

SERFF Tracking Number: PHXN-125686280 State: Arkansas
Filing Company: American Hallmark Insurance Company of Texas State Tracking Number: #16749 \$50
Company Tracking Number: DF-AR072008F
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Filing at a Glance

Company: American Hallmark Insurance Company of Texas

Product Name: Dwelling Fire SERFF Tr Num: PHXN-125686280 State: Arkansas
TOI: 01.0 Property SERFF Status: Closed State Tr Num: #16749 \$50
Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines) Co Tr Num: DF-AR072008F State Status: Fees verified and received
Filing Type: Form Co Status: Reviewer(s): Becky Harrington, Betty Montesi
Author: Ron Temposky Disposition Date: 07/16/2008
Date Submitted: 07/10/2008 Disposition Status: Approved
Effective Date Requested (New): 07/23/2008 Effective Date (New): 07/23/2008
Effective Date Requested (Renewal): 07/23/2008 Effective Date (Renewal): 07/23/2008

State Filing Description:

General Information

Project Name: New Dwelling Fire Program Status of Filing in Domicile: Pending
Project Number: DF-AR072008F Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 07/16/2008 Deemer Date:
State Status Changed: 07/15/2008
Corresponding Filing Tracking Number:
Filing Description:
American Hallmark Insurance Company of Texas is submitting for your approval the forms we plan to use with our initial Arkansas Dwelling Fire program. We currently write no new or renewal business in the State of Arkansas.

Company and Contact

SERFF Tracking Number: PHXN-125686280 State: Arkansas
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TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Filing Contact Information

Ron Temposky, Product Manager rtemposky@phoenixautoins.com
14651 Dallas Parkway (972) 866-5742 [Phone]
Dallas, TX 75254 (972) 788-0520[FAX]

Filing Company Information

American Hallmark Insurance Company of Texas CoCode: 43494 State of Domicile: Texas
14651 Dallas Parkway Group Code: 3478 Company Type: Property & Casualty
Suite 400
Dallas, TX 75254 Group Name: Hallmark Insurance State ID Number:
Group
(972) 934-2400 ext. 5762[Phone] FEIN Number: 75-1817901

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:
Per Company: No

SERFF Tracking Number: PHXN-125686280 State: Arkansas
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Becky Harrington	07/16/2008	07/16/2008

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	07/11/2008	07/11/2008	Ron Temposky	07/11/2008	07/11/2008
Pending Industry Response	Becky Harrington	07/11/2008	07/11/2008	Ron Temposky	07/11/2008	07/11/2008

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Product Name: Dwelling Fire
Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Disposition

Disposition Date: 07/16/2008

Effective Date (New): 07/23/2008

Effective Date (Renewal): 07/23/2008

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: PHXN-125686280 State: Arkansas
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 Product Name: Dwelling Fire
 Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	NOTICE TO POLICYHOLDERS	Approved	Yes
Form	DWELLING PROPERTY 1 - BASIC FORM	Approved	Yes
Form	DWELLING PROPERTY 2 - BROAD FORM	Approved	Yes
Form	DWELLING PROPERTY 3 - SPECIAL FORM	Approved	Yes
Form	SPECIAL PROVISIONS - ARKANSAS	Approved	Yes
Form	WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE	Approved	Yes
Form	AUTOMATIC INCREASE IN INSURANCE	Approved	Yes
Form	WINDSTORM OR HAIL BROAD FORM AND SPECIAL FORM	Approved	Yes
Form	WINDSTORM OR HAIL - RADIO AND TELEVISION ANTENNAS, AWNINGS AND SIGNS	Approved	Yes
Form	ADDITIONAL INSURED	Approved	Yes
Form	MODIFIED LOSS SETTLEMENT	Approved	Yes
Form	ACTUAL CASH VALUE LOSS SETTLEMENT	Approved	Yes
Form	WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW	Approved	Yes
Form	RATING INFORMATION	Approved	Yes
Form	CHANGE ENDORSEMENT	Approved	Yes
Form	ARKANSAS FRAUD STATEMENT	Approved	Yes
Form (revised)	ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING	Withdrawn	Yes
Form	ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING	Withdrawn	Yes
	PREMISES ALARM OR FIRE	Approved	Yes

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Product Name: Dwelling Fire
 Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Form	PROTECTION SYSTEM		
Form	FUNCTIONAL REPLACEMENT COST LOSS SETTLEMENT	Approved	Yes
Form	SPECIAL PROVISIONS - ARKANSAS	Approved	Yes
Form	SPECIAL PROVISIONS - ARKANSAS	Approved	Yes
Form	PERSONAL LIABILITY	Approved	Yes
Form	PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS	Approved	Yes
Form	PREMISES LIABILITY (NON-OWNER OCCUPIED DWELLING)	Approved	Yes
Form	PERSONAL LIABILITY SCHEDULE	Approved	Yes
Form	ANIMAL LIABILITY EXCLUSION	Approved	Yes
Form	LIMITED ANIMAL LIABILITY COVERAGE- DWELLING	Approved	Yes
Form	TRAMPOLINE EXCLUSION	Approved	Yes
Form (revised)	Dwelling Fire Application	Approved	Yes
Form	Dwelling Fire Application		Yes
Form	Dwelling Fire Application		Yes
Form (revised)	ARKANSAS DWELLING DECLARATIONS PAGE	Approved	Yes
Form	ARKANSAS DWELLING DECLARATIONS PAGE		Yes
Form	ARKANSAS DWELLING DECLARATIONS PAGE		Yes
Form (revised)	WINDSTORM OR HAIL EXCLUSION	Withdrawn	Yes
Form	WINDSTORM OR HAIL EXCLUSION	Withdrawn	Yes
Form	CRIMINAL ACTS EXCLUSION	Approved	Yes
Form	PERSONAL PROPERTY REPLACEMENT COST	Approved	Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 07/11/2008
Submitted Date 07/11/2008

Respond By Date

Dear Ron Temposky,

This will acknowledge receipt of the captioned filing.

Objection 1

- ARKANSAS DWELLING DECLARATIONS PAGE (Form)

Comment: Please remove the hurricane deductible wording.

Objection 2

- Dwelling Fire Application (Form)

Comment: Please remove the hurricane deductible wording.

Please feel free to contact me if you have questions.

Sincerely,

Becky Harrington

Response Letter

Response Letter Status Submitted to State
Response Letter Date 07/11/2008
Submitted Date 07/11/2008

Dear Becky Harrington,

Comments:

Response 1

Comments: The Application and Declarations page have been revised.

Related Objection 1

Applies To:

SERFF Tracking Number: PHXN-125686280 State: Arkansas
 Filing Company: American Hallmark Insurance Company of Texas State Tracking Number: #16749 \$50
 Company Tracking Number: DF-AR072008F
 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)

Product Name: Dwelling Fire
 Project Name/Number: New Dwelling Fire Program/DF-AR072008F
 - ARKANSAS DWELLING DECLARATIONS PAGE (Form)
 Comment:
 Please remove the hurricane deductible wording.

Related Objection 2

Applies To:
 - Dwelling Fire Application (Form)
 Comment:
 Please remove the hurricane deductible wording.

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Dwelling Fire Application	HDF APP2	07 08	Application/Binder/Enrollment	Replaced			HDF APP2 0708 - AR Dwelling Fire Application.pdf
Previous Version							
Dwelling Fire Application	HDF APP2	07 08	Application/Binder/Enrollment	Replaced			HDF APP2 0708 - AR Dwelling Fire Application.pdf
Dwelling Fire Application	HDF APP1	05 08	Application/Binder/Enrollment	New			HDF APP1

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 Product Name: Dwelling Fire
 Project Name/Number: New Dwelling Fire Program/DF-AR072008F

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ARKANSAS HDF 07 08 Declarations/Schedule Replaced
 DWELLING DE02
 DECLARATIONS
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ARKANSAS HDF 07 08 Declarations/Schedule Replaced
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 DECLARATIONS
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ARKANSAS HDF 05 08 Declarations/Schedule New
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 DECLARATIONS
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TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: New Dwelling Fire Program/DF-AR072008F

No Rate/Rule Schedule items changed.

Sincerely,
Ron Temposky

SERFF Tracking Number: PHXN-125686280 State: Arkansas
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Company Tracking Number: DF-AR072008F
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 07/11/2008
Submitted Date 07/11/2008
Respond By Date

Dear Ron Temposky,

This will acknowledge receipt of the captioned filing.

Objection 1

- ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING (Form)

Comment: Please withdraw this endorsement. AR does not allow ACV on the roof when the dwelling is covered as replacement cost.

Objection 2

- Dwelling Fire Application (Form)

Comment: Please remove the ACV roof and wind/hail exclusion questions or make note that they do not apply in AR.

Objection 3

- WINDSTORM OR HAIL EXCLUSION (Form)

Comment: Please withdraw this endorsement. AR does not allow wind/hail exclusions.

Objection 4

No Objections

Comment: Please refer to Arkansas Code Annotated § 23-102-114 for notice requirements regarding earthquake coverage in Arkansas. Attached is a copy of the required language

Please feel free to contact me if you have questions.

Sincerely,

Becky Harrington

NOTICE TO POLICYHOLDERS

The possibility of a major earthquake occurring in the state poses a serious threat to citizens of Arkansas. Most homeowner (including renter and condominium owners), farmowner and dwelling fire policies do not provide earthquake coverage or may provide less than 100% coverage for damage due to an earthquake. You should review your policy or talk with your agent to determine whether you have earthquake coverage.

The market for residential earthquake coverage in Arkansas has declined over the past several years. In response to these market conditions, a Market Assistance Program (MAP) has been developed to assist consumers in obtaining residential earthquake coverage. Individuals qualify to purchase residential earthquake coverage through the MAP simply by having underlying homeowners, farmowners or dwelling fire coverage that excludes the earthquake peril.

A list of insurers participating in the MAP may be obtained by contacting your agent or calling 1-800-852-5494. You may also elect to maintain earthquake coverage which you may have already purchased.

This notice does not provide you with earthquake coverage nor does it increase any amounts of earthquake coverage you may have.

Declination of Residential Earthquake Coverage

I have been advised about the availability of residential earthquake insurance through the Market Assistance Program (MAP) and/or the Arkansas Earthquake Authority and/or the insurance company to which I am applying.

I hereby choose **NOT** to purchase earthquake coverage in any form, from any of the above sources.

Applicant's Signature

Date

SERFF Tracking Number: PHXN-125686280 State: Arkansas
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TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Response Letter

Response Letter Status Submitted to State
Response Letter Date 07/11/2008
Submitted Date 07/11/2008

Dear Becky Harrington,

Comments:

Response 1

Comments: American Hallmark Insurance Company of Texas is withdrawing the Wind Hail Exclusion and ACV Roof Endorsements and revising the Application form.

We are attaching the Notice to Policyholders regarding Earthquake coverage.

Related Objection 1

Applies To:

- ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING (Form)

Comment:

Please withdraw this endorsement. AR does not allow ACV on the roof when the dwelling is covered as replacement cost.

Related Objection 2

Applies To:

- Dwelling Fire Application (Form)

Comment:

Please remove the ACV roof and wind/hail exclusion questions or make note that they do not apply in AR.

Related Objection 3

Applies To:

- WINDSTORM OR HAIL EXCLUSION (Form)

Comment:

Please withdraw this endorsement. AR does not allow wind/hail exclusions.

Related Objection 4

SERFF Tracking Number: PHXN-125686280 State: Arkansas
 Filing Company: American Hallmark Insurance Company of Texas State Tracking Number: #16749 \$50
 Company Tracking Number: DF-AR072008F
 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
 Product Name: Dwelling Fire
 Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Comment:

Please refer to Arkansas Code Annotated § 23-102-114 for notice requirements regarding earthquake coverage in Arkansas. Attached is a copy of the required language

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: NOTICE TO POLICYHOLDERS

Comment:

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING	DP0475	1202	Endorsement/Amendment/Conditions	Withdrawn			
Previous Version							
ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING	DP0475	1202	Endorsement/Amendment/Conditions	New			DP 04 75 12 02 - ACTUAL CASH VALUE LOSS SETTLEM ENT WINDSTO RM OR HAIL LOSSES TO ROOF SURFACI NG.pdf

SERFF Tracking Number: PHXN-125686280 State: Arkansas
 Filing Company: American Hallmark Insurance Company of Texas State Tracking Number: #16749 \$50
 Company Tracking Number: DF-AR072008F
 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
 Product Name: Dwelling Fire
 Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Dwelling Fire HDF 07 08 Application/Binder/Enroll Replaced HDF
 Application APP2 ment APP2
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Previous Version

Dwelling Fire HDF 05 08 Application/Binder/Enroll New HDF
 Application APP1 ment APP1
 0508 - AR
 Dwelling
 Fire
 Applicatio
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ARKANSAS HDF 07 08 Declarations/Schedule Replaced HDF
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ARKANSAS HDF 05 08 Declarations/Schedule New HDF
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 DECLARATIONS
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 Company Tracking Number: DF-AR072008F
 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
 Product Name: Dwelling Fire
 Project Name/Number: New Dwelling Fire Program/DF-AR072008F

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WINDSTORM OR HAIL HDF 0003 07 08 Endorsement/Amendment Withdrawn
 EXCLUSION /Conditions
Previous Version
 WINDSTORM OR HAIL HDF 0003 07 08 Endorsement/Amendment New
 EXCLUSION /Conditions

HDF 0003
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TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: New Dwelling Fire Program/DF-AR072008F

No Rate/Rule Schedule items changed.

Sincerely,
Ron Temposky

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	DWELLING PROPERTY 1 - BASIC FORM	DP0001	12 02	Policy/Coverage Form	New		DP 00 01 12 02 DWELLING PROPERTY 1 BASIC FORM.pdf
Approved	DWELLING PROPERTY 2 - BROAD FORM	DP0002	12 02	Policy/Coverage Form	New		DP 00 02 12 02 DWELLING PROPERTY 2 BROAD FORM.pdf
Approved	DWELLING PROPERTY 3 - SPECIAL FORM	DP0003	12 02	Policy/Coverage Form	New		DP 00 03 12 02 DWELLING PROPERTY 3 SPECIAL FORM.pdf
Approved	SPECIAL PROVISIONS - ARKANSAS	DP0103	02 07	Endorsement/Conditions	New		DP0103 02 07 SPECIAL PROVISIONS - ARKANSAS.pdf
Approved	WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE	DP0312	12 02	Endorsement/Conditions	New		DP0312 12 02 WINDSTORM OR HAIL PERCENTAGE DEDUCTIBL

SERFF Tracking Number: PHXN-125686280 State: Arkansas
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 Company Tracking Number: DF-AR072008F
 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
 Product Name: Dwelling Fire
 Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Approval	Description	Policy No.	Effective Date	Endorsement/Condition	File Name
Approved	AUTOMATIC INCREASE IN INSURANCE	DP0411	12 02	Endorsement/Conditions	DP0411 12 02 AUTOMATIC INCREASE IN INSURANCE.pdf
Approved	WINDSTORM OR HAIL BROAD FORM AND SPECIAL FORM	DP0418	12 02	Endorsement/Conditions	DP0418 12 02 WINDSTORM OR HAIL BROAD FORM AND SPECIAL FORM.pdf
Approved	WINDSTORM OR HAIL - RADIO AND TELEVISION ANTENNAS, AWNINGS AND SIGNS	DP0419	12 02	Endorsement/Conditions	DP0419 12 02 WINDSTORM OR HAIL - RADIO AND TELEVISION ANTENNAS, AWNINGS AND SIGNS.pdf
Approved	ADDITIONAL INSURED	DP0441	12 02	Endorsement/Conditions	DP0441 12 02 ADDITIONAL INSURED.pdf
Approved	MODIFIED LOSS SETTLEMENT	DP0008	12 02	Endorsement/Conditions	DP0008 12 02 MODIFIED

SERFF Tracking Number: PHXN-125686280 State: Arkansas
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 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
 Product Name: Dwelling Fire
 Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Approval	Description	DP	Code	Notes	File Name
Approved	ACTUAL CASH VALUE LOSS SETTLEMENT	DP0476	12 02	Endorsement/Amendment/Conditions	DP0476 12 02 ACTUAL CASH VALUE LOSS SETTLEMENT.pdf
Approved	WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW	DP0495	12 02	Endorsement/Amendment/Conditions	DP0495 12 02 WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW.pdf
Approved	RATING INFORMATION	DP1276	12 02	Other New	DP1276 12 02 RATING INFORMATION.pdf
Approved	CHANGE ENDORSEMENT	DP1210	12 02	Endorsement/Amendment/Conditions	DP1210 12 02 CHANGE ENDORSEMENT.pdf
Approved	ARKANSAS FRAUD STATEMENT	ILN016	09 03	Endorsement/Amendment/Conditions	ILN016 09 03 ARKANSAS FRAUD STATEMENT.pdf
Withdrawn	ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM	DP0475	1202	Endorsement/Amendment/Conditions	Replaced Form #: Previous Filing #:

SERFF Tracking Number: PHXN-125686280 State: Arkansas
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 Project Name/Number: New Dwelling Fire Program/DF-AR072008F

OR HAIL
 LOSSES TO
 ROOF
 SURFACING

Approved	PREMISES ALARM OR FIRE PROTECTION SYSTEM	DP 04 70 12 02	Endorseme New nt/Amendm ent/Condi ons	DP 04 70 12 02 PREMISES ALARM OR FIRE PROTECTIO N SYSTEM.pdf
Approved	FUNCTIONAL REPLACEMENT COST LOSS SETTLEMENT	DP 05 30 12 02	Endorseme New nt/Amendm ent/Condi ons	DP 05 30 12 02 FUNCTIONA L REPLACEM ENT COST LOSS SETTLEME NT.pdf
Approved	SPECIAL PROVISIONS - ARKANSAS	DL 25 03 12 03	Endorseme New nt/Amendm ent/Condi ons	DL 25 03 12 03 SPECIAL PROVISION S - ARKANSAS. pdf
Approved	SPECIAL PROVISIONS - ARKANSAS	DL 01 03 12 03	Endorseme New nt/Amendm ent/Condi ons	DL 01 03 12 03 SPECIAL PROVISION S - ARKANSAS. pdf
Approved	PERSONAL LIABILITY	DL 24 01 12 02	Endorseme New nt/Amendm	DL 24 01 12 02

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Approved	PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS	DL 24 02 12 02		Endorseme New nt/Amendm ent/Condi ons	DL 24 02 12 02 PERSONAL LIABILITY ADDITIONA L POLICY CONDITION S.pdf
Approved	PREMISES LIABILITY (NON- OWNER OCCUPIED DWELLING)	DL 24 11 12 02		Endorseme New nt/Amendm ent/Condi ons	DL 24 11 12 02 PREMISES LIABILITY (NON- OWNER OCCUPIED DWELLING). pdf
Approved	PERSONAL LIABILITY SCHEDULE	DL 24 03 12 02		Endorseme New nt/Amendm ent/Condi ons	DL 24 03 12 02 PERSONAL LIABILITY SCHEDULE. pdf
Approved	ANIMAL LIABILITY EXCLUSION	HDF 0001 07 08		Endorseme New nt/Amendm ent/Condi ons	HDF 0001 0708 - ANIMAL LIABILITY EXCLUSION - DWELLING FIRE.pdf
Approved	LIMITED ANIMAL LIABILITY COVERAGE-	HDF 0002 07 08		Endorseme New nt/Amendm ent/Condi ons	HDF 0002 0708 - LIMITED ANIMAL

SERFF Tracking Number: PHXN-125686280 State: Arkansas
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DWELLING

LIABILITY
 COVERAGE

-
 DWELLING.
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Approved	TRAMPOLINE EXCLUSION	NL HO02	11 07	Endorseme New nt/Amendm ent/Condi tions		NL HO02 11 07 - TRAMPOLIN E EXCLUSION .pdf
Approved	Dwelling Fire Application	HDF APP2	07 08	Application/ Replaced Binder/Enro llment	Replaced Form #: Previous Filing #:	HDF APP2 0708 - AR Dwelling Fire Application.p df
Approved	ARKANSAS DWELLING DECLARATIONS PAGE	HDF DE02	07 08	Declaration Replaced s/Schedule	Replaced Form #: Previous Filing #:	HDF DE02 0708 - ARKANSAS DWELLING DECLARATI ONS PAGE.pdf
Withdrawn	WINDSTORM OR HAIL EXCLUSION	HDF 0003	07 08	Endorseme Withdrawn nt/Amendm ent/Condi ons	Replaced Form #: Previous Filing #:	
Approved	CRIMINAL ACTS EXCLUSION	HDF 0004	05 08	Endorseme New nt/Amendm ent/Condi ons		HDF 0004 0508 - CRIMINAL ACTS EXCLUSION .pdf
Approved	PERSONAL PROPERTY REPLACEMENT COST	HDF 0005	05 08	Endorseme New nt/Amendm ent/Condi ons		HDF 0005 0508 - PERSONAL PROPERTY

SERFF Tracking Number: PHXN-125686280 State: Arkansas
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REPLACEMENT
COST.pdf

DWELLING PROPERTY 1 – BASIC FORM

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We," "us" and "our" refer to the Company providing this insurance.

DEDUCTIBLE

Unless otherwise noted in this policy, the following deductible provision applies:

Subject to the policy limits that apply, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.

COVERAGES

This insurance applies to the Described Location, Coverages for which a Limit of Liability is shown and Perils Insured Against for which a Premium is stated.

A. Coverage A – Dwelling

1. We cover:

- a. The dwelling on the Described Location shown in the Declarations, used principally for dwelling purposes, including structures attached to the dwelling;
- b. Materials and supplies located on or next to the Described Location used to construct, alter or repair the dwelling or other structures on the Described Location; and
- c. If not otherwise covered in this policy, building equipment and outdoor equipment used for the service of and located on the Described Location.

2. We do not cover land, including land on which the dwelling is located.

B. Coverage B – Other Structures

1. We cover other structures on the Described Location, set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line or similar connection.

2. We do not cover:

- a. Land, including land on which the other structures are located;
- b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;

- c. Other structures used in whole or in part for commercial, manufacturing or farming purposes. However, we do cover a structure that contains commercial, manufacturing or farming property solely owned by you or a tenant of the dwelling provided that such property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure; or
- d. Gravemarkers, including mausoleums.

C. Coverage C – Personal Property

1. Covered Property

We cover personal property, usual to the occupancy as a dwelling and owned or used by you or members of your family residing with you while it is on the Described Location. After a loss and at your request, we will cover personal property owned by a guest or servant while the property is on the Described Location.

2. Property Not Covered

We do not cover:

- a. Accounts, bank notes, bills, bullion, coins, currency, deeds, evidences of debt, gold other than goldware, letters of credit, manuscripts, medals, money, notes other than bank notes, passports, personal records, platinum other than platinumware, securities, silver other than silverware, tickets, stamps, scrip, stored value cards and smart cards;
- b. Animals, birds or fish;
- c. Aircraft meaning any contrivance used or designed for flight including any parts whether or not attached to the aircraft.
We do cover model or hobby aircraft not used or designed to carry people or cargo;
- d. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- e. Motor vehicles or all other motorized land conveyances.
(1) This includes:
 - (a) Their accessories, equipment and parts; or

- (b) Any device or instrument for the transmitting, recording, receiving or reproduction of sound or pictures which is operated by power from the electrical system of motor vehicles and all other motorized land conveyances, and its accessories. Accessories include antennas, tapes, wires, records, discs or other media that can be used with any device or instrument described above.

The exclusion of property described in Paragraphs (a) and (b) above applies only while such property is in or upon the vehicle or conveyance.

- (2) We do cover motor vehicles or other motorized land conveyances not required to be registered for use on public roads or property which are:

- (a) Used solely to service the Described Location; or

- (b) Designed to assist the handicapped;

- f. Watercraft of all types, other than rowboats and canoes;

- g. Data, including data stored in:

- (1) Books of account, drawings or other paper records; or

- (2) Computers and related equipment;

We do cover the cost of blank recording or storage media, and of prerecorded computer programs available on the retail market;

- h. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds; or

- i. Water or steam; or

- j. Gravemarkers, including mausoleums.

3. Property Removed To A Newly Acquired Principle Residence

If you remove personal property from the Described Location to a newly acquired principal residence, the Coverage C limit of liability will apply at each residence for the 30 days immediately after you begin to move the property there. This time period will not extend beyond the termination of this policy. Our liability is limited to the proportion of the limit of liability that the value at each residence bears to the total value of all personal property covered by this policy.

D. Coverage D – Fair Rental Value

- 1. If a loss to property described in Coverage A, B or C by a Peril Insured Against under this policy makes that part of the Described Location rented to others or held for rental by you unfit for its normal use, we cover the fair rental value of that part of the Described Location rented to others or held for rental by you less any expenses that do not continue while that part of the Described Location rented or held for rental is not fit to live in.

Payment will be for the shortest time required to repair or replace that part of the Described Location rented or held for rental.

- 2. If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this policy, we cover the Fair Rental Value loss for no more than two weeks.

- 3. The periods of time referenced above are not limited by the expiration of this policy.

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

E. Other Coverages

1. Other Structures

You may use up to 10% of the Coverage A limit of liability for loss by a Peril Insured Against to other structures described in Coverage B.

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

2. Debris Removal

We will pay your reasonable expense for the removal of:

- a. Debris of covered property if a Peril Insured Against causes the loss; or

- b. Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property.

3. Improvements, Alterations And Additions

If you are a tenant of the Described Location, you may use up to 10% of the Coverage C limit of liability for loss by a Peril Insured Against to improvements, alterations and additions, made or acquired at your expense, to that part of the Described Location used only by you.

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

4. World-Wide Coverage

You may use up to 10% of the Coverage **C** limit of liability for loss by a Peril Insured Against to property covered under Coverage **C** while anywhere in the world. This coverage does not apply to property of guests or servants or to rowboats or canoes.

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

5. Rental Value

You may use up to 20% of the Coverage **A** limit of liability for loss of fair rental value as described in Coverage **D**. We will pay only 1/12 of this 20% for each month the rented part of the Described Location is unfit for its normal use.

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

6. Reasonable Repairs

a. In the event that covered property is damaged by a Peril Insured Against, we will pay the reasonable cost incurred by you for necessary measures taken solely to protect against further damage.

b. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this policy and the damage to that property is caused by a Peril Insured Against. This coverage does not:

- (1) Increase the limit of liability that applies to the covered property; or
- (2) Relieve you of your duties, in case of a loss to covered property, as set forth in Condition **D.2**.

7. Property Removed

We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 5 days while removed.

This coverage does not change the limit of liability that applies to the property being removed.

8. Fire Department Service Charge

We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance. No deductible applies to this coverage.

PERILS INSURED AGAINST

We insure for direct physical loss to the property covered caused by a peril listed below unless the loss is excluded in the General Exclusions.

1A. Fire Or Lightning

1B. Internal Explosion

a. Internal Explosion means explosion occurring in the dwelling or other structure covered on the Described Location or in a structure containing personal property covered.

b. Explosion does not mean:

- (1) Electric arcing;
- (2) Breakage of water pipes; or
- (3) Breakage or operation of pressure relief devices.

This peril does not include loss by explosion of steam boilers, or steam pipes, if owned or leased by you or operated under your control.

When a Premium for Extended Coverage is shown in the Declarations, Perils 2. through 8. are made part of Perils Insured Against.

2. Windstorm Or Hail

This peril does not include loss:

a. To the inside of a building or the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening; or

b. To the following property when outside of the building:

- (1) Awnings, signs, radio or television antennas or aerials including lead-in wiring, masts or towers; or

(2) Canoes and rowboats.

3. Explosion

This peril does not include loss by explosion of steam boilers or steam pipes, if owned or leased by you or operated under your control.

Explosion does not mean:

- a. Electric arcing;
- b. Breakage of water pipes; or
- c. Breakage or operation of pressure relief devices.

This peril replaces Peril **1B**.

4. Riot Or Civil Commotion

5. Aircraft

This peril includes self-propelled missiles and spacecraft.

6. Vehicles

This peril does not include loss caused by:

- a. A vehicle owned or operated by you or a resident of the Described Location; or
- b. Any vehicle to fences, driveways and walks.

7. Smoke

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This peril does not include loss caused by smoke from fireplaces or from agricultural smudging or industrial operations.

8. Volcanic Eruption

This peril does not include loss caused by earthquake, land shock waves or tremors.

When a Premium for Vandalism Or Malicious Mischief is shown in the Declarations, the following is made part of Perils Insured Against.

9. Vandalism Or Malicious Mischief

This peril does not include loss:

- a. To glass or safety glazing material constituting a part of the building other than glass building blocks;
- b. By pilferage, theft, burglary or larceny, but we will be liable for damage to the building covered caused by burglars; or
- b. To property on the Described Location, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

GENERAL EXCLUSIONS

A. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris.
- b. The requirements of which result in a loss in value to property; or
- c. Requiring you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This Exclusion **A.1.** applies whether or not the property has been physically damaged.

2. Earth Movement

Earth Movement means:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Subsidence or sinkhole; or
- d. Any other earth movement including earth sinking, rising or shifting;

caused by or resulting from human or animal forces or any act of nature unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.

3. Water Damage

Water Damage means:

- a. Flood, surface water, waves, tidal water, overflow of a body of water or spray from any of these, whether or not driven by wind;
- b. Water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or

- c. Water or water-borne material below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure;

caused by or resulting from human or animal forces or any act of nature.

Direct loss by fire or explosion resulting from water damage is covered.

4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the Described Location. But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the Described Location, we will pay for the loss caused by that Peril Insured Against.

5. Neglect

Neglect means your neglect to use all reasonable means to save and preserve property at and after the time of a loss.

6. War

War includes the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel;
- c. Destruction or seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

7. Nuclear Hazard

This Exclusion 7. pertains to Nuclear Hazard to the extent set forth in the Nuclear Hazard Clause of the Conditions.

8. Intentional Loss

Intentional Loss means any loss arising out of any act you or any person or organization named as an additional insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, neither you nor any such person or organization is entitled to coverage, even those who did not commit or conspire to commit the act causing the loss.

9. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in Coverage **A**, **B** or **C** by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

- B.** We do not cover loss to lawns, plants, shrubs or trees outside of buildings.

CONDITIONS

A. Policy Period

This policy applies only to loss which occurs during the policy period.

B. Insurable Interest And Limit Of Liability

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

1. For an amount greater than the interest of a person insured under this policy at the time of loss; or
2. For more than the applicable limit of liability.

C. Concealment Or Fraud

We provide coverage to no persons insured under this policy if, whether before or after a loss, one or more persons insured under this policy have:

1. Intentionally concealed or misrepresented any material fact or circumstance;
 2. Engaged in fraudulent conduct; or
 3. Made false statements;
- relating to this insurance.

D. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you or your representative:

1. Give prompt notice to us or our agent;
2. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
3. Cooperate with us in the investigation of a claim;
4. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
5. As often as we reasonably require:
 - a. Show the damaged property;

- b. Provide us with records and documents we request and permit us to make copies; and
 - c. Submit to examination under oath, while not in the presence of another named insured, and sign the same;
6. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth to the best of your knowledge and belief:
- a. The time and cause of loss;
 - b. Your interest and that of all others in the property involved and all liens on the property;
 - c. Other insurance which may cover the loss;
 - d. Changes in title or occupancy of the property during the term of the policy;
 - e. Specifications of damaged buildings and detailed repair estimates;
 - f. The inventory of damaged personal property described in Paragraph **D.3.**;
 - g. Receipts for additional living expenses incurred and records that support the fair rental value loss.

E. Loss Settlement

Covered property losses are settled at actual cash value at the time of loss but not more than the amount required to repair or replace the damaged property.

F. Loss To A Pair Or Set

In case of loss to a pair or set we may elect to:

- 1. Repair or replace any part to restore the pair or set to its value before the loss; or
- 2. Pay the difference between actual cash value of the property before and after the loss.

G. Glass Replacement

Loss for damage to glass caused by a Peril Insured Against will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

H. Appraisal

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the Described Location is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

- 1. Pay its own appraiser; and
- 2. Bear the other expenses of the appraisal and umpire equally.

I. Other Insurance And Service Agreement

If property covered by this policy is also covered by:

- 1. Other fire insurance, we will pay only the proportion of a loss caused by any peril insured against under this policy that the limit of liability applying under this policy bears to the total amount of fire insurance covering the property; or
- 2. A service agreement, this insurance is excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

J. Subrogation

You may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, the person insured must sign and deliver all related papers and cooperate with us.

K. Suit Against Us

No action can be brought against us unless there has been full compliance with all of the terms under this policy and the action is started within two years after the date of loss.

L. Our Option

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

M. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

1. 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.

N. Abandonment Of Property

We need not accept any property abandoned by you.

O. Mortgage Clause

1. If a mortgagee is named in this policy, any loss payable under Coverage **A** or **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.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
 - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
 - c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Paragraphs **G**. Appraisal, **J**. Suit Against Us and **L**. Loss Payment also apply to the mortgagee.
3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
4. If we pay the mortgagee for any loss and deny payment to you:
 - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or

- b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any 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. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

P. No Benefit To Bailee

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

Q. Cancellation

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
 - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
 - c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
 - (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
 - (2) If the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 30 days before the date cancellation takes effect.
 - d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.

3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

R. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

S. Liberalization Clause

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

T. Waiver Or Change Of Policy Provisions

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

U. Assignment

Assignment of this policy will not be valid unless we give our written consent.

V. Death

If you die, we insure:

1. Your legal representatives but only with respect to the property of the deceased covered under the policy at the time of death;

2. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

W. Nuclear Hazard Clause

1. "Nuclear Hazard" means any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
2. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
3. This policy does not apply to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

X. Recovered Property

If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

Y. Volcanic Eruption Period

One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

Z. Loss Payable Clause

If the Declarations show a loss payee for certain listed insured personal property, that person is considered an insured in this policy with respect to that property.

If we decide to cancel or not renew this policy, that loss payee will be notified in writing.

DWELLING PROPERTY 2 – BROAD FORM

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We," "us" and "our" refer to the Company providing this insurance.

DEDUCTIBLE

Unless otherwise noted in this policy, the following deductible provision applies:

Subject to the policy limits that apply, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.

COVERAGES

This insurance applies to the Described Location, Coverages for which a Limit of Liability is shown and Perils Insured Against for which a Premium is stated.

A. Coverage A – Dwelling

1. We cover:

- a. The dwelling on the Described Location shown in the Declarations, used principally for dwelling purposes, including structures attached to the dwelling;
- b. Materials and supplies located on or next to the Described Location used to construct, alter or repair the dwelling or other structures on the Described Location; and
- c. If not otherwise covered in this policy, building equipment and outdoor equipment used for the service of and located on the Described Location.

2. We do not cover land, including land on which the dwelling is located.

B. Coverage B – Other Structures

1. We cover other structures on the Described Location, set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line or similar connection.
2. We do not cover:
 - a. Land, including land on which the other structures are located;
 - b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;

- c. Other structures used in whole or in part for commercial, manufacturing or farming purposes. However, we do cover a structure that contains commercial, manufacturing or farming property solely owned by you or a tenant of the dwelling provided that such property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure; or
- d. Gravemarkers, including mausoleums.

C. Coverage C – Personal Property

1. Covered Property

We cover personal property, usual to the occupancy as a dwelling and owned or used by you or members of your family residing with you while it is on the Described Location. After a loss and at your request, we will cover personal property owned by a guest or servant while the property is on the Described Location.

2. Property Not Covered

We do not cover:

- a. Accounts, bank notes, bills, bullion, coins, currency, deeds, evidences of debt, gold other than goldware, letters of credit, manuscripts, medals, money, notes other than bank notes, passports, personal records, platinum other than platinumware, securities, silver other than silverware, tickets, stamps, scrip, stored value cards and smart cards;
- b. Animals, birds or fish;
- c. Aircraft meaning any contrivance used or designed for flight including any parts whether or not attached to the aircraft.

We do cover model or hobby aircraft not used or designed to carry people or cargo;
- d. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- e. Motor vehicles or all other motorized land conveyances.
 - (1) This includes:
 - (a) Their accessories, equipment and parts; or

- (b) Any device or instrument for the transmitting, recording, receiving or reproduction of sound or pictures which is operated by power from the electrical system of motor vehicles and all other motorized land conveyances, and its accessories. Accessories include antennas, tapes, wires, records, discs or other media that can be used with any device or instrument described above.

The exclusion of property described in (a) and (b) above applies only while such property is in or upon the vehicle or conveyance.

- (2) We do cover motor vehicles or other motorized land conveyances not required to be registered for use on public roads or property which are:

- (a) Used solely to service the Described Location; or

- (b) Designed to assist the handicapped;

- f. Watercraft of all types, other than rowboats and canoes;

- g. Data, including data stored in:

- (1) Books of account, drawings or other paper records; or

- (2) Computers and related equipment;

We do cover the cost of blank recording or storage media, and of prerecorded computer programs available on the retail market;

- h. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds;

- i. Water or steam; or

- j. Gravemarkers, including mausoleums.

3. Property Removed To A Newly Acquired Principle Residence

If you remove personal property from the Described Location to a newly acquired principal residence, the Coverage C limit of liability will apply at each residence for the 30 days immediately after you begin to move the property there. This time period will not extend beyond the termination of this policy. Our liability is limited to the proportion of the limit of liability that the value at each residence bears to the total value of all personal property covered by this policy.

D. Coverage D – Fair Rental Value

1. If a loss to property described in Coverage A, B or C by a Peril Insured Against under this policy makes that part of the Described Location rented to others or held for rental by you unfit for its normal use, we cover the fair rental value of that part of the Described Location rented to others or held for rental by you less any expenses that do not continue while that part of the Described Location rented or held for rental is not fit to live in.

Payment will be for the shortest time required to repair or replace that part of the Described Location rented or held for rental.

2. If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this policy, we cover the Fair Rental Value loss for no more than two weeks.

3. The periods of time referenced above are not limited by the expiration of this policy.

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

E. Coverage E – Additional Living Expense

1. If a loss to property described in Coverage A, B or C by a Peril Insured Against under this policy makes the Described Location unfit for its normal use, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace the Described Location or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this policy, we cover the Additional Living Expense loss for no more than two weeks.

3. The periods of time referenced above are not limited by the expiration of this policy.

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

F. Other Coverages

1. Other Structures

You may use up to 10% of the Coverage A limit of liability for loss by a Peril Insured Against to other structures described in Coverage B.

This coverage is additional insurance.

2. Debris Removal

We will pay your reasonable expense for the removal of:

- a. Debris of covered property if a Peril Insured Against causes the loss; or
- b. Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property.

3. Improvements, Alterations And Additions

If you are a tenant of the Described Location, you may use up to 10% of the Coverage C limit of liability for loss by a Peril Insured Against to improvements, alterations and additions, made or acquired at your expense, to that part of the Described Location used only by you.

This coverage is additional insurance.

4. World-Wide Coverage

You may use up to 10% of the Coverage C limit of liability for loss by a Peril Insured Against to property covered under Coverage C except rowboats and canoes, while anywhere in the world.

Use of this coverage reduces the Coverage C limit of liability for the same loss.

5. Rental Value And Additional Living Expense

You may use up to 20% of the Coverage A limit of liability for loss of both fair rental value as described in Coverage D and additional living expense as described in Coverage E.

This coverage is additional insurance.

6. Reasonable Repairs

- a. In the event that covered property is damaged by a Peril Insured Against, we will pay the reasonable cost incurred by you for necessary measures taken solely to protect against further damage.
- b. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this policy and the damage to that property is caused by a Peril Insured Against. This coverage does not:
 - (1) Increase the limit of liability that applies to the covered property; or
 - (2) Relieve you of your duties, in case of a loss to covered property, as set forth in Condition D.2.

7. Property Removed

We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed.

This coverage does not change the limit of liability that applies to the property being removed.

8. Trees, Shrubs And Other Plants

We cover trees, shrubs, plants or lawns, on the Described Location for loss caused by the following Perils Insured Against:

- a. Fire or lightning;
- b. Explosion;
- c. Riot or civil commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by you or a resident of the Described Location; or
- f. Vandalism or malicious mischief, including damage during a burglary or attempted burglary, but not theft of property.

The limit of liability for this coverage will not be more than 5% of the Coverage A limit of liability, or more than \$500 for any one tree, shrub or plant. We do not cover property grown for commercial purposes.

This coverage is additional insurance.

9. Fire Department Service Charge

We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance. No deductible applies to this coverage.

10. Collapse

- a. With respect to this Other Coverage:
 - (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.
 - (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.

- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
 - (4) A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- b. We insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:
- (1) The Perils Insured Against in this policy;
 - (2) Decay that is hidden from view, unless the presence of such decay is known to you prior to collapse;
 - (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to you prior to collapse;
 - (4) Weight of contents, equipment, animals or people;
 - (5) Weight of rain which collects on a roof; or
 - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
- c. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under **b.(2)** through **(6)** above unless the loss is a direct result of the collapse of a building or any part of a building.
- d. This coverage does not increase the limit of liability that applies to the damaged covered property.

11. Glass Or Safety Glazing Material

- a. We cover:
- (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;
 - (2) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window when caused directly by earth movement; and

- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.
- b. This coverage does not include loss:
- (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in **a.(3)** above; or
 - (2) On the Described Location if the dwelling has been vacant for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided for in **a.(2)** above. A dwelling being constructed is not considered vacant.
- c. This coverage does not increase the limit of liability that applies to the damaged property.

12. Ordinance Or Law

- a. The Ordinance Or Law limit of liability determined in **b.** or **c.** below will apply with respect to the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
- (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
 - (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
 - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. If you are an owner of a Described Location, and that location:
- (1) Is insured for Coverage **A** or Unit-Owners Building Items, you may use up to 10% of the limit of liability that applies to Coverage **A** or Unit-Owners Building Items at each Described Location; or

- (2) Is not insured for Coverage **A** or Unit-Owners Building Items, you may use up to 10% of the total limit of liability that applies to Coverage **B** at each Described Location.
- c. If you are a tenant of a Described Location, you may use up to 10% of the limit of liability that applies to Improvements, Alterations And Additions at each Described Location. Also, the words "covered building" used throughout this Other Coverage **12**. Ordinance Or Law, refer to property at such a Described Location covered under Other Coverage **3**. Improvements, Alterations And Additions.
- d. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in **a.** above.
- e. We do not cover:
- (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
- (2) The costs to comply with any ordinance or law which requires you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any covered building or other structure.
- Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

PERILS INSURED AGAINST

We insure for direct physical loss to the property covered caused by a peril listed below unless the loss is excluded in the General Exclusions.

1. Fire Or Lightning

2. Windstorm Or Hail

This peril does not include loss:

- a. To the inside of a building or the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening; or

- b. To the following property when outside of the building:

- (1) Awnings, signs, radio or television antennas or aerials including lead-in wiring, masts or towers;
- (2) Canoes and rowboats; or
- (3) Trees, shrubs, plants or lawns.

3. Explosion

4. Riot Or Civil Commotion

5. Aircraft

This peril includes self-propelled missiles and spacecraft.

6. Vehicles

This peril does not include loss to a fence, driveway, or walk caused by a vehicle owned or operated by you or a resident of the Described Location.

7. Smoke

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

8. Vandalism Or Malicious Mischief

This peril does not include loss:

- a. By pilferage, theft, burglary or larceny; or
- b. To property on the Described Location, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

9. Damage By Burglars

This peril means damage to covered property caused by burglars.

This peril does not include:

- a. Theft of property; or
- b. Damage caused by burglars to property on the Described Location if the dwelling has been vacant for more than 60 consecutive days immediately before the damage occurs. A dwelling being constructed is not considered vacant.

10. Falling Objects

This peril does not include loss:

- a. To the inside of a building or property contained in the building unless the roof or an outside wall of the building is first damaged by a falling object.

- b. To outdoor radio and television antennas and aerials including their lead-in wiring, masts and towers, outdoor equipment, awnings and fences.

Damage to the falling object itself is not covered.

11. Weight Of Ice, Snow Or Sleet

This peril means weight of ice, snow or sleet which causes damage to a building or property contained in the building.

This peril does not include loss to an awning, fence, patio, pavement, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock.

12. Accidental Discharge Or Overflow Of Water Or Steam

- a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance. We also pay to tear out and replace any part of a building, or other structure, on the Described Location, but only when necessary to repair the system or appliance from which the water or steam escaped. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the Described Location.
- b. This peril does not include loss:
 - (1) To a building caused by constant or repeated seepage or leakage over a period of weeks, months or years;
 - (2) On the Described Location, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
 - (3) To the system or appliance from which the water or steam escaped;
 - (4) Caused by or resulting from freezing except as provided in Peril Insured Against 14. Freezing below; or
 - (5) On the Described Location caused by accidental discharge or overflow which occurs off the Described Location.
- c. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

- d. General Exclusion 3. Water Damage, Paragraphs a. and c. that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

13. Sudden And Accidental Tearing Apart, Cracking, Burning Or Bulging

This peril means sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

This peril does not include loss caused by or resulting from freezing except as provided in Perils Insured Against 14. Freezing below.

14. Freezing

- a. This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance but only if you have used reasonable care to:
 - (1) Maintain heat in the building; or
 - (2) Shut off the water supply and drain all systems and appliances of water.However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.
- b. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

15. Sudden And Accidental Damage From Artificially Generated Electrical Current

This peril does not include loss to tubes, transistors, electronic components or circuitry that are a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

16. Volcanic Eruption

This peril does not include loss caused by earthquake, land shock waves or tremors.

GENERAL EXCLUSIONS

We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion 1.a. does not apply to the amount of coverage that may be provided under Other Coverage 12. Ordinance Or Law;
- b. The requirements of which result in a loss in value to property; or
- c. Requiring you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This Exclusion 1. applies whether or not the property has been physically damaged.

2. Earth Movement

Earth Movement means:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Subsidence or sinkhole; or
- d. Any other earth movement including earth sinking, rising or shifting;

caused by or resulting from human or animal forces or any act of nature unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.

3. Water Damage

Water Damage means:

- a. Flood, surface water, waves, tidal water, overflow of a body of water or spray from any of these, whether or not driven by wind;
- b. Water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or
- c. Water or water-borne material below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure;

caused by or resulting from human or animal forces or any act of nature.

Direct loss by fire or explosion resulting from water damage is covered.

4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the Described Location. But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the Described Location, we will pay for the loss caused by that Peril Insured Against.

5. Neglect

Neglect means your neglect to use all reasonable means to save and preserve property at and after the time of a loss.

6. War

War includes the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel;
- c. Destruction or seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

7. Nuclear Hazard

This Exclusion 7. pertains to Nuclear Hazard to the extent set forth in the Nuclear Hazard Clause of the Conditions.

8. Intentional Loss

Intentional Loss means any loss arising out of any act you or any person or organization named as an additional insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, neither you nor any such person or organization is entitled to coverage, even those who did not commit or conspire to commit the act causing the loss.

9. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in Coverage A, B or C by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

CONDITIONS

A. Policy Period

This policy applies only to loss which occurs during the policy period.

B. Insurable Interest And Limit Of Liability

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

1. For an amount greater than the interest of a person insured under this policy at the time of loss; or
2. For more than the applicable limit of liability.

C. Concealment Or Fraud

We provide coverage to no persons insured under this policy if, whether before or after a loss, one or more persons insured under this policy have:

1. Intentionally concealed or misrepresented any material fact or circumstance;
 2. Engaged in fraudulent conduct; or
 3. Made false statements;
- relating to this insurance.

D. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you or your representative:

1. Give prompt notice to us or our agent;
2. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
3. Cooperate with us in the investigation of a claim;
4. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
5. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies; and
 - c. Submit to examination under oath, while not in the presence of another named insured, and sign the same;
6. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth to the best of your knowledge and belief:
 - a. The time and cause of loss;

- b. Your interest and that of all others in the property involved and all liens on the property;
- c. Other insurance which may cover the loss;
- d. Changes in title or occupancy of the property during the term of the policy;
- e. Specifications of damaged buildings and detailed repair estimates;
- f. The inventory of damaged personal property described in **D.3.**;
- g. Receipts for additional living expenses incurred and records that support the fair rental value loss.

E. Loss Settlement

In this Condition **E.**, the terms "cost to repair or replace" and "replacement cost" do not include the increased costs incurred to comply with the enforcement of any ordinance or law except to the extent that coverage for these increased costs is provided in Other Coverage **F.12. Ordinance Or Law**. Covered property losses are settled as follows:

1. Property of the following types:
 - a. Personal property;
 - b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
 - c. Structures that are not buildings;at actual cash value at the time of loss but not more than the amount required to repair or replace.
2. Buildings under Coverage **A** or **B** at replacement cost without deduction for depreciation, subject to the following:
 - a. If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of any deductible and without deduction for depreciation, but not more than the least of the following amounts:
 - (1) The limit of liability under this policy that applies to the building;
 - (2) The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
 - (3) The necessary amount actually spent to repair or replace the damaged building.

If the building is rebuilt at a new premises, the cost described in **(2)** above is limited to the cost which would have been incurred if the building had been built at the original premises.

- b.** If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:
- (1)** The actual cash value of that part of the building damaged; or
 - (2)** That proportion of the cost to repair or replace, after application of deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.
- c.** To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:
- (1)** Excavations, footings, foundations, piers or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;
 - (2)** Those supports in **(1)** above which are below the surface of the ground inside the foundation walls, if there is no basement; and
 - (3)** Underground flues, pipes, wiring and drains.
- d.** We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in **2.a.** and **b.** above.
- However, if the cost to repair or replace the damage is both:
- (1)** Less than 5% of the amount of insurance in this policy on the building; and
 - (2)** Less than \$2,500;
- we will settle the loss as noted in **2.a.** and **b.** above whether or not actual repair or replacement is complete.

- e.** You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition **E.** Loss Settlement, provided you notify us of your intent to do so within 180 days after the date of loss.

F. Loss To A Pair Or Set

In case of loss to a pair or set we may elect to:

- 1.** Repair or replace any part to restore the pair or set to its value before the loss; or
- 2.** Pay the difference between actual cash value of the property before and after the loss.

G. Appraisal

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the Described Location is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

- 1.** Pay its own appraiser; and
- 2.** Bear the other expenses of the appraisal and umpire equally.

H. Other Insurance And Service Agreement

If property covered by this policy is also covered by:

- 1.** Other fire insurance, we will pay only the proportion of a loss caused by any peril insured against under this policy that the limit of liability applying under this policy bears to the total amount of fire insurance covering the property; or
- 2.** A service agreement, this insurance is excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

I. Subrogation

You may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, the person insured must sign and deliver all related papers and cooperate with us.

J. Suit Against Us

No action can be brought against us unless there has been full compliance with all of the terms under this policy and the action is started within two years after the date of loss.

K. Our Option

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

L. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

1. 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.

M. Abandonment Of Property

We need not accept any property abandoned by you.

N. Mortgage Clause

1. If a mortgagee is named in this policy, any loss payable under Coverage **A** or **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.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
 - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and

- c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Paragraphs **G.** Appraisal, **J.** Suit Against Us and **L.** Loss Payment also apply to the mortgagee.

3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
4. If we pay the mortgagee for any loss and deny payment to you:
 - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
 - b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any 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. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

O. No Benefit To Bailee

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

P. Cancellation

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
 - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.

c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:

- (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
- (2) If the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.

3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

Q. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

R. Liberalization Clause

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

S. Waiver Or Change Of Policy Provisions

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

T. Assignment

Assignment of this policy will not be valid unless we give our written consent.

U. Death

If you die, we insure:

1. Your legal representatives but only with respect to the property of the deceased covered under the policy at the time of death;
2. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

V. Nuclear Hazard Clause

1. "Nuclear Hazard" means any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
2. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
3. This policy does not apply to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

W. Recovered Property

If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

X. Volcanic Eruption Period

One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

Y. Loss Payable Clause

If the Declarations show a loss payee for certain listed insured personal property, that person is considered an insured in this policy with respect to that property.

If we decide to cancel or not renew this policy, that loss payee will be notified in writing.

DWELLING PROPERTY 3 – SPECIAL FORM

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We," "us" and "our" refer to the Company providing this insurance.

DEDUCTIBLE

Unless otherwise noted in this policy, the following deductible provision applies:

Subject to the policy limits that apply, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.

COVERAGES

This insurance applies to the Described Location, Coverages for which a Limit of Liability is shown and Perils Insured Against for which a Premium is stated.

A. Coverage A – Dwelling

1. We cover:

- a. The dwelling on the Described Location shown in the Declarations, used principally for dwelling purposes, including structures attached to the dwelling;
- b. Materials and supplies located on or next to the Described Location used to construct, alter or repair the dwelling or other structures on the Described Location; and
- c. If not otherwise covered in this policy, building equipment and outdoor equipment used for the service of and located on the Described Location.

2. We do not cover land, including land on which the dwelling is located.

B. Coverage B – Other Structures

1. We cover other structures on the Described Location, set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line or similar connection.

2. We do not cover:

- a. Land, including land on which the other structures are located;
- b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;

- c. Other structures used in whole or in part for commercial, manufacturing or farming purposes. However, we do cover a structure that contains commercial, manufacturing or farming property solely owned by you or a tenant of the dwelling provided that such property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure; or
- d. Gravemarkers, including mausoleums.

C. Coverage C – Personal Property

1. Covered Property

We cover personal property, usual to the occupancy as a dwelling and owned or used by you or members of your family residing with you while it is on the Described Location. After a loss and at your request, we will cover personal property owned by a guest or servant while the property is on the Described Location.

2. Property Not Covered

We do not cover:

- a. Accounts, bank notes, bills, bullion, coins, currency, deeds, evidences of debt, gold other than goldware, letters of credit, manuscripts, medals, money, notes other than bank notes, passports, personal records, platinum other than platinumware, securities, silver other than silverware, tickets, stamps, scrip, stored value cards and smart cards;
- b. Animals, birds or fish;
- c. Aircraft meaning any contrivance used or designed for flight including any parts whether or not attached to the aircraft.
We do cover model or hobby aircraft not used or designed to carry people or cargo;
- d. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- e. Motor vehicles or all other motorized land conveyances.
(1) This includes:
 - (a) Their accessories, equipment and parts; or

- (b) Any device or instrument for the transmitting, recording, receiving or reproduction of sound or pictures which is operated by power from the electrical system of motor vehicles and all other motorized land conveyances, and its accessories. Accessories include antennas, tapes, wires, records, discs or other media that can be used with any device or instrument described above.

The exclusion of property described in (a) and (b) above applies only while such property is in or upon the vehicle or conveyance.

- (2) We do cover motor vehicles or other motorized land conveyances not required to be registered for use on public roads or property which are:

- (a) Used solely to service the Described Location; or

- (b) Designed to assist the handicapped;

- f. Watercraft of all types, other than rowboats and canoes;

- g. Data, including data stored in:

- (1) Books of account, drawings or other paper records; or

- (2) Computers and related equipment;

We do cover the cost of blank recording or storage media, and of prerecorded computer programs available on the retail market;

- h. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds;

- i. Water or steam; or

- j. Gravemarkers, including mausoleums.

3. Property Removed To A Newly Acquired Principle Residence

If you remove personal property from the Described Location to a newly acquired principal residence, the Coverage C limit of liability will apply at each residence for the 30 days immediately after you begin to move the property there. This time period will not extend beyond the termination of this policy. Our liability is limited to the proportion of the limit of liability that the value at each residence bears to the total value of all personal property covered by this policy.

D. Coverage D – Fair Rental Value

1. If a loss to property described in Coverage A, B or C by a Peril Insured Against under this policy makes that part of the Described Location rented to others or held for rental by you unfit for its normal use, we cover the fair rental value of that part of the Described Location rented to others or held for rental by you less any expenses that do not continue while that part of the Described Location rented or held for rental is not fit to live in.

Payment will be for the shortest time required to repair or replace that part of the Described Location rented or held for rental.

2. If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this policy, we cover the Fair Rental Value loss for no more than two weeks.

3. The periods of time referenced above are not limited by the expiration of this policy.

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

E. Coverage E – Additional Living Expense

1. If a loss to property described in Coverage A, B or C by a Peril Insured Against under this policy makes the Described Location unfit for its normal use, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace the Described Location or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this policy, we cover the Additional Living Expense loss for no more than two weeks.

3. The periods of time referenced above are not limited by the expiration of this policy.

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

F. Other Coverages

1. Other Structures

You may use up to 10% of the Coverage A limit of liability for loss by a Peril Insured Against to other structures described in Coverage B.

This coverage is additional insurance.

2. Debris Removal

We will pay your reasonable expense for the removal of:

- a. Debris of covered property if a Peril Insured Against causes the loss; or
- b. Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property.

3. Improvements, Alterations And Additions

If you are a tenant of the Described Location, you may use up to 10% of the Coverage C limit of liability for loss by a Peril Insured Against to improvements, alterations and additions, made or acquired at your expense, to that part of the Described Location used only by you.

This coverage is additional insurance.

4. World-Wide Coverage

You may use up to 10% of the Coverage C limit of liability for loss by a Peril Insured Against to property covered under Coverage C except rowboats and canoes, while anywhere in the world.

Use of this coverage reduces the Coverage C limit of liability for the same loss.

5. Rental Value And Additional Living Expense

You may use up to 20% of the Coverage A limit of liability for loss of both fair rental value as described in Coverage D and additional living expense as described in Coverage E.

This coverage is additional insurance.

6. Reasonable Repairs

- a. In the event that covered property is damaged by a Peril Insured Against, we will pay the reasonable cost incurred by you for necessary measures taken solely to protect against further damage.
- b. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this policy and the damage to that property is caused by a Peril Insured Against. This coverage does not:
 - (1) Increase the limit of liability that applies to the covered property; or
 - (2) Relieve you of your duties, in case of a loss to covered property, as set forth in Condition D.2.

7. Property Removed

We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed.

This coverage does not change the limit of liability that applies to the property being removed.

8. Trees, Shrubs And Other Plants

We cover trees, shrubs, plants or lawns, on the Described Location for loss caused by the following Perils Insured Against:

- a. Fire or lightning;
- b. Explosion;
- c. Riot or civil commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by you or a resident of the Described Location; or
- f. Vandalism or malicious mischief, including damage during a burglary or attempted burglary, but not theft of property.

The limit of liability for this coverage will not be more than 5% of the Coverage A limit of liability, or more than \$500 for any one tree, shrub or plant. We do not cover property grown for commercial purposes.

This coverage is additional insurance.

9. Fire Department Service Charge

We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance. No deductible applies to this coverage.

10. Collapse

- a. With respect to this Other Coverage:
 - (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.
 - (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.

- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
 - (4) A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- b. We insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:
- (1) The Perils Insured Against named under Coverage C;
 - (2) Decay that is hidden from view, unless the presence of such decay is known to you prior to collapse;
 - (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to you prior to collapse;
 - (4) Weight of contents, equipment, animals or people;
 - (5) Weight of rain which collects on a roof; or
 - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
- c. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under **b.(2)** through **(6)** above unless the loss is a direct result of the collapse of a building or any part of a building.
- d. This coverage does not increase the limit of liability that applies to the damaged covered property.

11. Glass Or Safety Glazing Material

- a. We cover:
- (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;
 - (2) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window when caused directly by earth movement; and

- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.
- b. This coverage does not include loss:
- (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in **a.(3)** above; or
 - (2) On the Described Location if the dwelling has been vacant for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided for in **a.(2)** above. A dwelling being constructed is not considered vacant.
- c. This coverage does not increase the limit of liability that applies to the damaged property.

12. Ordinance Or Law

- a. The Ordinance Or Law limit of liability determined in **b.** or **c.** below will apply with respect to the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
- (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
 - (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
 - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. If you are an owner of a Described Location, and that location:
- (1) Is insured for Coverage A or Unit-Owners Building Items, you may use up to 10% of the limit of liability that applies to Coverage A or Unit-Owners Building Items at each Described Location; or

- (2) Is not insured for Coverage **A** or Unit-Owners Building Items, you may use up to 10% of the total limit of liability that applies to Coverage **B** at each Described Location.
- c. If you are a tenant of a Described Location, you may use up to 10% of the limit of liability that applies to Improvements, Alterations And Additions at each Described Location. Also, the words "covered building" used throughout this Other Coverage **12**. Ordinance Or Law, refer to property at such a Described Location covered under Other Coverage **3**. Improvements, Alterations And Additions.
- d. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in **a.** above.
- e. We do not cover:
- (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
- (2) The costs to comply with any ordinance or law which requires you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any covered building or other structure.
- Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

PERILS INSURED AGAINST

A. Coverage A – Dwelling And Coverage B – Other Structures

1. We insure against risk of direct physical loss to property described in Coverages **A** and **B**.
2. We do not insure, however, for loss:
 - a. Excluded under General Exclusions;
 - b. Involving collapse, except as provided in Other Coverage **10**. Collapse; or
 - c. Caused by:

- (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:

- (a) Maintain heat in the building; or
- (b) Shut off the water supply and drain all systems and appliances of water;

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

For purposes of this provision a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

- (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
- (a) Fence, pavement, patio or swimming pool;
 - (b) Footing, foundation, bulkhead, wall, or any other structure or device, that supports all or part of a building or other structure;
 - (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
 - (d) Pier, wharf or dock;
- (3) Theft of property not part of a covered building or structure;
- (4) Theft in or to a dwelling or structure under construction;
- (5) Wind, hail, ice, snow or sleet to:
- (a) Outdoor radio and television antennas and aerials including their lead-in wiring, masts or towers; or
 - (b) Trees, shrubs, plants or lawns;

(6) Vandalism and malicious mischief, theft or attempted theft, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, theft or attempted theft, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;

(7) Constant or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

(8) Any of the following:

(a) Wear and tear, marring, deterioration;

(b) Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;

(c) Smog, rust or other corrosion, mold, wet or dry rot;

(d) Smoke from agricultural smudging or industrial operations;

(e) Discharge, dispersal, seepage, migration release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against named under Coverage C.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;

(f) Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings; or

(g) Birds, vermin, rodents, insects or domestic animals.

Exception To c.(8)

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage A or B resulting from an accidental discharge or overflow of water or steam from within a:

(i) Storm drain, or water, steam or sewer pipe, off the Described Location; or

(ii) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the Described Location. This includes the cost to tear out and replace any part of a building, or other structure, on the Described Location, but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the Described Location.

We do not cover loss to the system or appliance from which this water or steam escaped.

For the purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or roof drain, gutter, down spout or similar fixtures or equipment.

General Exclusion A.3. Water Damage, Paragraphs a. and c. that apply to surface water and water below the surface of ground do not apply to loss by water covered under c.(8) above.

Under 2.b. and c. above, any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.

B. Coverage C – Personal Property

We insure for direct physical loss to the property described in Coverage C caused by a peril listed below unless the loss is excluded in the General Exclusions.

1. Fire Or Lightning

2. Windstorm Or Hail

This peril does not include loss to:

a. Property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening;

b. Canoes and rowboats; or

c. Trees, shrubs or plants.

3. Explosion

4. Riot Or Civil Commotion

5. Aircraft

This peril includes self-propelled missiles and spacecraft.

6. Vehicles

7. Smoke

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

8. Vandalism Or Malicious Mischief

This peril does not include loss by pilferage, theft, burglary or larceny.

9. Damage By Burglars

a. This peril means damage to covered property caused by burglars.

b. This peril does not include:

(1) Theft of property; or

(2) Damage caused by burglars to property on the Described Location if the dwelling has been vacant for more than 60 consecutive days immediately before the damage occurs. A dwelling being constructed is not considered vacant.

10. Falling Objects

This peril does not include loss to property contained in the building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not covered.

11. Weight Of Ice, Snow Or Sleet

This peril means weight of ice, snow or sleet which causes damage to property contained in the building.

12. Accidental Discharge Or Overflow Of Water Or Steam

a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

b. This peril does not include loss:

(1) To the system or appliance from which the water or steam escaped;

(2) Caused by or resulting from freezing except as provided in Peril Insured Against **14. Freezing**; or

(3) On the Described Location caused by accidental discharge or overflow which occurs off the Described Location.

c. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment; or a roof drain, gutter, downspout or similar fixtures or equipment.

d. General Exclusion **A.3. Water Damage**, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

13. Sudden And Accidental Tearing Apart, Cracking, Burning Or Bulging

This peril means sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing except as provided in the peril of freezing below.

14. Freezing

a. This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance but only if you have used reasonable care to:

(1) Maintain heat in the building; or

(2) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

b. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment; or a roof drain, gutter, downspout or similar fixtures or equipment.

15. Sudden And Accidental Damage From Artificially Generated Electrical Current

This peril does not include loss to tubes, transistors, electronic components or circuitry that are a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

16. Volcanic Eruption

This peril does not include loss caused by earthquake, land shock waves or tremors.

GENERAL EXCLUSIONS

A. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a.** Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion **A.1.a.** does not apply to the amount of coverage that may be provided under Other Coverage **12.** Ordinance Or Law;
- b.** The requirements of which result in a loss in value to property; or
- c.** Requiring you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This Exclusion **A.1.** applies whether or not the property has been physically damaged.

2. Earth Movement

Earth Movement means:

- a.** Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b.** Landslide, mudslide or mudflow;
- c.** Subsidence or sinkhole; or
- d.** Any other earth movement including earth sinking, rising or shifting;

caused by or resulting from human or animal forces or any act of nature unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.

3. Water Damage

Water Damage means:

- a.** Flood, surface water, waves, tidal water, overflow of a body of water or spray from any of these, whether or not driven by wind;
- b.** Water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or
- c.** Water or water-borne material below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure;

caused by or resulting from human or animal forces or any act of nature.

Direct loss by fire or explosion resulting from water damage is covered.

4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the Described Location. But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the Described Location, we will pay for the loss caused by that Peril Insured Against.

5. Neglect

Neglect means your neglect to use all reasonable means to save and preserve property at and after the time of a loss.

6. War

War includes the following and any consequence of any of the following:

- a.** Undeclared war, civil war, insurrection, rebellion or revolution;
- b.** Warlike act by a military force or military personnel;
- c.** Destruction or seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

7. Nuclear Hazard

This Exclusion **A.7.** pertains to Nuclear Hazard to the extent set forth in the Nuclear Hazard Clause of the Conditions.

8. Intentional Loss

Intentional Loss means any loss arising out of any act you or any person or organization named as an additional insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, neither you nor any such person or organization is entitled to coverage, even those who did not commit or conspire to commit the act causing the loss.

9. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in **A**, **B** or **C** by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

B. We do not insure for loss to property described in Coverages **A** and **B** caused by any of the following. However, any ensuing loss to property described in Coverages **A** and **B** not precluded by any other provision in this policy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **A**. above to produce the loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance;of part or all of any property whether on or off the Described Location.

CONDITIONS

A. Policy Period

This policy applies only to loss which occurs during the policy period.

B. Insurable Interest And Limit Of Liability

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

1. For an amount greater than the interest of a person insured under this policy at the time of loss; or
2. For more than the applicable limit of liability.

C. Concealment Or Fraud

We provide coverage to no persons insured under this policy if, whether before or after a loss, one or more persons insured under this policy have:

1. Intentionally concealed or misrepresented any material fact or circumstance;
 2. Engaged in fraudulent conduct; or
 3. Made false statements;
- relating to this insurance.

D. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you or your representative:

1. Give prompt notice to us or our agent;
2. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
3. Cooperate with us in the investigation of a claim;
4. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
5. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies; and
 - c. Submit to examination under oath, while not in the presence of another named insured, and sign the same;
6. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth to the best of your knowledge and belief:
 - a. The time and cause of loss;
 - b. Your interest and that of all others in the property involved and all liens on the property;
 - c. Other insurance which may cover the loss;
 - d. Changes in title or occupancy of the property during the term of the policy;
 - e. Specifications of damaged buildings and detailed repair estimates;

- f. The inventory of damaged personal property described in **D.3.**;
- g. Receipts for additional living expenses incurred and records that support the fair rental value loss.

E. Loss Settlement

In this Condition **E.**, the terms "cost to repair or replace" and "replacement cost" do not include the increased costs incurred to comply with the enforcement of any ordinance or law except to the extent that coverage for these increased costs is provided in Other Coverage **F.12. Ordinance Or Law**. Covered property losses are settled as follows:

1. Property of the following types:

- a. Personal property;
- b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
- c. Structures that are not buildings;

at actual cash value at the time of loss but not more than the amount required to repair or replace.

2. Buildings under Coverage **A or **B** at replacement cost without deduction for depreciation, subject to the following:**

- a. If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of any deductible and without deduction for depreciation, but not more than the least of the following amounts:
 - (1) The limit of liability under this policy that applies to the building;
 - (2) The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
 - (3) The necessary amount actually spent to repair or replace the damaged building.

If the building is rebuilt at a new premises, the cost described in (2) above is limited to the cost which would have been incurred if the building had been built at the original premises.

- b. If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:

- (1) The actual cash value of that part of the building damaged; or
- (2) That proportion of the cost to repair or replace, after application of deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

- c. To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:

- (1) Excavations, footings, foundations, piers or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;
- (2) Those supports in (1) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
- (3) Underground flues, pipes, wiring and drains.

- d. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in **2.a.** and **b.** above.

However, if the cost to repair or replace the damage is both:

- (1) Less than 5% of the amount of insurance in this policy on the building; and
- (2) Less than \$2,500;

we will settle the loss as noted in **2.a.** and **b.** above whether or not actual repair or replacement is complete.

- e. You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition **E. Loss Settlement**, provided you notify us of your intent to do so within 180 days after the date of loss.

F. Loss To A Pair Or Set

In case of loss to a pair or set we may elect to:

1. Repair or replace any part to restore the pair or set to its value before the loss; or
2. Pay the difference between actual cash value of the property before and after the loss.

G. Appraisal

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the Described Location is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

H. Other Insurance And Service Agreement

If property covered by this policy is also covered by:

1. Other fire insurance, we will pay only the proportion of a loss caused by any peril insured against under this policy that the limit of liability applying under this policy bears to the total amount of fire insurance covering the property; or
2. A service agreement, this insurance is excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

I. Subrogation

You may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, the person insured must sign and deliver all related papers and cooperate with us.

J. Suit Against Us

No action can be brought against us unless there has been full compliance with all of the terms under this policy and the action is started within two years after the date of loss.

K. Our Option

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

L. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

1. 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.

M. Abandonment Of Property

We need not accept any property abandoned by you.

N. Mortgage Clause

1. If a mortgagee is named in this policy, any loss payable under Coverage **A** or **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.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
 - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and

- c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Paragraphs **G.** Appraisal, **J.** Suit Against Us and **L.** Loss Payment also apply to the mortgagee.
3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
 4. If we pay the mortgagee for any loss and deny payment to you:
 - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
 - b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any 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. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

O. No Benefit To Bailee

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

P. Cancellation

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
 - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.

- c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:

- (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
- (2) If the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

- d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
 4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

Q. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

R. Liberalization Clause

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

S. Waiver Or Change Of Policy Provisions

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

T. Assignment

Assignment of this policy will not be valid unless we give our written consent.

U. Death

If you die, we insure:

1. Your legal representatives but only with respect to the property of the deceased covered under the policy at the time of death;
2. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

V. Nuclear Hazard Clause

1. "Nuclear Hazard" means any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
2. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.

3. This policy does not apply to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

W. Recovered Property

If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

X. Volcanic Eruption Period

One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

Y. Loss Payable Clause

If the Declarations show a loss payee for certain listed insured personal property, that person is considered an insured in this policy with respect to that property.

If we decide to cancel or not renew this policy, that loss payee will be notified in writing.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – ARKANSAS

CONDITIONS

G. Appraisal is replaced by the following:

G. Appraisal

If you and we fail to agree on the amount of loss, an appraisal of the loss may take place. However, an appraisal will take place only if both you and we agree, voluntarily, to have the loss appraised. If so agreed, each party will choose a competent and impartial appraiser within 20 days after both parties agree. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the residence premises is located. The appraisers will separately state the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. An appraisal decision will not be binding on either party.

Each party will:

1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

(This is Condition **H.** in Form **DP 00 01.**)

I. Subrogation is replaced by the following:

I. Subrogation

You may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us. However, we will be entitled to a recovery only after the insured person has been fully compensated for the loss sustained.

If an assignment is sought, the person insured must sign and deliver all related papers and cooperate with us.

(This is Condition **J.** in Form **DP 00 01.**)

J. Suit Against Us is replaced by the following:

J. Suit Against Us

No action can be brought against us unless there has been full compliance with all of the terms under this policy and the action is started within five years after the date of loss.

(This is Condition **K.** in Form **DP 00 01.**)

N. Mortgage Clause

Paragraph **3.** is replaced by the following:

3. If we decide to cancel this policy, the mortgagee will be notified:

a. At least 10 days before the date cancellation takes effect if:

(1) We cancel for nonpayment of premium; or

(2) The policy has been in effect less than 60 days and is not a renewal with us.

b. At least 20 days before the date cancellation takes effect in all other cases.

If we decide not to renew this policy, the mortgagee will be notified at least 30 days before the date nonrenewal takes effect.

(This is Condition **O.** in Form **DP 00 01.**)

P. Cancellation

Paragraphs **2.c.** and **2.d.** are replaced by the following:

c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:

(1) Upon discovery of fraud or material misrepresentation made by or with the knowledge of the named insured in obtaining or continuing this policy, or in presenting a claim under this policy;

(2) Upon the occurrence of a material change in the risk which substantially increases any hazard insured against after insurance coverage has been issued;

- (3) If there is a violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or the occupancy of such property which substantially increases any hazard insured against;
- (4) For nonpayment of membership dues required by us as a condition of the issuance and maintenance of the policy; or
- (5) In the event of a material violation of a material provision of this policy.

This can be done by letting you know at least 20 days before the date cancellation takes effect.

- d. When this policy is written for a period of more than one year, we may cancel for any reason(s) noted in **2.c.** at anniversary by letting you know at least 20 days before the date cancellation takes effect.

(This is Condition **Q.** in Form **DP 00 01.**)

Y. Loss Payable Clause is replaced by the following:

Y. Loss Payable Clause

If the Declarations show a loss payee for certain listed insured personal property, that person is considered an insured in this policy with respect to that property.

If we decide to cancel this policy, that loss payee will be notified in writing.

If we decide to not renew this policy, that loss payee will be notified in writing at least 30 days before the date nonrenewal takes effect.

(This is Condition **Z.** in Form **DP 00 01.**)

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

SCHEDULE*

Described Location:	Windstorm or Hail Deductible Percentage Amount:
*Entry may be left blank if shown elsewhere in this policy for this coverage.	

DEDUCTIBLE

The following special deductible is added to the policy:

With respect to the peril of Windstorm Or Hail, we will pay only that part of the total of all loss payable that exceeds the windstorm or hail percentage deductible.

The dollar amount of the windstorm or hail deductible, corresponding to each Described Location stated in the Schedule above, is determined by multiplying the Coverages **A**, **B**, **D** or **E** limit of liability shown in the Declarations, which ever is greatest, by the deductible percentage amount shown in the Schedule above.

No other deductible in the policy applies to loss caused by windstorm or hail.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTOMATIC INCREASE IN INSURANCE

The limits of liability shown in the Declarations for Coverages **A** and **B** will be increased annually. The limits will be increased by the percentage shown in the policy for this coverage. The percentage will be applied pro rata during the policy period to the limits of liability shown on the Declarations for Coverages **A** and **B**.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL BROAD FORM AND SPECIAL FORM

We insure for loss by windstorm or hail to plants, shrubs and trees (except those grown for commercial purposes).

We will not be liable for more than \$500 on any one plant, shrub or tree, but not to exceed 5% of the Coverage **A** Limit of Liability. Use of this coverage is included in the Coverage **A** Limit of Liability.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL – RADIO AND TELEVISION ANTENNAS, AWNINGS AND SIGNS

We insure for direct physical loss caused by windstorm or hail only to those items below for which a limit of liability is shown in this policy for this coverage:

- a.** Radio or television antennas and aerials, including their lead-in wiring, masts and towers;
- b.** Awnings;
- c.** Signs.

All other provisions of this policy apply.

POLICY NUMBER:

DWELLING
DP 04 41 12 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED
DESCRIBED LOCATION

SCHEDULE*

Name And Address Of Person Or Organization

Interest

Described Location

(Number, Street, Apartment, Town or City, County, State, ZIP Code)

*Entries may be left blank if shown elsewhere in this policy for this coverage.

The person or organization named in the Schedule above is considered an insured in this policy with respect to Coverage **A** – Dwelling and Coverage **B** – Other Structures at the Described Location listed above.

If we decide to cancel or not to renew this policy, the party named in the Schedule will be notified in writing. All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MODIFIED LOSS SETTLEMENT

FORM DP 00 01 ONLY

CONDITIONS

Paragraph **E. Loss Settlement** is deleted and replaced by the following:

E. Loss Settlement

Covered property losses are settled as follows:

1. Property of the following types:
 - a. Personal property;
 - b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
 - c. Structures that are not buildings;
at actual cash value at the time of loss but not more than the amount required to repair or replace.
2. Buildings under Coverage **A** or **B**:
 - a. If you repair or replace the loss to restore the building structure for the same occupancy and use at the same site within 180 days of the date of loss, we will pay the lesser of the following amounts:
 - (1) The limit of liability that applies to the damaged or destroyed building structure; or
 - (2) The necessary amount actually spent to repair or replace the loss to the building structure but no more than the cost of using common construction materials and methods where functionally equivalent to and less costly than obsolete, antique, or custom construction materials and methods.

b. If you do not make claim under Paragraph **a.** above, we will pay the least of the following amounts:

- (1) The limit of liability that applies to the damaged or destroyed building structure;
- (2) The market value at the time of loss of the damaged or destroyed building structure exclusive of land value; or
- (3) The amount which it would cost to repair or replace that part of the building structure damaged or destroyed with material of like kind and quality less allowance for physical deterioration and depreciation.

In this provision, the terms "repair" or "replace" do not include the increased costs incurred to comply with the enforcement of any ordinance or law, except to the extent that coverage for these increased costs is added to this policy.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACTUAL CASH VALUE LOSS SETTLEMENT

CONDITIONS

Paragraph **E. Loss Settlement** is deleted and replaced by the following:

E. Loss Settlement

Covered property losses shall be settled at actual cash value at the time of loss but shall not be settled at more than the amount required to repair or replace.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW

A. Coverage

We insure, up to \$5,000, for direct physical loss, not caused by your negligence, or that of any person insured under this policy, to covered property caused by water, or water-borne material, which:

1. Backs up through sewers or drains; or
2. Overflows or is discharged from a:

- a. Sump, sump pump; or
- b. Related equipment;

even if such overflow or discharge results from mechanical breakdown. This coverage does not apply to direct physical loss of the sump pump, or related equipment, which is caused by mechanical breakdown.

This coverage does not increase the limits of liability for Coverages **A**, **B**, **C**, **D** or, if covered, Coverage **E** stated in the Declarations.

B. Perils Insured Against

With respect to the coverage described in **A**. above, Paragraph:

A.2.c.(9)(b) in Form **DP 00 03**; and

2.c.(6)(b) in Endorsement **DP 04 65**;

is deleted and replaced by the following:

Latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;

C. Special Deductible

The following replaces any other deductible provision in this policy with respect to loss covered under this endorsement.

We will pay only that part of the total of all loss payable that exceeds \$250. No other deductible applies to this coverage. This deductible does not apply with respect to Coverage **D** – Fair Rental Value and, if covered, Coverage **E** – Additional Living Expense.

D. General Exclusion

The Water Damage exclusion is deleted and replaced by the following:

Water Damage, meaning:

- a. Flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
 - b. Water, or water-borne material, which:
 - (1) Backs up through sewers or drains; or
 - (2) Overflows or is discharged from a sump, sump pump or related equipment; as a direct or indirect result of flood; or
 - c. Water, or water-borne material, below the surface of the ground, including water which:
 - (1) Exerts pressure on; or
 - (2) Seeps or leaks through;
a building, sidewalk, driveway, foundation, swimming pool or other structure;caused by or resulting from human or animal forces or any act of nature.
- Direct loss by fire or explosion resulting from water damage is covered.

All other provisions of this policy apply.

DWELLING RATING INFORMATION

FORM:	Code						
<input type="checkbox"/> DP 00 01	(1)	NUMBER OF FAMILIES	Code	1	2	3-4	5 or more
<input type="checkbox"/> DP 00 02	(2)		<input type="checkbox"/> (1)	<input type="checkbox"/> (3)	<input type="checkbox"/> (6)	<input type="checkbox"/> (8)	
<input type="checkbox"/> DP 00 03	(3)	YEAR OF CONSTRUCTION	_____	Code ()			
<input type="checkbox"/> DP 00 01/ DP 00 08	(8)						

OCCUPANCY:	<input type="checkbox"/> Owner Occupied	<input type="checkbox"/> Non-Owner Occupied	Status Code ()
	<input type="checkbox"/> Non-Seasonal	<input type="checkbox"/> Seasonal	
	<input type="checkbox"/> Permitted Occupancy/Merc. Cov.	<input type="checkbox"/> Condition Charges	_____

CONSTRUCTION:	<input type="checkbox"/> Frame (1)	<input type="checkbox"/> Superior Or Fire Resistive (4)	<input type="checkbox"/> Mobile Home (6)
	<input type="checkbox"/> Brick, Stone Or Masonry Veneer (2)		<input type="checkbox"/> Frame With Aluminum Or Plastic Siding (5)
	<input type="checkbox"/> Brick, Stone Or Masonry (3)	<input type="checkbox"/> Specially Rated – Non Fire Resistive (8)	<input type="checkbox"/> All Other (1)

TERRITORY NO.	Code ()	PROTECTION CLASS:	Code ()
Not more than	_____ feet from fire hydrant,		_____ miles from Fire Department

FIRE DISTRICT OR TOWN:	Code ()	PREM. GP. NO.
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DEDUCTIBLE \$
Size Code ()

PREMIUM BREAKDOWN	FIRE	E.C.	V. &M.M.	BROAD	SPECIAL	_____
Premium Group No.			---			
Coverage A	\$	\$	\$	\$	\$	\$
Coverage B	\$	\$	\$	\$	\$	\$
Coverage C	\$	\$	\$	\$	\$	\$
Coverage D	\$	\$	\$	\$	\$	\$
Coverage E	\$	\$	\$	\$	\$	\$
(Totals)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

POLICY NUMBER:

**DWELLING
DP 12 10 12 02**

CHANGE ENDORSEMENT

THIS ENDORSEMENT FORMS A PART OF THE POLICY NUMBERED BELOW:					
EFFECTIVE DATE		COMPANY			POLICY NUMBER
TERM YRS.	FROM	TO	ENDORSEMENT NUMBERS AND EDITION DATES		
INSURED'S NAME AND MAILING ADDRESS			AGENCY'S NAME AND MAILING ADDRESS		
			_____ AGENTS SIGNATURE		
PROPERTY COVERED					
CONSTRUCTION AND HEIGHT, ROOF, IF REQUIRED			OCCUPANCY (NO. OF FAMILIES, IF DWELLING)		
POLICY CHANGES					
LIMIT OF LIABILITY CHANGES					
	A. Dwelling	B. Other Structures	C. Personal Property	D. Fair Rental Value	E. Add'l Living Expense
NEW LIMIT	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
OLD LIMIT	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
PREMIUM ADJUSTMENT					
Due at Endorsement Effective Date:					
Fire	\$ _____	Additional Premium		Return Premium	\$ _____
E.C.	\$ _____				\$ _____
	_____				_____
	_____				_____
	_____				_____
REVISED INSTALLMENT PAYMENTS					
Dates Due	Original Installment	Increase	Decrease	Revised Installments	
	\$ _____	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	\$ _____	
Total Premium To Policy Expiration		\$ _____	\$ _____		

DWELLING POLICY RATING INFORMATION							
FORM: Code							
<input type="checkbox"/> DP 00 01	(1)	NUMBER OF FAMILIES	Code	1	2	3-4	5 or more
<input type="checkbox"/> DP 00 02	(2)			<input type="checkbox"/> (1)	<input type="checkbox"/> (3)	<input type="checkbox"/> (6)	<input type="checkbox"/> (8)
<input type="checkbox"/> DP 00 03	(3)			YEAR OF CONSTRUCTION		Code ()	
<input type="checkbox"/> DP 00 01/ DP 00 08	(8)	_____					
OCCUPANCY							
<input type="checkbox"/> Owner Occupied		<input type="checkbox"/> Non-Owner Occupied		Status Code ()			
<input type="checkbox"/> Non-Seasonal		<input type="checkbox"/> Seasonal					
<input type="checkbox"/> Permitted Occupancy/Merc. Cov.		<input type="checkbox"/> Condition Charges		Surcharge _____			
CONSTRUCTION							
<input type="checkbox"/> Frame (1)		<input type="checkbox"/> Superior Or Fire Resistive (4)		<input type="checkbox"/> Mobile Home (6)			
<input type="checkbox"/> Brick, Stone Or Masonry Veneer (2)		<input type="checkbox"/> Frame With Aluminum Or Plastic Siding (5)					
<input type="checkbox"/> Brick, Stone Or Masonry (3)		<input type="checkbox"/> Specially Rated – Non Fire Resistive (8)		<input type="checkbox"/> All Other (1)			
TERRITORY NO. Code () PROTECTION CLASS: Code ()							
Not more than _____ feet from fire hydrant,				_____ miles from Fire Department			
FIRE DISTRICT OR TOWN:						Code () PREM. GP. NO.	
DEDUCTIBLE \$							
Size Code ()							
COMPLETE WHEN LOCATION IS CHANGED – NEW RATING INFORMATION							
FORM: Code							
<input type="checkbox"/> DP 00 01	(1)	NUMBER OF FAMILIES	Code	1	2	3-4	5 or more
<input type="checkbox"/> DP 00 02	(2)			<input type="checkbox"/> (1)	<input type="checkbox"/> (3)	<input type="checkbox"/> (6)	<input type="checkbox"/> (8)
<input type="checkbox"/> DP 00 03	(3)			YEAR OF CONSTRUCTION		Code ()	
<input type="checkbox"/> DP 00 01/ DP 00 08	(8)	_____					
OCCUPANCY							
<input type="checkbox"/> Owner Occupied		<input type="checkbox"/> Non-Owner Occupied		Status Code ()			
<input type="checkbox"/> Non-Seasonal		<input type="checkbox"/> Seasonal					
<input type="checkbox"/> Permitted Occupancy/Merc. Cov.		<input type="checkbox"/> Condition Charges		Surcharge _____			
CONSTRUCTION							
<input type="checkbox"/> Frame (1)		<input type="checkbox"/> Superior or Fire Resistive (4)		<input type="checkbox"/> Mobile Home (6)			
<input type="checkbox"/> Brick, Stone Or Masonry Veneer (2)		<input type="checkbox"/> Frame With Aluminum Or Plastic Siding (5)					
<input type="checkbox"/> Brick, Stone Or Masonry (3)		<input type="checkbox"/> Specially Rated – Non Fire Resistive (8)		<input type="checkbox"/> All Other (1)			
TERRITORY NO. Code () PROTECTION CLASS: Code ()							
Not more than _____ feet from fire hydrant,				_____ miles from Fire Department			
FIRE DISTRICT OR TOWN:						Code () PREM. GP. NO.	
DEDUCTIBLE \$							
Size Code ()							

ARKANSAS FRAUD STATEMENT

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PREMISES ALARM OR FIRE PROTECTION SYSTEM

We acknowledge the installation of an alarm system and/or automatic sprinkler system approved by us on the Described Location. You agree to maintain this system or systems, for which we have granted a credit, in working order and to let us know promptly of any change, including removal, made to the system(s).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNCTIONAL REPLACEMENT COST LOSS SETTLEMENT

FORMS DP 00 02 AND DP 00 03 ONLY

CONDITIONS

The following definition is added when this endorsement is attached to the policy:

"Functional replacement cost" means the amount which it would cost to repair or replace the damaged building with less costly common construction materials and methods which are functionally equivalent to obsolete, antique or custom construction materials and methods used in the original construction of the building.

E. Loss Settlement

Paragraph **2.** is deleted and replaced by the following:

2. Buildings covered under Coverage A or B:

- a.** If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the "functional replacement cost" of the building immediately before the loss and you contract for repair or replacement of the damaged building for the same use, within 180 days of the damage unless we and you otherwise agree, we will pay, after application of any deductible, the lesser of the following amounts:

- (1)** The limit of liability under this policy that applies to the building; or
- (2)** The necessary amount actually spent to repair or replace the damaged building on a "functional replacement cost" basis.

- b.** If you do not make claim under **2.a.** above, we will pay, after application of any deductible, the least of the following amounts:

- (1)** The limit of liability under this policy that applies to the building;

- (2)** The actual cash value of the damaged part of the building; or
 - (3)** The amount which it would cost to repair or replace the damaged building on a "functional replacement cost" basis.
- c.** If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the "functional replacement cost" of the building immediately before the loss, we will pay that proportion of the cost to repair or replace that part of the building damaged:

- (1)** After application of any deductible; and
- (2)** Without deduction for depreciation; which the total amount of insurance in this policy on the damaged building bears to 80% of the "functional replacement cost" of the building, but not more than the limit of liability under this policy that applies to the building.

- d.** To determine the amount of insurance required to equal 80% of the "functional replacement cost" of the building immediately before the loss, do not include the value of:

- (1)** Excavations, footings, foundations, piers, or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;
- (2)** Those supports in **(1)** above which are below the surface of the ground inside the foundation walls, if there is no basement; and
- (3)** Underground flues, pipes, wiring and drains.

e. If the actual cash value of the damage is less than the "functional replacement cost" then:

(1) We will pay no more than the actual cash value of the damage until replacement is complete. Once replacement is complete, we will settle the loss according to the provisions of **2.a.** and **c.** above.

However, if the cost to functionally repair the damage is both:

(a) Less than 5% of the amount of insurance in this policy on the building; and

(b) Less than \$2,500;

we will settle the loss according to the provisions of **2.a.** and **c.** above whether or not replacement is complete.

(2) You may disregard the "functional replacement cost" loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis.

You may then make claim for any additional liability according to the provisions of this Condition **E. Loss Settlement**, provided you notify us of your intent to do so within 180 days of the date of loss.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – ARKANSAS

CONDITIONS

The following condition is added:

J. Subrogation

The first paragraph is deleted and replaced by the following:

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us. However, we are entitled to a recovery only after an "insured" has been fully compensated for the loss sustained.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – ARKANSAS

PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS

E. Cancellation

Paragraphs **2.c.** and **2.d.** are deleted and replaced by the following:

- c.** When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
- (1)** Upon discovery of fraud or material misrepresentation, made by or with the knowledge of the named insured in obtaining or continuing this policy, or in presenting a claim under this policy;
 - (2)** Upon the occurrence of a material change in the risk which substantially increases any hazard insured against after insurance coverage has been issued;
 - (3)** If there is a violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or the occupancy of such property which substantially increases any hazard insured against;

- (4)** For nonpayment of membership dues required by us as a condition of the issuance and maintenance of this policy; or

- (5)** In the event of a material violation of a material provision of this policy.

This can be done by letting you know at least 20 days before the date cancellation takes effect.

- d.** When this policy is written for a period of more than one year, we may cancel for any reason(s) noted in **2.c.** at anniversary by letting you know at least 20 days before the date cancellation takes effect.

All other provisions of this policy apply.

PERSONAL LIABILITY

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

- A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.
- B.** In addition, certain words and phrases are defined as follows:
- 1.** "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:
 - a.** Liability for "bodily injury" or "property damage" arising out of the:
 - (1)** Ownership of such vehicle or craft by an "insured";
 - (2)** Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
 - (3)** Entrustment of such vehicle or craft by an "insured" to any person;
 - (4)** Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
 - (5)** Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.
 - b.** For the purpose of this definition:
 - (1)** Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
 - (2)** Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
 - (3)** Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
 - (4)** Motor vehicle means a "motor vehicle" as defined in **7.** below.
 - 2.** "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
 - 3.** "Business" means:
 - a.** A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
 - b.** Any other activity engaged in for money or other compensation, except the following:
 - (1)** One or more activities, not described in **(2)** through **(4)** below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
 - (2)** Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
 - (3)** Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
 - (4)** The rendering of home day care services to a relative of an "insured".
 - 4.** "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".
 - 5.** "Insured" means:
 - a.** You and residents of your household who are:
 - (1)** Your relatives; or
 - (2)** Other persons under the age of 21 and in the care of any person named above;
 - b.** A student enrolled in school full time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:
 - (1)** 24 and your relative; or
 - (2)** 21 and in your care or the care of a person described in **a.(1)** above;

- c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in **a.** or **b.** above. "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or
- d. With respect to a "motor vehicle" to which this policy applies:
 - (1) Persons while engaged in your employ or that of any person included in **a.** or **b.** above; or
 - (2) Other persons using the vehicle on an "insured location" with your consent.

Throughout this policy, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

- 6. "Insured location" means:
 - a. The "residence premises";
 - b. The part of other premises, other structures and grounds used by you as a residence; and
 - (1) Which is shown in the Declarations; or
 - (2) Which is acquired by you during the policy period for your use as a residence;
 - c. Any premises used by you in connection with a premises described in **a.** and **b.** above;
 - d. Any part of a premises:
 - (1) Not owned by an "insured"; and
 - (2) Where an "insured" is temporarily residing;
 - e. Vacant land, other than farm land, owned by or rented to an "insured";
 - f. Land owned by or rented to an "insured" on which a one, two, three or four family dwelling is being built as a residence for an "insured";
 - g. Individual or family cemetery plots or burial vaults of an "insured"; or

- h. Any part of a premises occasionally rented to an "insured" for other than "business" use.

- 7. "Motor vehicle" means:
 - a. A self-propelled land or amphibious vehicle; or
 - b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.
- 8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:
 - a. "Bodily injury"; or
 - b. "Property damage".
- 9. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.
- 10. "Residence employee" means:
 - a. An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or
 - b. One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.
- 11. "Residence premises" means:
 - a. The one family dwelling where you reside;
 - b. The two, three or four family dwelling where you reside in at least one of the family units; or
 - c. That part of any other building where you reside;

and which is shown as the "residence premises" in the Declarations.

"Residence premises" also includes other structures and grounds at that location.

LIABILITY COVERAGES

A. Coverage L – Personal Liability

If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

B. Coverage M – Medical Payments To Others

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury". Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location", if the "bodily injury":
 - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
 - b. Is caused by the activities of an "insured";
 - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
 - d. Is caused by an animal owned by or in the care of an "insured".

EXCLUSIONS

A. "Motor Vehicle Liability"

1. Coverages L and M do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
 - a. Is registered for use on public roads or property;
 - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or

c. Is being:

- (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
- (2) Rented to others;
- (3) Used to carry persons or cargo for a charge; or
- (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.

2. If Exclusion A.1. does not apply, there is still no coverage for "motor vehicle liability" unless the "motor vehicle" is:

- a. In dead storage on an "insured location";
- b. Used solely to service an "insured's" residence;
- c. Designed to assist the handicapped and, at the time of an "occurrence", it is:
 - (1) Being used to assist a handicapped person; or
 - (2) Parked on an "insured location";
- d. Designed for recreational use off public roads and:
 - (1) Not owned by an "insured"; or
 - (2) Owned by an "insured" provided the "occurrence" takes place on an "insured location" as defined in Definitions B. 6.a., b., d., e. or h.; or
- e. A motorized golf cart that is owned by an "insured", designed to carry up to 4 persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:
 - (1) A golfing facility and is parked or stored there, or being used by an "insured" to:
 - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
 - (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
 - (c) Cross public roads at designated points to access other parts of the golfing facility; or
 - (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

B. "Watercraft Liability"

1. Coverages **L** and **M** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
 - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
 - b. Rented to others;
 - c. Used to carry persons or cargo for a charge; or
 - d. Used for any "business" purpose.
2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
 - a. Is stored;
 - b. Is a sailing vessel, with or without auxiliary power, that is:
 - (1) Less than 26 feet in overall length; or
 - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or
 - c. Is not a sailing vessel and is powered by:
 - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
 - (a) 50 horsepower or less and not owned by an "insured"; or
 - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
 - (2) One or more outboard engines or motors with:
 - (a) 25 total horsepower or less;
 - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
 - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
 - (d) 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:
 - (i) You declare them at policy inception; or

- (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

The coverages in (c) and (d) above apply for the policy period.

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

C. "Aircraft Liability"

This policy does not cover "aircraft liability".

D. "Hovercraft Liability"

This policy does not cover "hovercraft liability".

E. Coverage L – Personal Liability And Coverage M – Medical Payments To Others

Coverages **L** and **M** do not apply to the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by an "insured" even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity, real or personal property, than initially expected or intended.

However, this Exclusion **E.1.** does not apply to "bodily injury" resulting from the use of reasonable force by an "insured" to protect persons or property;

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location";
 - (a) On an occasional basis if used only as a residence;

- (b) In part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
- (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

3. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

4. "Insured's" Premises Not An "Insured Location"

"Bodily injury" or "property damage" arising out of a premises:

- a. Owned by an "insured";
 - b. Rented to an "insured"; or
 - c. Rented to others by an "insured";
- that is not an "insured location";

5. War

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

6. Communicable Disease

"Bodily injury" or "property damage" which arises out of the transmission of a communicable disease by an "insured";

7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

8. Controlled Substance

"Bodily injury" or "property damage" arising 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. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

Exclusions **A.** "Motor Vehicle Liability", **B.** "Watercraft Liability", **C.** "Aircraft Liability", **D.** "Hovercraft Liability" and **E.4.** "Insured's" Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

F. Coverage L – Personal Liability

Coverage **L** does not apply to:

1. Liability:

- a. For any loss assessment charged against you as a member of an association, corporation or community of property owners;
- b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:
 - (1) That directly relate to the ownership, maintenance or use of an "insured location"; or
 - (2) Where the liability of others is assumed by you prior to an "occurrence";

unless excluded in **a.** above or elsewhere in this policy;

2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";

3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;

4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:

- a. Workers' compensation law;
- b. Non-occupational disability law; or
- c. Occupational disease law;

5. "Bodily injury" or "property damage" for which an "insured" under this policy:

a. Is also an insured under a nuclear energy liability policy issued by the:

- (1) Nuclear Energy Liability Insurance Association;
- (2) Mutual Atomic Energy Liability Underwriters;
- (3) Nuclear Insurance Association of Canada;

or any of their successors; or

b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or

6. "Bodily injury" to you or an "insured" as defined under Definitions 5.a. or b.

This exclusion also applies to any claim made or suit brought against you or an "insured":

a. To repay; or

b. Share damages with;

another person who may be obligated to pay damages because of "bodily injury" to an "insured".

G. Coverage M – Medical Payments To Others

Coverage **M** does not apply to "bodily injury":

1. To a "residence employee" if the "bodily injury":

- a. Occurs off the "insured location"; and
- b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";

2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:

- a. Workers' compensation law;
- b. Non-occupational disability law; or
- c. Occupational disease law;

3. From any:

- a. Nuclear reaction;
- b. Nuclear radiation; or
- c. Radioactive contamination;

all whether controlled or uncontrolled or however caused; or

d. Any consequence of any of these; or

4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

A. Claim Expenses

We pay:

- 1. Expenses we incur and costs taxed against an "insured" in any suit we defend;
- 2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage **L** limit of liability. We need not apply for or furnish any bond;
- 3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
- 4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

B. First Aid Expenses

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

C. Damage To Property Of Others

- 1. We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured".
- 2. We will not pay for "property damage":
 - a. Caused intentionally by an "insured" who is 13 years of age or older;
 - b. To property owned by an "insured";
 - c. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - d. Arising out of:
 - (1) A "business" engaged in by an "insured";
 - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or

- (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion d.(3) does not apply to a "motor vehicle" that:

- (a) Is designed for recreational use off public roads;
- (b) Is not owned by an "insured"; and
- (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

CONDITIONS

A. Limit Of Liability

Our total liability under Coverage L for all damages resulting from any one "occurrence" will not be more than the Coverage L limit of liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage M for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage M limit of liability shown in the Declarations.

B. Severability Of Insurance

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one "occurrence".

C. Duties After "Occurrence"

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:
 - a. The identity of the policy and the "named insured" shown in the Declarations;
 - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
 - c. Names and addresses of any claimants and witnesses;

2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
4. At our request, help us:
 - a. To make settlement;
 - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
 - c. With the conduct of suits and attend hearings and trials; and
 - d. To secure and give evidence and obtain the attendance of witnesses;
5. With respect to C. Damage To Property Of Others under Additional Coverages, submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in an "insured's" control;
6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

D. Duties Of An Injured Person – Coverage M – Medical Payments To Others

1. The injured person or someone acting for the injured person will:
 - a. Give us written proof of claim, under oath if required, as soon as is practical; and
 - b. Authorize us to obtain copies of medical reports and records.
2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

E. Payment Of Claim – Coverage M – Medical Payments To Others

Payment under this coverage is not an admission of liability by an "insured" or us.

F. Suit Against Us

1. No action can be brought against us unless there has been full compliance with all of the terms under this policy.
2. No one will have the right to join us as a party to any action against an "insured".
3. Also, no action with respect to Coverage L can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

G. Bankruptcy Of An "Insured"

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

H. Other Insurance

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

I. Policy Period

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

J. Subrogation

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage **M** or Paragraph **C. Damage To Property Of Others** under Additional Coverages.

K. Concealment Or Fraud

We do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements;

relating to this insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS

The following conditions are added to this policy:

A. Liberalization Clause

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

B. Waiver Or Change Of Policy Provisions

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

C. Assignment

Assignment of this policy will not be valid unless we give our written consent.

D. Death

If any person named in the Declarations or the spouse, if a resident of the same household, dies:

1. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death;
2. "Insured" includes:
 - a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises;" and
 - b. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

E. Cancellation

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
 - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
 - c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
 - (1) if there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
 - (2) if the risk has changed substantially since the policy was issued.This can be done by letting you know at least 30 days before the date cancellation takes effect.
 - d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.

3. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PREMISES LIABILITY
(Non-Owner Occupied Dwelling)

SCHEDULE*

Location*	
Number of Families*	
*Entries may be left blank if shown elsewhere in this policy for this coverage.	

DEFINITIONS

Definition **6.** "Insured location" is extended to include the premises shown in the Schedule above.

LIABILITY COVERAGES

Coverage **L** – Personal Liability and Coverage **M** – Medical Payments To Others are restricted to apply only with respect to "bodily injury" and "property damage" arising out of the ownership, maintenance, occupancy or use of the premises shown below.

EXCLUSIONS

Exclusion **E.2.** does not apply to the premises shown in the Schedule.

All other provisions of this policy apply.

PERSONAL LIABILITY SCHEDULE

This endorsement is made part of policy No. _____ of the _____
_____ Insurance Company.

The insurance afforded by this endorsement shall apply as indicated below, subject to the terms and conditions of the policy that apply.

Coverages	Limit Of Liability	Premium
L – Personal Liability	\$ _____ each occurrence	\$ _____
M – Medical Payments	\$ _____ each person	\$ _____

Other insured locations: _____

Other Charges \$ _____
Total \$ _____

This policy shall not be valid unless countersigned
by our authorized agent.

Countersignature date:

Agency at:

_____ Agent

Attach Coverage Part

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ANIMAL LIABILITY EXCLUSION
FOR USE WITH ALL FORMS

EXCLUSIONS

E. Coverage L. – Personal Liability And Coverage M. – Medical Payments To Others

The following exclusion is added:

Animal Liability Occurrences

“Bodily injury” or “property damage” which is caused by or contributed to any animal owned by or in the care, custody, or control of any “insured.”

If any provision or endorsement attached to this policy is in conflict with this exclusion, the provision of this endorsement will govern.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED ANIMAL LIABILITY COVERAGE

SCHEDULE.*

These limits of liability apply to the total of all loss or costs payable under this endorsement. This endorsement applies regardless of the number of "occurrences", number of claims made, or the number of locations insured.

1.	Coverage L - Personal Liability – Aggregate Sublimit of Liability for Animal Liability	\$ 25,000
----	--	------------------

*Entries may be left blank if shown elsewhere in this policy for this coverage.

CONDITIONS.

Condition A. Limit of Liability is deleted and replaced by the following:

A. Limit of Liability.

Our total liability under Coverage **L** for all damages resulting from any one "occurrence" will not be more than the Coverage **L** limit shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured.

All "bodily injury" and "property damage" resulting from any one accident or continued or repeated exposure to largely the same harmful conditions shall be considered the result of one "occurrence"

Our total liability under Coverage **M** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage **M** limit in the Declarations page.

Our total liability under Coverage **L** will not be more than the amount shown in the Schedule. This applies to the total of all damages resulting directly or indirectly, in whole or in part, out of the actual, alleged, or threatened loss caused by an animal owned by, or in the care and custody of any insured.

The amount in the Schedule is the most we will pay regardless of the:

1. Number of locations insured under the policy to which this endorsement is attached;
2. Number of persons injured;
3. Number of persons whose property is damaged;
4. Number of "insureds"; or
5. Number of "occurrences" or claims made.

This sublimit is within, but does not increase, the Coverage L limit of liability. It applies separately to each consecutive annual period. It also applies to any remaining period of less than 12 months starting with the beginning of the policy period shown in the Declarations.

With respect to damages arising out of animal liability described in A. Limit of Liability of this endorsement, Condition **B. Severability of Insurance** is deleted and replaced with the following:

B. Severability of Insurance.

This insurance applies separately to each "insured" except with respect to the Aggregate Sublimit of Liability described under Conditions, A. Limit of Liability. This condition will not increase the limit of liability for this coverage.

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRAMPOLINE EXCLUSION

Attached to and forming part of **Your** policy.

For the premium charged, the following **EXCLUSION** applies to all Coverages:

We do not pay for:

1. Any **bodily injury** or **property damage** arising out of any **occurrence** involving any trampoline owned by, or in the care, custody, or control of
 - a. the insured;
 - b. any member of the insured's family or household; or
 - c. any occupant and/or tenant.

2. Any other **loss** or expense arising out of any occurrence involving any trampoline owned by, or in the care, custody, or control of
 - a. the insured;
 - b. any member of the insured's family or household; or
 - c. any occupant and/or tenant.

In this form, **occupant** and/or **tenant** means one who occupies or temporarily possesses real property of the insured or who rents or leases real property from the insured.

All other provisions of this policy apply.

DWELLING FIRE INSURANCE APPLICATION

AMERICAN HALLMARK INSURANCE COMPANY OF TEXAS 14651 DALLAS PARKWAY, SUITE 400 DALLAS, TX 75254 PHONE: (972) 934-2400 FAX: (972) 934-1332	AGENCY INFORMATION Agency Name Address City, State, Zip Phone Number Producer Code
--	--

POLICY TYPE	
POLICY NUMBER	
EFFECTIVE DATE	
EXPIRATION DATE	

GENERAL INFORMATION					
NAMED INSURED 1		DOB	1/1/1960	SSN	123-45-6789
NAMED INSURED 2		DOB	1/1/1960	SSN	123-45-6789
MAILING ADDRESS					
CITY, STATE, ZIP					
HOME PHONE		WORK PHONE		CELL PHONE	

LOCATION PROPERTY INFORMATION					
ADDRESS (if diff from above)					
CITY, STATE, ZIP (if diff from above)					
YEAR ORIG. BUILT		PROTECTION CLASS		CONSTRUCTION TYPE	
YR OF UPDATES:		WIRING		PLUMBING	HEATING
ROOF TYPE		STRUCTURE TYPE			Dwelling
POLICY CROSS REFERENCE					
MILES FROM FIRE DEPT					
FEET FROM FIRE HYDRANT					
OCCUPANCY					
USAGE					
NUMBER OF FAMILIES					

GENERAL INFORMATION			
Mobile Home	No	Boarding Home (i.e. rooming house or bed & breakfast)	No
Wood/Slate/Tile Roof	No	Converted from Commercial Risk	No
Pre-existing or Un-repaired Damage	No	Self Installed Auxiliary Heating Unit	No
In Course of Construction	No	Dwelling without Utilities (Gas, Electricity, Water, etc.)	No
On Piers or Stilts	No	Roof Age Greater than 20 Yrs	No
Farming on Premises	No	More than 2 layers of Roofing on Dwelling	No
Business on Premises	No	Any Losses in Last 5 Years (if yes, indicate below)	No
Vacant	No	More than 2 Losses in the Last Three Years	No
In Foreclosure	No	Insured to 100% of Replacement Cost	Yes
Synthetic Stucco (EIFS)	No	If Dwelling more than 40 years old, have the following been updated:	
Dogs with Bite History	No		Wiring Yes
Unfenced Pool or Spa	No		Plumbing Yes
No Prior Coverage other than New Purchase	No		Heating Yes
Subject to Flooding or Located in a Special Hazard Area	No		
Woodburning or Pellet Stove Used as Primary Heat Source	No		

REMARKS

ADDITIONAL INTEREST INFORMATION		
INTEREST	NAME	
1	ADDRESS	
INTEREST	NAME	
2	ADDRESS	

POLICY NUMBER	XXX-XXXXXX	AGENCY NAME	
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DEDUCTIBLES			
All Other Perils Deductible		Windstorm/Hail Decuctible	

COVERAGE INFORMATION			
COVERAGES	FORM NUMBER	LIMITS OF LIABILITY	PREMIUM
POLICY FORMS AND ENDORSEMENTS APPLICABLE TO THIS POLICY			
CREDITS/SURCHARGES APPLIED			\$0.00

PREMIUM	\$	-
EXPENSE CONSTANT	\$	-
POLICY FEE	\$	-
TOTAL POLICY PREMIUM	\$	-

PAYMENT PLAN			
Bill to:	Mortgagee	Payment Plan	Full Pay

APPLICANT/AGENT CERTIFICATION

I acknowledge that the following are applicable to the policy I have made application for and on all future renewals of such policy.
ANIMAL LIABILITY EXCLUDED

THESE STATEMENTS are accurate and true to the best of my knowledge. The Company may rely upon them in the issuance of this policy. I understand that the policy may be voided if I have made, with intent to deceive, any statements material to the issuance of this policy. **I UNDERSTAND** that if the foregoing statements are discovered to be untrue or if information is not disclosed, the policy for which I am applying may be declined, canceled, or coverage rescinded.

NOTICE OF INSURANCE INFORMATION PRACTICES: Personal information about you, including information from a credit report, may be collected from persons other than you. Such information as well as other personal and privileged information collected by us or our agents may in certain circumstances be disclosed to third parties. You have the right to review your personal information in our files and can request correction of an inaccuracies. A more detailed description of your rights and out practices regarding such information is available upon request. Contact your agent or broker for instructions on how to submit a request to us.

IT IS A CRIME to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

Applicant's Signature	Date	Agent's Signature	Date

ALL APPLICATIONS SUBJECT TO UNDERWRITING APPROVAL

THIS POLICY DOES NOT PROVIDE COVERAGE FOR THE PERIL OF FLOOD.

THIS DECLARATIONS PAGE IS PART OF YOUR POLICY, PLEASE READ CAREFULLY

AMERICAN HALLMARK INSURANCE COMPANY OF TEXAS

14651 DALLAS PARKWAY, SUITE 400 DALLAS, TX 75254
 (972)934-2400

Policy Number

DWELLING FIRE INSURANCE POLICY

04/28/2008 05:39 PM

EFFECTIVE: 09/20/2007 2:59 PM CST

EXPIRATION 09/20/2008 12:01 AM CST

Named Insured / Mailing Address

TEST POLICY
 123 TEST ST.
 XXXXXX, AR XXXXX

Property Location

123 TEST ST.
 XXXXXX, AR XXXXX

Agency Name And Mailing Address

ARKANSAS AGENCY
 111 MAIN ST
 XXXXXX, AR XXXXX

Mortgagee(s) And Mailing Address

WASHINGTON MUTUAL
 2000 2ND AVE
 SEATTLE, WA 98105

PHONE: 555-555-5555

Form	Construction Type	Year Built	Protection Class	Roof
Deductible	Windstorm/Hail Deductible	Occupancy		

COVERAGES	FORM NUMBER	LIMITS OF LIABILITY	PREMIUM
POLICY FORMS AND ENDORSEMENTS APPLICABLE TO THIS POLICY			

CREDITS/SURCHARGES APPLIED

\$0.00

PREMIUM	\$ 0.00
EXPENSE CONSTANT	\$0.00
POLICY FEE	\$0.00
INSTALLMENT FEE	\$0.00
TOTAL POLICY PREMIUM	\$ 0.00

Flood coverage is not provided by American Hallmark Insurance Company of Texas and is not part of this policy.

Issue Date

Authorized Signature

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CRIMINAL ACTS EXCLUSION
FOR USE WITH DWELLING FIRE FORMS DP-1, DP-2, AND DP-3

GENERAL EXCLUSIONS

The following Exclusion is added:

Criminal Acts

Criminal Acts means any loss resulting from the criminal acts of any insured person, including tenants and/or their relatives, on the Described Location.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT

FOR USE WITH DWELLING PROPERTY 3 – SPECIAL FORM

A. Eligible Property

1. Covered losses to the following property are settled at "replacement cost" at the time of the loss:
 - a. Coverage **C**; and
 - b. If covered in this policy:
 - (1) Awnings, outdoor antennas and outdoor equipment; and
 - (2) Carpeting and household appliances; whether or not attached to buildings.
2. This method of loss settlement will also apply to the following articles or classes of property if they are separately described and specifically insured in this policy and not subject to agreed value loss settlement:
 - a. Jewelry;
 - b. Furs and garments:
 - (1) Trimmed with fur; or
 - (2) Consisting principally of fur;
 - c. Cameras, projection machines, films and related articles of equipment;
 - d. Musical equipment and related articles of equipment;
 - e. Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding:
 - (1) Pens or pencils;
 - (2) Flasks;
 - (3) Smoking implements; or
 - (4) Jewelry; and
 - f. Golfer's equipment meaning golf clubs, golf clothing and golf equipment.

Personal Property "Replacement Cost" loss settlement will not apply to other classes of property separately described and specifically insured.

B. Ineligible Property

Property listed below is not eligible for "replacement cost" loss settlement. Any loss will be settled at "actual cash value" at the time of loss but not more than the amount required to repair or replace.

1. Antiques, fine arts, paintings and similar articles of rarity or antiquity which cannot be replaced.
2. Memorabilia, souvenirs, collectors items and similar articles whose age or history contribute to their value.
3. Articles not maintained in good or workable condition.
4. Articles that are outdated or obsolete and are stored or not being used.

C. Replacement Cost Loss Settlement Condition

The following loss settlement condition applies to all property described in **A.** above:

1. We will pay no more than the least of the following amounts:
 - a. "Replacement cost" at the time of loss without deduction for depreciation;
 - b. The full cost of repair at the time of loss;
 - c. The limit of liability that applies to Coverage **C**, if applicable;
 - d. Any applicable special limits of liability stated in this policy; or
 - e. For loss to any item described in **A.2.a. - f.** above, the limit of liability that applies to the item.
2. If the cost to repair or replace the property described in **A.** above is more than \$500, we will pay no more than the "actual cash value" for the loss until the actual repair or replacement is complete.
3. You may make a claim for loss on an "actual cash value" basis and then make claim for any additional liability in accordance with this endorsement provided you notify us of your intent to do so within 180 days after the date of loss.

All other provisions of this policy apply.

SERFF Tracking Number: PHXN-125686280 State: Arkansas
Filing Company: American Hallmark Insurance Company of Texas State Tracking Number: #16749 \$50
Company Tracking Number: DF-AR072008F
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 07/16/2008

Comments:

Attachment:

Arkansas NAIC and Certificate of Compliance- Homeowners.pdf

Satisfied -Name: NOTICE TO POLICYHOLDERS **Review Status:** Approved 07/16/2008

Comments:

Attachment:

NOTICE TO POLICYHOLDERS.pdf

Effective March 1, 2007.

Property & Casualty Transmittal Document

Reset Form

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:	
	<input type="checkbox"/> New Business <input type="checkbox"/> Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
	h. Subject Codes	

3. Group Name	American Hallmark Insurance Company of Texas				Group NAIC #	3478-43494
4. Company Name(s)	Domicile	NAIC #	FEIN #	State #		
American Hallmark Insurance Co of Texas	TX	3478-43494	75-1817901			

5. Company Tracking Number	DF-AR072008F
-----------------------------------	--------------

Contact info of Filer(s) or Corporate Officer(s) [Include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Chris Tsakiris	Property Underwriting Manager	972-866-5761	800-876-6960	ctsakiris@hallmarkgrp.com

7. Signature of authorized filer	
8. Please print name of authorized filer	Chris Tsakiris

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

9. Type of Insurance (TOI)	01.0 Property
10. Sub-Type of Insurance (Sub-TOI)	01.0002 Personal Property (Fire and Allied Lines)
11. State Specific Product code(s) (if applicable) [See State Specific Requirements]	
12. Company Program Title (Marketing title)	Dwelling Fire
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: 8/12/2008 Renewal:
15. Reference Filing?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
16. Reference Organization (If applicable)	ISO
17. Reference Organization # & Title	
18. Company's Date of Filing	
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking # DF-AR072008F

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

American Hallmark Insurance Company of Texas is submitting for your approval, the forms set we plan to use with our initial Arkansas Dwelling Fire program; we currently write no new or renewal business in the State of Arkansas.

We are targeting an August 12, 2008 implementation date for this program.

[View Complete Filing Description](#)

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 #: 16749
Amount: \$50.00

[Empty box for filing fee calculation]

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.)

Effective March 1, 2007

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 #		DF-AR072008F			
2. This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)					
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	DWELLING PROPERTY 1 - BASIC FORM	DP0003 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	DWELLING PROPERTY 2 - BROAD FORM	DP0003 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	DWELLING PROPERTY 3 - SPECIAL FORM	DP0003 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	SPECIAL PROVISIONS - ARKANSAS	DP0103 02/07	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE	DP0312 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	AUTOMATIC INCREASE IN INSURANCE	DP0411 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	WINDSTORM OR HAIL BROAD FORM AND SPECIAL FORM	DP0418 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	WINDSTORM OR HAIL - RADIO AND TELEVISION ANTENNAS, AWNINGS AND SIGNS	DP0419 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	ADDITIONAL INSURED	DP0441 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	MODIFIED LOSS SETTLEMENT	DP0008 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

FC FFS-1

Effective March 1, 2007

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 #		DF-AR072008F			
2. This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)					
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	ACTUAL CASH VALUE LOSS SETTLEMENT	DP0476 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW	DP0495 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM	DP0537 06/08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM; DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT	DP0538 06/08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	RATING INFORMATION	DP1278 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	CHANGE ENDORSEMENT	DP1210 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	ARKANSAS FRAUD STATEMENT	ILN018 09/03	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING	DP0475 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	PREMISES ALARM OR FIRE PROTECTION SYSTEM	DP 04 70 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	ACTUAL CASH VALUE LOSS SETTLEMENT	DP 04 78 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

Effective March 1, 2007

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 # DF-AR072008F					
2. This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)					
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	FUNCTIONAL REPLACEMENT COST LOSS SETTLEMENT	DP 05 30 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW	DP 04 95 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	SPECIAL COVERAGE	DP 04 65 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	SPECIAL PROVISIONS - ARKANSAS	DL 25 03 12/03	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	SPECIAL PROVISIONS - ARKANSAS	DL 01 03 12/03	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	PERSONAL LIABILITY	DL 24 01 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS	DL 24 02 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	PREMISES LIABILITY (NON-OWNER OCCUPIED DWELLING)	DL 24 11 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	PERSONAL LIABILITY SCHEDULE	DL 24 03 12/02	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	ANIMAL LIABILITY EXCLUSION	HDF 0001 07/08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

Effective March 1, 2007

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 #		DF-AR072008F			
2. This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)					
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	LIMITED ANIMAL LIABILITY COVERAGE- DWELLING	HDF 0002 07/08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	TRAMPOLINE EXCLUSION	NLHO02 11/07	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Dwelling Fire Application	HDF APP1 05/08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	ARKANSAS DWELLING DECLARATIONS PAGE	HDF DE01 05/08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	WINDSTORM OR HAIL EXCLUSION	HDF 0003 07/08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	CRIMINAL ACTS EXCLUSION	HDF 0004 05/08	<input checked="" 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 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 #	DF-AR072008F
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2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	
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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	PERSONAL PROPERTY REPLACEMENT COST	HDF 0005 05/08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02			<input 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

NOTICE TO POLICYHOLDERS

The possibility of a major earthquake occurring in the state poses a serious threat to citizens of Arkansas. Most homeowner (including renter and condominium owners), farm owner and dwelling fire policies do not provide earthquake coverage or may provide less than 100% coverage for damage due to an earthquake. You should review your policy or talk with your agent to determine whether you have earthquake coverage.

The market for residential earthquake coverage in Arkansas has declined over the past several years. In response to these market conditions, a Market Assistance Program (MAP) has been developed to assist consumers in obtaining residential earthquake coverage. Individuals qualify to purchase residential earthquake coverage through the MAP simply by having underlying homeowners, farm owners or dwelling fire coverage that excludes the earthquake peril.

A list of insurers participating in the MAP may be obtained by contacting your agent or calling 1-800-852-5494. You may also elect to maintain earthquake coverage which you may have already purchased.

This notice does not provide you with earthquake coverage nor does it increase any amounts of earthquake coverage you may have.

Declination of Residential Earthquake Coverage

I have been advised about the availability of residential earthquake insurance through the Market Assistance Program (MAP) and/or the Arkansas Earthquake Authority and/or the insurance company to which I am applying.

I hereby choose **NOT** to purchase earthquake coverage in any form, from any of the above sources.

Applicant's Signature

Date

SERFF Tracking Number: PHXN-125686280 State: Arkansas
 Filing Company: American Hallmark Insurance Company of Texas State Tracking Number: #16749 \$50
 Company Tracking Number: DF-AR072008F
 TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
 Product Name: Dwelling Fire
 Project Name/Number: New Dwelling Fire Program/DF-AR072008F

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING	06/06/2008	DP 04 75 12 02 - ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING.pdf
No original date	Form	Dwelling Fire Application	07/11/2008	HDF APP2 0708 - AR Dwelling Fire Application.pdf
No original date	Form	Dwelling Fire Application	06/27/2008	HDF APP1 0508 - AR Dwelling Fire Application.pdf
No original date	Form	ARKANSAS DWELLING DECLARATIONS PAGE	07/11/2008	HDF DE02 0708 - ARKANSAS DWELLING DECLARATIONS PAGE.pdf
No original date	Form	ARKANSAS DWELLING	06/27/2008	HDF DE01 0508 -

SERFF Tracking Number: PHXN-125686280 State: Arkansas
Filing Company: American Hallmark Insurance Company of Texas State Tracking Number: #16749 \$50
Company Tracking Number: DF-AR072008F
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: New Dwelling Fire Program/DF-AR072008F

DECLARATIONS PAGE

ARKANSAS
DWELLING
DECLARATIONS
PAGE.pdf

SERFF Tracking Number: PHXN-125686280 State: Arkansas
Filing Company: American Hallmark Insurance Company of Texas State Tracking Number: #16749 \$50
Company Tracking Number: DF-AR072008F
TOI: 01.0 Property Sub-TOI: 01.0002 Personal Property (Fire and Allied Lines)
Product Name: Dwelling Fire
Project Name/Number: New Dwelling Fire Program/DF-AR072008F

No original date Form WINDSTORM OR HAIL EXCLUSION 06/27/2008 HDF 0003 0708 WINDSTORM OR HAIL EXCLUSION.pdf

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING

DP 00 01 WHEN DP 00 08 IS ATTACHED, DP 00 02 AND DP 00 03

CONDITIONS

This endorsement modifies the loss settlement condition in the policy form with respect to a covered loss for roof surfacing caused by the peril of windstorm or hail. Such loss will be subject to actual cash value loss settlement. Therefore, the loss settlement conditions that pertain to "repair or replacement cost without deduction for depreciation" are changed as noted below:

E. Loss Settlement

1. In Forms DP 00 02 and DP 00 03:

- a.** Paragraph **1.c.** is deleted and replaced by the following:
 - c.** Structures, including their roof surfacing, that are not buildings; and
- b.** The following is added to Paragraph **1.:**
 - d.** Roof surfacing on structures that are buildings if a loss to the roof surfacing is caused by the peril of windstorm or hail;
- c.** In Paragraph **2.** the introductory statement "Buildings under Coverage **A** or **B** at replacement cost without deduction for depreciation, subject to the following": is deleted and replaced by the following:

- 2.** Buildings under Coverage **A** or **B**, except for their roof surfacing if the loss to the roof surfacing is caused by the peril of windstorm or hail, at replacement cost without deduction for depreciation, subject to the following:

2. In Form DP 00 01 when DP 00 08 is attached:

- a.** Paragraph **1.c.** is deleted and replaced by the following:
 - c.** Structures, including their roof surfacing, that are not buildings; and
- b.** The following is added to Paragraph **1.:**
 - d.** Roof surfacing on structures that are buildings if a loss to the roof surfacing is caused by the peril of windstorm or hail;
- c.** In Paragraph **2.** the introductory statement "Buildings under Coverage **A** or **B**" is deleted and replaced by the following:
 - 2.** Buildings under Coverage **A** or **B**, except for their roof surfacing if the loss to the roof surfacing is caused by the peril of windstorm or hail:

All other provisions of this policy apply.

DWELLING FIRE INSURANCE APPLICATION

AMERICAN HALLMARK INSURANCE COMPANY OF TEXAS 14651 DALLAS PARKWAY, SUITE 400 DALLAS, TX 75254 PHONE: (972) 934-2400 FAX: (972) 934-1332	AGENCY INFORMATION Agency Name Address City, State, Zip Phone Number Producer Code
--	--

POLICY TYPE	
POLICY NUMBER	
EFFECTIVE DATE	
EXPIRATION DATE	

GENERAL INFORMATION					
NAMED INSURED 1		DOB	1/1/1960	SSN	123-45-6789
NAMED INSURED 2		DOB	1/1/1960	SSN	123-45-6789
MAILING ADDRESS					
CITY, STATE, ZIP					
HOME PHONE		WORK PHONE		CELL PHONE	

LOCATION PROPERTY INFORMATION					
ADDRESS (if diff from above)					
CITY, STATE, ZIP (if diff from above)					
YEAR ORIG. BUILT		PROTECTION CLASS		CONSTRUCTION TYPE	
YR OF UPDATES:		WIRING		PLUMBING	HEATING
ROOF TYPE		STRUCTURE TYPE			Dwelling
POLICY CROSS REFERENCE					
MILES FROM FIRE DEPT			DOES ANIMAL LIABILITY EXCLUSION APPLY?		
FEET FROM FIRE HYDRANT					
OCCUPANCY					
USAGE					
NUMBER OF FAMILIES					

GENERAL INFORMATION			
Mobile Home	No	Boarding Home (i.e. rooming house or bed & breakfast)	No
Wood/Slate/Tile Roof	No	Converted from Commercial Risk	No
Pre-existing or Un-repaired Damage	No	Self Installed Auxiliary Heating Unit	No
In Course of Construction	No	Dwelling without Utilities (Gas, Electricity, Water, etc.)	No
On Piers or Stilts	No	Roof Age Greater than 20 Yrs	No
Farming on Premises	No	More than 2 layers of Roofing on Dwelling	No
Business on Premises	No	Any Losses in Last 5 Years (if yes, indicate below)	No
Vacant	No	More than 2 Losses in the Last Three Years	No
In Foreclosure	No	Insured to 100% of Replacement Cost	Yes
Synthetic Stucco (EIFS)	No	If Dwelling more than 40 years old, have the following been updated:	
Dogs with Bite History	No		Wiring Yes
Unfenced Pool or Spa	No		Plumbing Yes
No Prior Coverage other than New Purchase	No		Heating Yes
Subject to Flooding or Located in a Special Hazard Area	No		
Woodburning or Pellet Stove Used as Primary Heat Source	No		

REMARKS

ADDITIONAL INTEREST INFORMATION		
INTEREST 1	NAME	
	ADDRESS	
INTEREST 2	NAME	
	ADDRESS	

POLICY NUMBER	XXX-XXXXXX	AGENCY NAME	
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DEDUCTIBLES					
All Other Peril Deductible	\$ 1,000	Windstorm or Hail Deductible	\$1,000	Hurricane Deductible	\$1,000

COVERAGE INFORMATION			
COVERAGES	FORM NUMBER	LIMITS OF LIABILITY	PREMIUM
POLICY FORMS AND ENDORSEMENTS APPLICABLE TO THIS POLICY			
CREDITS/SURCHARGES APPLIED			\$0.00

PREMIUM	\$ -
EXPENSE CONSTANT	\$ -
POLICY FEE	\$ -
TOTAL POLICY PREMIUM	\$ -

PAYMENT PLAN			
Bill to:	Mortgagee	Payment Plan	Full Pay

APPLICANT/AGENT CERTIFICATION

I acknowledge that the following are applicable to the policy I have made application for and on all future renewals of such policy.
ANIMAL LIABILITY EXCLUDED

THESE STATEMENTS are accurate and true to the best of my knowledge. The Company may rely upon them in the issuance of this policy. I understand that the policy may be voided if I have made, with intent to deceive, any statements material to the issuance of this policy. **I UNDERSTAND** that if the foregoing statements are discovered to be untrue or if information is not disclosed, the policy for which I am applying may be declined, canceled, or coverage rescinded.

NOTICE OF INSURANCE INFORMATION PRACTICES: Personal information about you, including information from a credit report, may be collected from persons other than you. Such information as well as other personal and privileged information collected by us or our agents may in certain circumstances be disclosed to third parties. You have the right to review your personal information in our files and can request correction of an inaccuracies. A more detailed description of your rights and out practices regarding such information is available upon request. Contact your agent or broker for instructions on how to submit a request to us.

IT IS A CRIME to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

Applicant's Signature	Date	Agent's Signature	Date

ALL APPLICATIONS SUBJECT TO UNDERWRITING APPROVAL

THIS POLICY DOES NOT PROVIDE COVERAGE FOR THE PERIL OF FLOOD.

DWELLING FIRE INSURANCE APPLICATION

AMERICAN HALLMARK INSURANCE COMPANY OF TEXAS 14651 DALLAS PARKWAY, SUITE 400 DALLAS, TX 75254 PHONE: (972) 934-2400 FAX: (972) 934-1332	AGENCY INFORMATION Agency Name Address City, State, Zip Phone Number Producer Code
--	--

POLICY TYPE	Dwelling Property 3 - Special Form
POLICY NUMBER	XXX-XXXXXX
EFFECTIVE DATE	5/22/2008
EXPIRATION DATE	5/22/2009

GENERAL INFORMATION					
NAMED INSURED 1		DOB	1/1/1960	SSN	123-45-6789
NAMED INSURED 2		DOB	1/1/1960	SSN	123-45-6789
MAILING ADDRESS					
CITY, STATE, ZIP					
HOME PHONE		WORK PHONE		CELL PHONE	

LOCATION PROPERTY INFORMATION					
ADDRESS (if diff from above)					
CITY, STATE, ZIP (if diff from above)					
YEAR ORIG. BUILT		PROTECTION CLASS		CONSTRUCTION TYPE	
YR OF UPDATES:		WIRING		PLUMBING	HEATING
ROOF TYPE		STRUCTURE TYPE			Dwelling
POLICY CROSS REFERENCE		DOES ACTUAL CASH VALUE LOSS SETTLEMENT - ROOF APPLY?			
MILES FROM FIRE DEPT		DOES WINDSTORM OR HAIL PERIL EXCLUSION APPLY?			
FEET FROM FIRE HYDRANT		DOES ANIMAL LIABILITY EXCLUSION?			
OCCUPANCY					
USAGE					
NUMBER OF FAMILIES					

GENERAL INFORMATION			
Mobile Home	No	Boarding Home (i.e. rooming house or bed & breakfast)	No
Wood/Slate/Tile Roof	No	Converted from Commercial Risk	No
Pre-existing or Un-repaired Damage	No	Self Installed Auxiliary Heating Unit	No
In Course of Construction	No	Dwelling without Utilities (Gas, Electricity, Water, etc.)	No
On Piers or Stilts	No	Roof Age Greater than 20 Yrs	No
Farming on Premises	No	More than 2 layers of Roofing on Dwelling	No
Business on Premises	No	Any Losses in Last 5 Years (if yes, indicate below)	No
Vacant	No	More than 2 Losses in the Last Three Years	No
In Foreclosure	No	Insured to 100% of Replacement Cost	Yes
Synthetic Stucco (EIFS)	No	If Dwelling more than 40 years old, have the following been updated:	
Dogs with Bite History	No	Wiring	Yes
Unfenced Pool or Spa	No	Plumbing	Yes
No Prior Coverage other than New Purchase	No	Heating	Yes
Subject to Flooding or Located in a Special Hazard Area	No		
Woodburning or Pellet Stove Used as Primary Heat Source	No		

REMARKS

ADDITIONAL INTEREST INFORMATION		
INTEREST	NAME	
1	ADDRESS	
INTEREST	NAME	
2	ADDRESS	

POLICY NUMBER	XXX-XXXXXX	AGENCY NAME	
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DEDUCTIBLES					
All Other Peril Deductible	\$ 1,000	Windstorm or Hail Deductible	\$1,000	Hurricane Deductible	\$1,000

COVERAGE INFORMATION			
COVERAGES	FORM NUMBER	LIMITS OF LIABILITY	PREMIUM
POLICY FORMS AND ENDORSEMENTS APPLICABLE TO THIS POLICY			
CREDITS/SURCHARGES APPLIED			\$0.00

PREMIUM	\$ -
EXPENSE CONSTANT	\$ -
POLICY FEE	\$ -
TOTAL POLICY PREMIUM	\$ -

PAYMENT PLAN			
Bill to:	Mortgagee	Payment Plan	Full Pay

APPLICANT/AGENT CERTIFICATION

I acknowledge that the following are applicable to the policy I have made application for and on all future renewals of such policy.

ACTUAL CASH VALUE LOSS SETTLEMENT - ROOF

WINDSTORM OR HAIL PERIL EXCLUDED

ANIMAL LIABILITY EXCLUDED

THESE STATEMENTS are accurate and true to the best of my knowledge. The Company may rely upon them in the issuance of this policy. I understand that the policy may be voided if I have made, with intent to deceive, any statements material to the issuance of this policy. **I UNDERSTAND** that if the foregoing statements are discovered to be untrue or if information is not disclosed, the policy for which I am applying may be declined, canceled, or coverage rescinded.

NOTICE OF INSURANCE INFORMATION PRACTICES: Personal information about you, including information from a credit report, may be collected from persons other than you. Such information as well as other personal and privileged information collected by us or our agents may in certain circumstances be disclosed to third parties. You have the right to review your personal information in our files and can request correction of an inaccuracies. A more detailed description of your rights and out practices regarding such information is available upon request. Contact your agent or broker for instructions on how to submit a request to us.

IT IS A CRIME to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

Applicant's Signature	Date	Agent's Signature	Date

ALL APPLICATIONS SUBJECT TO UNDERWRITING APPROVAL

THIS POLICY DOES NOT PROVIDE COVERAGE FOR THE PERIL OF FLOOD.

THIS DECLARATIONS PAGE IS PART OF YOUR POLICY, PLEASE READ CAREFULLY

AMERICAN HALLMARK INSURANCE COMPANY OF TEXAS

14651 DALLAS PARKWAY, SUITE 400 DALLAS, TX 75254
 (972)934-2400

Policy Number

DWELLING FIRE INSURANCE POLICY

04/28/2008 05:39 PM

EFFECTIVE: 09/20/2007 2:59 PM CST

EXPIRATION 09/20/2008 12:01 AM CST

Named Insured / Mailing Address

TEST POLICY
 123 TEST ST.
 XXXXXX, AR XXXXX

Property Location

123 TEST ST.
 XXXXXX, AR XXXXX

Agency Name And Mailing Address

ARKANSAS AGENCY
 111 MAIN ST
 XXXXXX, AR XXXXX
PHONE: 555-555-5555

Mortgagee(s) And Mailing Address

WASHINGTON MUTUAL
 2000 2ND AVE
 SEATTLE, WA 98105

Form	Construction Type	Year Built	Protection Class	Roof
All Other Perils Deductible	Wind or Hail Deductible	Hurricane Deductible	Occupancy	

COVERAGES	FORM NUMBER	LIMITS OF LIABILITY	PREMIUM
POLICY FORMS AND ENDORSEMENTS APPLICABLE TO THIS POLICY			

CREDITS/SURCHARGES APPLIED

\$0.00

PREMIUM	\$ 0.00
EXPENSE CONSTANT	\$0.00
POLICY FEE	\$0.00
INSTALLMENT FEE	\$0.00
TOTAL POLICY PREMIUM	\$ 0.00

Flood coverage is not provided by American Hallmark Insurance Company of Texas and is not part of this policy.

Issue Date

Authorized Signature

THIS DECLARATIONS PAGE IS PART OF YOUR POLICY, PLEASE READ CAREFULLY

AMERICAN HALLMARK INSURANCE COMPANY OF TEXAS

14651 DALLAS PARKWAY, SUITE 400 DALLAS, TX 75254
 (972)934-2400

Policy Number

DWELLING FIRE INSURANCE POLICY

04/28/2008 05:39 PM

EFFECTIVE: 09/20/2007 2:59 PM CST

EXPIRATION 09/20/2008 12:01 AM CST

Named Insured / Mailing Address

TEST POLICY
 123 TEST ST.
 XXXXXX, AR XXXXX

Property Location

123 TEST ST.
 XXXXXX, AR XXXXX

Agency Name And Mailing Address

WASHINGTON AGENCY
 111 MAIN ST
 XXXXXX, AR XXXXX
PHONE: 206-555-5555

Mortgagee(s) And Mailing Address

WASHINGTON MUTUAL
 2000 2ND AVE
 SEATTLE, WA 98105

Form	Construction Type	Year Built	Protection Class	Roof
All Other Perils Deductible	Wind or Hail Deductible	Hurricane Deductible	ACV Roof	Occupancy

COVERAGES	FORM NUMBER	LIMITS OF LIABILITY	PREMIUM
POLICY FORMS AND ENDORSEMENTS APPLICABLE TO THIS POLICY			

CREDITS/SURCHARGES APPLIED

\$0.00

PREMIUM	\$ 0.00
EXPENSE CONSTANT	\$0.00
POLICY FEE	\$0.00
INSTALLMENT FEE	\$0.00
TOTAL POLICY PREMIUM	\$ 0.00

Flood coverage is not provided by American Hallmark Insurance Company of Texas and is not part of this policy.

Issue Date

Authorized Signature

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT
CAREFULLY.**

WINDSTORM OR HAIL EXCLUSION

FOR USE WITH FORMS DP1, DP2, and DP3

PERILS INSURED AGAINST

Coverage for the peril of windstorm or hail is deleted.

EXCLUSIONS

The following exclusion is added. In forms DP 00 01, DP 00 02 and DP 00 03, it is added to Paragraph A:

WINDSTORM OR HAIL

However, this exclusion does not apply to direct loss by fire or explosion resulting from windstorm or hail.

All other provisions of this policy apply.