or

- 3) the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading, or unloading of "motorized vehicles", aircraft, or watercraft. "We" do pay for "property damage" to "motorized vehicles" not subject to "motor vehicle" registration and not owned by an "insured" if the "motorized vehicle" is used only to service the premises or if it is designed for recreational use off public roads.

2. **Contracts and Agreements --** "We" pay for damages for "bodily injury" or "property damage" where the liability of others is assumed by an "insured" under a written contract:

- a. that directly relates to the ownership, maintenance, or use of an "insured premises"; or
- b. if the contract was made before the loss.

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

3. **Claims and Defense Cost --** If "we" defend a suit, "we" pay:

- a. the costs taxed to an "insured";
- b. the costs incurred by "us";
- c. the actual loss of earnings by an "insured" for time spent away from work at "our" request ("We" pay up to \$50 per day.);
- d. the necessary costs incurred by "you" at "our" request;
- e. the interest which accrues after the entry of a judgment, but ending when "we" tender or pay up to "our" "limit";
- f. the premiums on appeal bonds or bonds for the release of attachments up to "our" "limit" ("We" are not required to apply for or furnish bonds.);

4. **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.

EXCLUSIONS THAT APPLY TO LIABILITY COVERAGES

"We" do not pay for "bodily injury" or "property damage" resulting from one or more of the following excluded "occurrences", regardless of other causes or "occurrences" that contribute to or aggravate the "bodily injury" or "property damage", whether such causes or "occurrences" act to produce the "bodily injury" or "property damage" before, at the same time as, or after the excluded "occurrence".

1. **Exclusions That Apply To Coverages L and M** -- This policy does not apply to:

- a. "bodily injury" or "property damage" which results from war. (This includes undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, or destruction, seizure, or use of property for a military purpose. Discharge of a nuclear weapon is deemed a warlike act even if accidental.)
- b. "bodily injury" or "property damage" which results from the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading, or unloading of aircraft, except for "bodily injury" to a person while performing duties as a "domestic employee". However, this exclusion does not apply to model aircraft which is not designed or used to carry people or cargo.
- c. "bodily injury" or "property damage" which results from the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading, or unloading of "motorized vehicles", trailers, or watercraft owned or operated by or rented or loaned to an "insured". However, "we" do pay for "bodily

injury" to a person in the course of performing duties as a "domestic employee".

- d. "bodily injury" or "property damage" which results from the use of a "motorized vehicle" in, or in the practice or the preparation for, racing, speed, pulling or pushing, demolition, or stunt activities or contests.
- e. "bodily injury" or "property damage" that results from liability imposed by law on an "insured" for the use of a "motorized vehicle", aircraft, or watercraft.
- f. "bodily injury" or "property damage" that results from the rendering of or the failing to render a professional service.
- g. "bodily injury" or "property damage" resulting from activities related to the "business" of an "insured".
- h. "bodily injury" or "property damage" which results from premises that are owned, rented, or controlled by an "insured" and that are not the "insured premises". However, "we" do pay for "bodily injury" to a person in the course of performing duties as a "domestic employee".
- i. "bodily injury" or "property damage":
 - 1) which is expected by, directed by, or intended by an "insured";
 - 2) that is the result of a criminal act of an "insured"; or
 - 3) that is the result of an intentional and malicious act by or at the direction of an "insured".

This exclusion applies even if:

- 1) the "bodily injury" or "property damage" that occurs is different than what was expected by, directed by, or intended by the "insured"; or
- 2) the "bodily injury" or "property damage" is suffered by someone other than the person or persons expected by, directed by, or intended by the "insured".

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

- j. "bodily injury" or "property damage" that results from an "occurrence" for which an "insured" is also an insured under a nuclear energy liability policy or would be an insured but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by American Nuclear Insurers, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or their successors.)
- k. "bodily injury" or "property damage" that results from the transmission of a communicable disease by an "insured".
- l. "bodily injury" or "property damage" that results from sexual molestation, corporal punishment, or physical or mental abuse. This exclusion applies to liability whether actual or alleged for any claim of negligent supervision by any insured of any minors in the care of any insured.
- m. "bodily injury" or "property damage" that results from 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. Controlled substances include but are not limited to cocaine, L.S.D., marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following orders of a licensed physician.
- n. "bodily injury" or "property damage" that results from any claim involving domestic or exotic pets or animals "you" own or are in "your" care, custody, or control, or domestic or exotic pets and animals which are on "your" property in the care, custody or control of others.
- o. "bodily injury" or "property damage" that results from any assault or battery committed by any "insured", or anyone related to an "insured" including persons related by blood, marriage, or adoption, or a ward or foster child, or any employee or agent of an "insured". This exclusion applies to liability whether actual or alleged for any claim of negligent supervision by any "insured" of any minors in the care of any "insured".
- p. "bodily injury" or "property damage" that results from the ownership, maintenance or use by any person of any swimming pool, hot tub, whirlpool bath, or spa, their accessories including , but not limited to pumps, cleaning equipment, chemicals, diving boards, pool slides, and lights. This exclusion applies to liability whether actual or alleged for any claim of negligent supervision by any "insured" of any minors in the care of any "insured".
- q. "bodily injury" or "property damage" that results from the ownership, maintenance or use by any person of any trampoline. This exclusion applies to liability whether actual or alleged for any claim of negligent supervision by any "insured" of any minors in the care of any "insured".
- r. "bodily injury" or "property damage" that results from the furnishing of alcoholic beverages to any guest or invitee. This exclusion applies regardless of whether or not the "bodily injury" or "property damage" occurs on or off the "insured premises". This exclusion applies whether actual or alleged for any claim of negligent supervision by any insured of any minors in the care of any insured.
- s. "bodily injury" or "property damage" that results from bacteria, "fungi", wet rot, or dry rot located on the "insured premises".
- t. "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;
- 2) hovercraft,
- 3) watercraft
- 4) "motorized vehicle"

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

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

- a. "bodily injury" to "you", and if residents of "your" household, "your" relatives and persons under the age of 21 in "your" care or in the care of "your" resident relatives.
- b. liability assumed under a contract or an agreement, except as provided by Incidental Contracts and Agreements Coverage.
- c. damage to property owned by an "insured".
- d. damage to property that is rented to, occupied by, used by, or in the care of an "insured", except for "property damage" caused by fire, smoke, or explosion.
- e. 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.
- f. "bodily injury" to a person, including a "domestic employee", if the "insured" has a workers' compensation policy covering the injury or if benefits are payable or are required to be provided by the "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.
- g. liability for any assessment made by "your" homeowners, condominium, mobile-homeowners, or similar residential association, except as provided by Incidental Loss Assessment Coverage.

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

- a. an "insured" or other person who resides on the "insured premises", except a "domestic employee".
- b. a person who is on the "insured premises" because a "business" is conducted or professional services are rendered on the "insured premises".
- c. a person, including a "domestic employee", if a workers' compensation policy covers the injury or if benefits are provided under a workers' compensation, non-occupational disability, occupational disease, or like law.

**WHAT YOU MUST DO IN
CASE OF LOSS OR CLAIM**

1. Notice --

- a. In case of a loss, the "insured" must:
 - 1) give "us" or "our" agent prompt notice ("We" may request written notice.);
 - 2) give notice to the police when the act that causes the loss is a crime; and
 - 3) give notice to the credit or debit card company if the loss involves a credit or debit card.
- b. The notice to "us" must state:
 - 1) the name of the "insured", the policy number, and the time, place, and the details of the loss; and
 - 2) the names and addresses of all known potential claimants and witnesses.

2. **Cooperation** -- The "insured" must cooperate with "us" in performing all acts required by this policy.
3. **Volunteer Payments** -- An "insured" must not make payments, pay or offer rewards, or assume obligations or other costs, except at the "insured's" own cost. This does not apply to costs that are allowed by this policy.
4. **Repairs** -- The "insured" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss. "We" will pay the reasonable costs incurred by "you" for necessary repairs or emergency 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 to covered property. The "insured" must keep an accurate record of such costs. However, "we" will not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against. This does not increase "our" "limit".
5. **Other Duties -- Property Coverages** -- At "our" request the "insured" must:
 - a. give "us" a signed, sworn proof of loss, within 60 days after "our" request, that shows:
 - 1) the time, place, and the details of the loss;
 - 2) the interest of the "insured" and the interest of all others in the property. This includes all mortgages and liens;
 - 3) other policies that may cover the loss;
 - 4) changes in title or use;
 - 5) available plans and specifications of buildings;
 - 6) detailed estimates for repair; and
 - 7) in detail, the quantity, description, cost, amount of loss, and actual cash value of the personal property involved in the loss. The "insured" must give "us" copies of all bills, receipts, and related documents to confirm these;
 - b. submit to examination under oath in matters that relate to the loss or claim as often as "we" reasonably request. 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 the others;
 - c. show the damaged property and allow "us" to take samples of damaged property for inspection, testing, and analysis as often as "we" reasonably request;
 - d. show records, including tax returns and bank records of all canceled checks that relate to the value, loss, and costs, and permit copies to be made of them as often as "we" reasonably request;
 - e. assist "us" to enforce any right of recovery which the "insured" may have against a party causing the loss;
 - f. show records that prove loss of rents and show receipts for additional living costs, and permit copies to be made of them as often as "we" reasonably request; and
 - g. submit evidence or affidavit supporting a claim under Credit Card, Forgery, and Counterfeit Money Coverage stating the amount and cause of loss.
6. **Other Duties -- Personal Liability Coverage** -- In case of an "occurrence" which might result in a claim, the "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence" or the claim.

At "our" request, the "insured" must help "us":

 - a. to settle a claim;
 - b. to conduct suits. This includes being at trials and hearings;
 - c. to enforce the right of recovery or indemnification against all parties who

may be liable to an "insured" for the injury or damage;

- d. in the securing of and giving of evidence; and
- e. in obtaining the attendance of all witnesses.

7. **Other Duties -- 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. **Other Duties -- Damage to Property of Others** -- In case of a loss, "you" must give "us" a signed, sworn statement of loss within 60 days after the loss and "you" must exhibit the damaged property if it is within "your" control.

- b. **Deductible** -- This applies to all Principal Property Coverages and all Incidental Property Coverages except Emergency Removal; Credit Card, Forgery, and Counterfeit Money. It applies to all perils insured against unless otherwise shown.

"We" pay that part of the loss over the deductible. The deductible applies per occurrence, and 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 on an actual cash value basis. Actual cash value includes a deduction for depreciation, however caused.

The smaller of the following amounts is used in applying the "terms" under Our Limit:

- 1) the cost to repair or replace the property with materials of like kind and quality to the extent practical; or
- 2) the actual cash value of the property at the time of loss.

HOW MUCH WE PAY FOR LOSS OR CLAIM

1. Property Coverages

- a. **Our Limit** -- Subject to the deductible or other limitation that applies, "we" pay the lesser of:
 - 1) the "limit" that applies;
 - 2) "your" interest in the property; or
 - 3) the amount determined under the applicable Loss Settlement Terms.

- 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; or
- c. claims made or suits brought.

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 "we" admit "we" are liable under Coverage L.

4. **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 Policy--**
- a. **Property Coverage** -- If there is other insurance that applies to the loss, "we" pay "our" share of the loss. "Our" share is that part of the loss that the "limit" of this policy bears to the total amount of insurance that applies to the loss. When a loss is also covered by the master policy of an association or corporation of property owners, this insurance is excess.
 - b. **Coverage L -- Personal Liability** -- This insurance is excess over other valid and collectible insurance that applies to the loss or claim. However, this does not apply to 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.

6. **Restoration of Limits** -- Each loss "we" pay under this policy does not reduce the "limits" available over the policy period.
-

PAYMENT OF LOSS OR CLAIM

1. **Your Property** -- "We" adjust each loss with "you". "We" pay an insured loss within 30 days after an acceptable proof of loss is received and the amount of the loss is agreed to in writing. If "you" and "we" do not agree, "we" pay within 30 days after the filing of an appraisal award with "us". Payment is made to "you" unless a loss payee is named.
2. **Additional Living Costs** -- If the "insured premises" is made unfit for use for more than one month, covered costs are paid on a monthly basis. "You" must give "us" proof of such costs.
3. **Damage to Personal Property of Others** -
- At "our" option, an insured 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".
4. **Our Options** -- "We" may:
 - a. pay the loss in money; or
 - b. rebuild, repair, or replace the property. "We" must give "you" notice of "our" intent to do so within 30 days after "we" receive an acceptable proof of loss.

"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".
5. **Liability Coverages** -- A person who has secured a judgment against an "insured" for an insured 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.

POLICY CONDITIONS

CONDITIONS APPLICABLE TO ALL COVERAGES

1. **Assignment** -- This policy may not be assigned without "our" written consent.
2. **Bankruptcy of an Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.
3. **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 60 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.

After 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 after 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 refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

4. **Change, Modification, or Waiver of Policy Terms** -- A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.

If "we" adopt a revision which 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 premises shown on the "declarations" as the described location is located. This applies only to revisions adopted 60 days prior to or during the policy period shown on the "declarations". This does not apply to changes adopted as a result of the introduction of a subsequent edition of "our" policy.

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

If this policy has no expiration date, "we" may substitute or "we" may add, at each anniversary date, forms that are then authorized for use.

5. **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. **Misrepresentation, Concealment, or Fraud** -- This policy is void as to "you" and any other "insured" if before or after a loss:
- a. "you" or any "insured" has willfully concealed or misrepresented:
 - 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
 - 2) an "insured's" interest herein; or
 - b. there has been fraud or false swearing by "you" or any other "insured" with regard to a matter that relates to this insurance or the subject thereof.
7. **Policy Period** -- This policy only covers losses, "bodily injury", and "property damage" that occur during the policy period.
8. **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.

"You" may keep the 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.

9. **Subrogation** -- If "we" pay for a loss, "we" may require that "you" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, "you" impair "our" right to recover against others. "You" may waive "your" right to recover, in writing, before a loss occurs, without affecting coverage. If "we" pay a loss to or for "you" and "you" recover from another party for the same loss, "you" must pay "us" as stated in Recoveries.

Subrogation does not apply to Coverage M - Medical Payments to Others or to Damage to Property of Others under the Incidental Liability Coverages.

10. **Suit Against Us** -- No suit may be brought against "us" unless all the "terms" of this policy have been complied with and:

- a. **Property Coverages** -- The suit is brought within two years after the loss.

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

- b. **Liability Coverages** -- The amount of the "insured's" liability has been fixed by:

- 1) a final judgment against the "insured" as a result of a trial; or
- 2) 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".

CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY

11. **Abandonment of Property** -- "You" may not abandon the property to "us" unless "we" agree.

12. **Appraisal** -- If "you" and "we" do not agree as to the value of the property or the amount of the loss, "you" and "we" will each select a competent appraiser within 20 days after receiving a written request from the other. The two appraisers will select an umpire. If they do not agree on an umpire, the two appraisers will ask a judge of a court of record of the state in which the appraisal is pending to make the selection. The written agreement of any two of these three will be binding and set the amount of the loss. "You" will pay the expense of "your" appraiser and "we" will pay "ours". "You" and "we" will share equally the expense of the umpire and the other expenses of the appraisal.

13. **Death** -- On "your" death, protection on "your" covered property passes to:

- a. "your" legal representative; or
- b. any other persons having proper, temporary custody of covered property.

14. **Secured Party and Lender's Loss Payable Clause** --

If a secured party is named on the "declarations", a loss payable on property subject to the security interest will be paid to the secured party and "you", as interests appear. If there is more than one security interest in the same property, the order of payment will be the same as their order of priority.

However, the secured party's interest is not covered for "your" conversion, embezzlement, or secretion of encumbered property in "your" possession, unless specifically insured against and premium paid for such.

If a lender is named on the "declarations", a loss payable on property on which the lender has an insurable interest will be paid to the lender and "you", as interests appear.

If "we" deny "your" claim, that denial does not apply to a valid claim of the secured party or lender if the secured party or lender has:

- a. notified "us" of change in ownership, occupancy, or substantial change in risk of which the secured party or lender became aware;
- b. paid the premium due under this policy on demand if "you" neglected to pay the premium; and
- c. submitted a signed, sworn proof of loss within 60 days after receiving notice from "us" if "you" failed to do so.

All "terms" of this policy apply to the secured party or lender unless changed by this clause.

If "we" cancel or do not renew this policy, "we" will notify the secured party or lender at least ten days before the date cancellation or nonrenewal takes effect.

Payment to a Secured Party -- If "we" pay the secured party 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 secured party granted under the security agreement. Subrogation will not impair the right of the secured party to recover the full amount of the security agreement.

At "our" option, "we" may pay the secured party the remaining amount due on the security agreement, plus the accrued interest. In this event, "we" shall receive full assignment of the security agreement and securities held as collateral for the agreement.

Payment to Lender -- If "we" pay the lender for a loss and deny payment to "you", "we" are subrogated, up to the amount "we" paid for the loss, to the rights of the lender to collect on the debt from "you". Subrogation will not impair the right of the lender to collect the rest of the debt from "you".

At "our" option, "we" may pay the lender the remaining amount due plus the accrued interest. In this event, "we" shall receive a full assignment of the lender's interest and any instruments given as security for the debt.

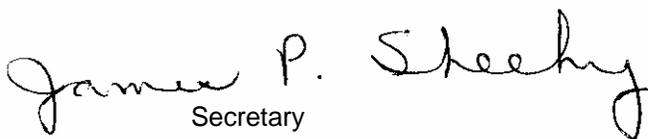
15. **No Benefit To Bailee** -- Coverage under this policy will not directly or indirectly benefit those who are paid to assume custody of the covered property.
16. **Volcanic Action** -- All volcanic action that occurs within a 168-hour period constitutes a single occurrence.

FORM 4 04 08

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Association of Insurance Services

American

In witness whereof, the Company has executed and attested this policy.


Secretary


President

SERFF Tracking Number: *RFIC-125612683* *State:* *Arkansas*
Filing Company: *Ranchers and Farmers Insurance Company* *State Tracking Number:* *#2526 \$50*
Company Tracking Number: *AR RP (08,04) F*
TOI: *04.0 Homeowners* *Sub-TOI:* *04.0004 Tenant Homeowners*
Product Name: *Renters Program*
Project Name/Number: */*

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: RFIC-125612683 State: Arkansas
Filing Company: Ranchers and Farmers Insurance Company State Tracking Number: #2526 \$50
Company Tracking Number: AR RP (08.04) F
TOI: 04.0 Homeowners Sub-TOI: 04.0004 Tenant Homeowners
Product Name: Renters Program
Project Name/Number: /

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty **Review Status:** Approved 04/23/2008

Comments:

Attachment:

AR RP (08.04) F Transmittal.pdf

Satisfied -Name: Forms Listing **Review Status:** Approved 04/23/2008

Comments:

Attached is the Forms Listing referenced in the Transmittal document.

Attachment:

AR RP (08.04) F Forms Listing.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: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">New Business</td> <td></td> </tr> <tr> <td>Renewal Business</td> <td></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

3. Group Name	Group NAIC #
Mirage Interests, Inc.	3497

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Ranchers and Farmers Insurance Co.	TX	11853	20-0505287	

5. Company Tracking Number	AR RP (08.04) F
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Martin Bobek PO Box 3730 Beaumont, TX 77707-3730	VP	409-924-8200 X732	409-924-8282	mbobek@ssuga.com

7. Signature of authorized filer	
8. Please print name of authorized filer	Martin Bobek

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	4.0 Homeowners
10. Sub-Type of Insurance (Sub-TOI)	4.0004 Tenant Homeowners
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Renters Program
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: Upon Approval Renewal: na
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	4/18/2008
19. Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	AR RP (08.04) F
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Ranchers and Farmers Insurance Co. (RFIC) is making an initial forms filing for its new Renters Package program. RFIC has created a Contents Broad base form which is a modified AAIS Contents form. RFIC, an AAIS affiliate, will supplement the base form with approved AAIS forms. Of particular importance is the mandatory AAIS State Amendatory endorsement which applies state-specific conditions to the base form. In addition to the Form Filing Schedule attached to this transmittal, this filing includes a forms listing which shows a schedule of forms intended for use with this program. Apart from the new Contents Broad base form, all forms used in this program have been approved for use by the AR DOI.

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]
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Check #:
Amount:

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

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 #	AR RP (08.04) F
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2.	This filing corresponds to rate/rule filing number <small>(Company tracking number of rate/rule filing, if applicable)</small>	AR RP (08.04) R
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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	Contents Broad Form	RFIC Form 4 04 08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Declarations Page	RMC 0001 03 08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

FORM AND ENDORSEMENT LISTING

ARKANSAS RENTERS PACKAGE PROGRAM

Policies and Declarations Page

Form Number

Title

RFIC FORM 4
RMC 0001 03 08

Renters Broad Form
Declarations Page

Mandatory Endorsements

ML 0073 12 05*
ML-147 1.0*
ML-223 6.0*
ML-435 1.0*

Amendatory Endorsement - Arkansas
Punitive Damage Exclusion
Lead Liability Exclusion
Pollution Liability Exclusion

Optional Endorsements

ML-208 3.0*
ML-55 2.0*

Water Damage – Sewers, Drains, and Sumps
Replacement Value Loss Settlement Terms

(*) asterisk identifies AAIS forms approved for use by affiliated companies in this state.