



PREMIER LANDLORD / TENANT COMPREHENSIVE INSURANCE

Great American E & S Insurance Company
49 E Fourth Street 9th Floor
Cincinnati, OH 45202

PLEASE READ CAREFULLY: This policy containing certain personal liability and personal property coverages. It has been purchased by a property owner or property manager ("Named Insured") at no expense to any "tenant". Coverage may be narrower than a renter's insurance policy. The "tenant" is not the Named Insured. The "tenant" is the Loss Payee under Section I - Property Coverages, to the extent of their ownership interest in property insured hereunder. The "tenant" is an Additional Insured under the Section II - Liability Coverages.

AGREEMENT

We will provide the insurance described in the policy in return for the payment of the premium by the Named Insured and compliance with all provisions of the policy applicable to the Named Insured and the "tenant" respectively.

DEFINITIONS

A. In the policy, "we", "us" and "our" refer to the Company providing the 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 the "tenant";
- (2)** Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
- (3)** Entrustment of such vehicle or craft by the "tenant" to any person;
- (4)** Failure to supervise or negligent supervision of any person involving such vehicle or craft by the "tenant"; 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, flare craft 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 result.

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 "tenant" receives more than \$2,000 in total compensation for the 12 months before the date of loss;

(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 the "tenant".

4. "Employee" means an employee of the "tenant", or an employee leased to the "tenant" by a labor leasing firm under an agreement between the "tenant" and the labor leasing firm, whose duties are other than those performed by a "residence employee".

5. "Tenant" means:

a. the "tenant" and residents of the "tenant's" household who are:

(1) the "tenant's" 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 the "tenant's" household before moving out to attend school, provided the student is under the age of:

- (1)** 24 and the "tenant's" relative; or
- (2)** 21 and in the "tenant's" care or the care of a person described in **a.(1)** above; or

c. Under Section II:

- (1)** With respect to animals or watercraft to which the policy applies, any person or organization legally responsible for these animals or watercrafts which are owned by the "tenant" or any person included in **a.** or **b.** above. "Tenant" 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
- (2)** With respect to a "motor vehicle" to which the policy applies:
 - (a)** Persons while engaged in the "tenant's" employ or that of any person included in **a.** or **b.** above; or
 - (b)** Other persons using the vehicle on an "insured location" with the "tenant's" consent.

Under both Sections I and II, when the word "the" or "a" immediately precedes the word "tenant", the words the "tenant" or a "tenant" together mean one or more "tenants".

6. "Insured location" means:

- a.** The "residence premises";
- b.** The part of other premises, other structures and grounds used by the "tenant" as a residence; and
 - (1)** Which is shown in the policy; or
 - (2)** Which is acquired by the "tenant" during the Coverage Period for the "tenant's" use as a residence;
- c.** Any premises used by the "tenant" in connection with premises described in **a.** and **b.** above;
- d.** Any part of premises:
 - (1)** Not owned by the "tenant"; and
 - (2)** Where the "tenant" is temporarily residing;
- e.** Vacant land, other than farm land, owned by or rented to the "tenant";

f. Land owned by or rented to the "tenant" on which a one, two, three or four family dwelling is being built as a residence for the "tenant";

- g.** Individual or family cemetery plots or burial vaults of the "tenant"; or
- h.** Any part of premises occasionally rented to the "tenant" for other than "business" use.

7. "Motor vehicle" means:

- a.** A self-propelled land or amphibious vehicle; or
- b.** Any trailer or semi trailer 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 Coverage 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 the "tenant", or an employee leased to the "tenant" by a labor leasing firm, under an agreement between the "tenant" 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 the "tenant".

A "residence employee" does not include a temporary employee who is furnished to the "tenant" 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 the "tenant" reside;
- b.** The two, three or four family dwelling where the "tenant" resides in at least one of the family units; or
- c.** That part of any other building where the "tenant" resides;

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

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

DEDUCTIBLE

Unless otherwise noted in the 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 under Section I that exceeds the deductible amount shown in the policy.

SECTION I – PROPERTY COVERAGES

A. Coverage C – Personal Property

1. Covered Property

We cover personal property owned or used by the "tenant" while it is anywhere in the world. After a loss and at the "tenant's" request, we will cover personal property owned by:

- a. Others while the property is on the part of the "residence premises" occupied by the "tenant"; or
- b. A guest or a "residence employee", while the property is in any residence occupied by the "tenant".

2. Limit For Property At Other Residences

Our Limit of Liability for personal property usually located at the "tenant's" residence, other than the "residence premises", is 10% of the Limit of Liability for Coverage C, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- a. Moved from the "residence premises" because it is being repaired, renovated or rebuilt and is not fit to live in or store property in; or
- b. In a newly acquired principal residence for 10 days from the time the "tenant" begins to move the property there.

3. Special Limits Of Liability

The special limit for each category shown below is the total limit for each loss for all property in that category. These special limits do not increase the Coverage C Limit of Liability.

- a. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, medals, scrip, stored value cards and smart cards.
- b. \$1,500 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.

- c. \$1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.
- d. \$1,500 on trailers or semitrailers not used with watercraft of all types.
- e. \$1,000 for loss by theft of jewelry, watches, furs, precious and semiprecious stones.
- f. \$1,000 for loss by theft of firearms and related equipment.
- g. \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
- h. \$2,500 on property, on the "residence premises", used primarily for "business" purposes.
- i. \$500 on property, away from the "residence premises", used primarily for "business" purposes. However, this limit does not apply to loss to electronic apparatus and other property described in Categories j. and k. below.
- j. \$1,500 on electronic apparatus and accessories, while in or upon a "motor vehicle", but only if the apparatus is equipped to be operated by power from the "motor vehicle's" electrical system while still capable of being operated by other power sources.

Accessories include antennas, tapes, wires, records, discs or other media that can be used with any apparatus described in this Category j.

- k. \$1,500 on electronic apparatus and accessories used primarily for "business" while away from the "residence premises" and not in or upon a "motor vehicle". The apparatus must be equipped to be operated by power from the "motor vehicle's" electrical system while still capable of being operated by other power sources.

Accessories include antennas, tapes, wires, records, discs or other media that can be used with any apparatus described in this Category k.

4. Property Not Covered

We do not cover:

- a. Articles separately described and specifically insured, regardless of the limit for which they are insured, in the policy or other insurance;
- b. Animals, birds or fish;
- c. "Motor vehicles".

- (1) This includes:
- (a) Their accessories, equipment and parts; or
 - (b) Electronic apparatus and accessories designed to be operated solely by power from the electrical system of the "motor vehicle". Accessories include antennas, tapes, wires, records, discs or other media that can be used with any apparatus described above.

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

- (2) We do cover "motor vehicles" not required to be registered for use on public roads or property which are:
 - (a) Used solely to service the "tenant's" residence; or
 - (b) Designed to assist the handi-capped;
- d. 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;
- e. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flare craft and air cushion vehicles;
- f. Property of roomers, boarders and other tenants, except property of roomers and boarders related to the "tenant";
- g. Property in an apartment regularly rented or held for rental to others by the "tenant";
- h. Property rented or held for rental to others off the "residence premises";
- i. "Business" data, including such 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;

- j. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds except as provided in **C.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section **I – Property Coverages**; or

- k. Water or steam pipes, vents or equipment.

B. Coverage D – Loss Of Use

The Limit of Liability for Coverage **D** is the total limit for the coverages in **1. Additional Living Expense**, **2. Fair Rental Value** and **3. Civil Authority Prohibits Use** below.

1. Additional Living Expense

If a loss by a Peril Insured Against under the policy to covered property or the building containing the property makes the "residence premises" not fit to live in, we cover any necessary increase in living expenses incurred by the "tenant" so that the "tenant's" household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace the damage or, if the "tenant" permanently relocates, the shortest time required for the "tenant's" household to settle elsewhere.

2. Fair Rental Value

If a loss covered under Section **I** makes that part of the "residence premises" rented to others or held for rental by the "tenant" not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest time required to repair or replace such premises.

3. Civil Authority Prohibits Use

If a civil authority prohibits the "tenant" from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against, we cover the loss as provided in **1. Additional Living Expense** and **2. Fair Rental Value** above for no more than two weeks.

4. Loss Or Expense Not Covered

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

The periods of time under **1. Additional Living Expense**, **2. Fair Rental Value** and **3. Civil Authority Prohibits Use** above is not limited by expiration of the policy.

C. Additional Coverages

1. Debris Removal

a. We will pay the "tenant's" reasonable expense for the removal of:

- (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
- (2) 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. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the Limit of Liability for the damaged property, an additional 5% of that limit is available for such expense.

- b. We will also pay the "tenant's" reasonable expense, up to \$1,000, for the removal from the "residence premises" of:
 - (1) the "tenant's" tree(s) felled by the peril of Windstorm or Hail or Weight of Ice, Snow or Sleet; or
 - (2) A neighbor's tree(s) felled by a Peril Insured Against under Coverage **C**;
provided the tree(s):
 - (3) Damage(s) a covered structure; or
 - (4) Does not damage a covered structure, but:
 - (a) Block(s) a driveway on the "residence premises" which prevent(s) a "motor vehicle", that is registered for use on public roads or property, from entering or leaving the "residence premises"; or
 - (b) Block(s) a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling building.

The \$1,000 limit is the most we will pay in any one loss regardless of the number of fallen trees. No more than \$250 of this limit will be paid for the removal of any one tree.

This coverage is additional insurance.

2. Reasonable Repairs

- a. We will pay the reasonable cost incurred by the "tenant" for the necessary measures taken solely to protect covered property that is damaged by a Peril Insured Against from further damage.
- b. If the measures taken involve repair to other damaged property, we will only pay if that property is covered under the policy and the damage 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 the "tenant" of their duties, in case of a loss to covered property, described in **B.4.** under Section **I** – Conditions.

3. Trees, Shrubs And Other Plants

We cover trees, shrubs, plants or lawns, on the "residence premises", 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 a resident of the "residence premises";
- f. Vandalism or Malicious Mischief; or
- g. Theft.

We will pay up to 10% of the Limit of Liability that applies to Coverage **C** for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be paid for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

4. Fire Department Service Charge

We will pay up to \$500 for the "tenant's" 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.

5. Property Removed

We insure covered property against direct loss from any cause while being removed from 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.

6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money

- a. We will pay up to \$500 for:
 - (1) The legal obligation of the "tenant" to pay because of the theft or unauthorized use of credit cards issued to or registered in the "tenant's" name;
 - (2) Loss resulting from theft or unauthorized use of an electronic fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in the "tenant's" name;

- (3) Loss to the "tenant" caused by forgery or alteration of any check or negotiable instrument; and
- (4) Loss to the "tenant" through acceptance in good faith of counterfeit United States or Canadian paper currency.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

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

b. We do not cover:

- (1) Use of a credit card, electronic fund transfer card or access device:
 - (a) By a resident of the "tenant's" household;
 - (b) By a person who has been entrusted with either type of card or access device; or
 - (c) If the "tenant" has not complied with all terms and conditions under which the cards are issued or the devices accessed; or
- (2) Loss arising out of "business" use or dishonesty of the "tenant".

c. If the coverage in **a.** above applies, the following defense provisions also apply:

- (1) We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our Limit of Liability.
- (2) If a suit is brought against the "tenant" for liability under **a.(1)** or **(2)** above, we will provide a defense at our expense by counsel of our choice.
- (3) We have the option to defend at our expense the "tenant" or the "tenant's" bank against any suit for the enforcement of payment under **a.(3)** above.

7. Loss Assessment

- a.** We will pay up to \$1,000 for the "tenant's" share of loss assessment charged during the Coverage Period against them as tenant of the "residence premises", by a corporation or association of property owners.

The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by the policy if owned by the "tenant", caused by a Peril Insured Against under Coverage **C**, other than:

- (1) Earthquake; or

- (2) Land shock waves or tremors before, during or after a volcanic eruption.

The limit of \$1,000 is the most we will pay with respect to any one loss, regardless of the number of assessments. We will only apply one deductible, per unit, to the total amount of any one loss to the property described above, regardless of the number of assessments.

- b.** We do not cover assessments charged against the "tenant" or a corporation or association of property owners by any governmental body.
- c.** Paragraph **O.** Coverage Period under Section **I** – Conditions does not apply to this coverage.

This coverage is additional insurance.

8. Glass Or Safety Glazing Material

a. We cover:

- (1) The breakage of glass or safety glazing material which is part of a building, storm door or storm window, and covered as Building Additions And Alterations;
- (2) The breakage of glass or safety glazing material which is part of a building, storm door or storm window and covered as Building Additions And Alterations 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 "residence premises" 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 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.

9. Building Additions And Alterations

We cover under Coverage **C** the building improvements or installations, made or acquired at the "tenant's" expense, to that part of the "residence premises" used exclusively by the tenant.

The Limit of Liability for this coverage will not be more than 10% of the Limit of Liability that applies to Coverage **C**.

This coverage is additional insurance.

10. Ordinance Or Law

a. The "tenant" may use up to 10% of the Limit of Liability that applies to Building Additions And Alterations for the increased costs the "tenant" incurs 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. The "tenant" may use all or part of this ordinance or law coverage to pay for the increased costs the "tenant" incurs to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in **a.** above.

c. 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 any "tenant" 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", mold, fungus, wet rot, asbestos, lead, silicon, hazardous or toxic chemicals or materials or any material, fiber or dust

containing such substances in or on any property.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, oil and other petroleum substances or derivatives, pathogenic or poisonous biological materials, toxic matter, chemicals or waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

11. Grave Markers

We will pay up to \$5,000 for grave markers, including mausoleums, on or away from the "residence premises" for loss caused by a Peril Insured Against.

This coverage does not increase the Limits of Liability that apply to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

A. Coverage C – Personal Property

We insure against risk of direct physical loss to property described in Coverage **C**.

We do not insure, however, for loss:

1. Excluded under Section **I** – Exclusions;
2. Caused by:
 - a. 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:
 - (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.

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;

b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to the building or any:

- (1)** Fence, pavement, patio or swimming pool;
- (2)** Footing, foundation, bulkhead, wall or any other structure or device that supports all or part of a building or other structure; or
- (3)** Retaining wall or bulkhead that does not support all or part of a building or other structure; or
- (4)** Pier, wharf or dock;

c. Theft:

- (1)** From a "residence premises" under construction or vacant 30 or more consecutive days;
- (2)** that is not evidenced by forcible entry to the "residence premise" as noted on a police report (i.e. no mysterious disappearance, lost or misplaced property); or
- (3)** of materials and supplies for use in construction until the building is finished and occupied;

d. Mold, fungus or wet rot. However, we do insure for loss caused by mold, fungus or wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure if such loss results from the accidental discharge or overflow of water or steam from within:

- (1)** A plumbing, heating, air conditioning or automatic fire protective sprinkler system, or a household appliance, on the "residence premises" or
- (2)** A storm drain, or water, steam or sewer pipes, off the "residence premises".

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

e. Breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains and similar fragile articles other than jewelry, watches, bronzes, cameras and photographic lenses.

There is coverage for breakage of the property by or resulting from:

- (1)** Fire, lightning, windstorm, hail;
- (2)** Smoke, other than smoke from agricultural smudging or industrial operations;
- (3)** Explosion, riot, civil commotion;

(4) Aircraft, vehicles, vandalism and malicious mischief;

(5) Collapse of a building or any part of a building;

(6) Water not otherwise excluded;

(7) Theft or attempted theft; or

(8) Sudden and accidental tearing apart, cracking, burning or bulging of:

(a) A steam or hot water heating system;

(b) An air conditioning or automatic fire protective sprinkler system; or

(c) An appliance for heating water;

f. Dampness of atmosphere or extremes of temperature unless the direct cause of loss is rain, snow, sleet or hail;

g. Refinishing, renovating or repairing property other than watches, jewelry and furs;

h. Collision, other than collision with a land vehicle, sinking, swamping or stranding of watercraft, including their trailers, furnishings, equipment and outboard engines or motors;

i. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body; or

j. Any of the following:

(1) Wear and tear, marring, scratching, contamination, spoilage, decay or deterioration;

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

(3) Smog, rust or other corrosion, or dry rot;

(4) Smoke from agricultural smudging or industrial operations;

(5) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by one or more of the Perils Insured Against that would apply under Coverage C of the policy form if this endorsement were not attached to the policy form. 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. Waste does not include sewage;

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

(7) Birds, vermin, rodents or insects; or

(8) Animals owned or kept by an "insured".

Under Paragraphs **2.a.** through **c.** above, any ensuing loss to property described in Coverage **C** not precluded by any other provision in this policy is covered.

SECTION I – 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 for in **C.11.** Ordinance Or Law under Section **I** – Property Coverages;
- b.** The requirements of which result in a loss in value to property; or
- c.** Requiring any "tenant" 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.

Exclusion **A.2.** does not apply to loss by theft. This Exclusion **A.2.(a.)** does not apply if Earthquake is specifically added as a Peril Insured Against on the policy Declarations.

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, explosion or theft resulting from water damage is covered.

This exclusion does not apply to property described in Coverage **C** that is away from premises or location owned, rented, occupied or controlled by a "tenant".

This exclusion applies to property described in Coverage **C** that is on a premises or location owned, rented, occupied or controlled by a "tenant" even if weather conditions contribute in any way to produce the loss.

Exclusion **A.3.(a.)** does not apply if Flood is specifically added as a Peril Insured Against on the policy Declarations.

4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the "residence premises".

But if the failure results in a loss, from a Peril Insured Against on the "residence premises", we will pay for the loss caused by that peril.

5. Neglect

Neglect means neglect of the "tenant" 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; or
- c. Destruction, 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 **L. Nuclear Hazard Clause** under Section **I – Conditions**.

8. Intentional Loss

Intentional Loss means any loss arising out of any act a "tenant" commits or conspires to commit with the intent to cause a loss; even if the person committing the act is insane, intoxicated or otherwise impaired.

In the event of such loss, no "tenant" is entitled to coverage, even "tenants" 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 **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.

10. Mold, Fungus or Wet Rot

Mold, Fungus or Wet Rot, meaning any form or type of: fungi, mildew, mold, mushroom, bacteria or yeast, including any allergens, irritants, mycotoxins, or scents, byproducts, microbial volatile organic compounds produced by or associated therewith; or any spores, reproductive body, substance, vapor, gas, scent or byproducts produced by or arising there from.

We do not pay for any expense for: assessing, testing, monitoring, abating, detoxifying, neutralizing, mitigating, removing, remediation or disposing of mold, fungus or wet rot.

This exclusion does not apply to the limited coverage for mold, fungus or wet rot provided in **A.2.(d.)** of Section **I – Perils Insured Against**.

11. Acts of Terrorism other than Certified Acts

Acts of terrorism other than "Certified Acts of Terrorism", meaning any act that is not certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002.

In addition, the policy does not cover "certified acts of terrorism" carried out by means of dispersal, application or release of pathogenic or poisonous biological or chemical materials.

If an act of terrorism other than a "Certified Act of Terrorism" results in fire, we will pay for the direct loss or damage caused by that fire, but only if the damaged property is located in a Standard Fire Policy state and only if required by law.

B. We do not insure for loss to property described in Coverage **C** caused by any of the following. However, any ensuing loss to property described in Coverages **C** 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 "residence premises".

SECTION I – CONDITIONS

A. 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. To the "tenant" for more than the amount of such "tenant's" interest at the time of loss; or
2. For more than the applicable Limit of Liability.

B. Duties After Loss

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

1. Give prompt notice to us or our agent;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in **C.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I – Property Coverages**;
4. Protect the property from further damage. If repairs to the property are required, the "tenant" must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
5. Cooperate with us in the investigation of a claim;
6. 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 (and prove ownership in the event of theft);
7. 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 "tenant", and sign the same;
8. Send to us, within 60 days after our request, the "tenant's" signed, sworn proof of loss which sets forth, to the best of the "tenant's" knowledge and belief:
 - a. The time and cause of loss;
 - b. The interests of all "tenants" and 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 **6.** above;

- g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
- h. Evidence or affidavit that supports a claim under **C.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I – Property Coverages**, stating the amount and cause of loss.

C. Loss Settlement

Covered property losses are settled as follows:

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;
 - e. For loss to any item described in **A.3.a. - k.** above, the limit of liability that applies to the item.
2. If the cost to repair or replace the property 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 provided you notify us of your intent to do so within 180 days after the date of loss.
4. Property listed below will be settled at actual cash value at the time of loss but not more than the amount required to repair or replace.
 - a. Electronics, computers and jewelry due to theft.
 - b. Antiques, fine arts, paintings and similar articles of rarity or antiquity which cannot be replaced.
 - c. Memorabilia, souvenirs, collectors items and similar articles whose age or history contribute to their value.
 - d. Articles not maintained in good or workable condition.
 - e. Articles that are outdated or obsolete and are stored or not being used.

D. 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 the applicable settlement basis (i.e. cost to repair or replace with like kind and quality or the actual cash value) of the property before and after the loss.

E. Appraisal

If the "tenant" 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, the "tenant" 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 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.

F. Other Insurance And Service Agreement

If a loss covered by the policy is also covered by:

1. Other insurance, we will pay only the proportion of the loss that the Limit of Liability that applies under the policy bears to the total amount of insurance covering the loss; or
2. A service agreement, insurance provided by the policy 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.

G. Suit Against Us

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

H. Our Option

If we give the "tenant" written notice within 30 days after we receive the "tenant's" 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.

I. Loss Payment

We will adjust all losses with the "tenant". We will pay the "tenant" 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 the "tenant's" proof of loss and:

1. Reach an agreement with the "tenant";
2. There is an entry of a final judgment; or

3. There is a filing of an appraisal award with us.

J. Abandonment Of Property

We need not accept any property abandoned by the "tenant".

K. 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 the policy.

L. 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. The policy does not apply under Section I to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

M. Recovered Property

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

N. Volcanic Eruption Period

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

O. Coverage Period

The policy applies only to loss which occurs during the Coverage Period.

P. Concealment Or Fraud

We provide coverage to no "tenants" under the policy if, whether before or after a loss, the "tenant" has:

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

Q. Loss Payable Clause

If the policy show a loss payee for certain listed insured personal property, the definition of "tenant" is changed to include that loss payee with respect to that property.

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

SECTION II – LIABILITY COVERAGES

A. Coverage E – Personal Liability

If a claim is made or a suit is brought against the "tenant" 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 the "tenant" is legally liable. Damages include prejudgment interest awarded against the "tenant"; 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 F – Medical Payments To Others

We will pay up to our Limit of Liability for 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 the "tenant" or regular residents of the "tenant's" household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of the "tenant"; 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 the "tenant";
 - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by the "tenant"; or
 - d. Is caused by an animal owned by or in the care of the "tenant".

SECTION II – EXCLUSIONS

A. "Motor Vehicle Liability"

1. Coverages **E** and **F** 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 the "tenant'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 the "tenant"; or
 - (2) Owned by the "tenant" 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 the "tenant", 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 the "tenant" 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 the "tenant's" residence.

B. "Watercraft Liability"

1. Coverages **E** and **F** 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 the "tenant"; or
 - c. Is not a sailing vessel and is powered by:
 - (1) An inboard or inboard-out drive engine or motor, including those that power a water jet pump, of:
 - (a) 50 horsepower or less and not owned by the "tenant"; or
 - (b) More than 50 horsepower and not owned by or rented to the "tenant"; 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 the "tenant";

- (c) More than 25 horsepower if the outboard engine or motor is owned by the "tenant" who acquired it during the Coverage Period; or
- (d) More than 25 horsepower if the outboard engine or motor is owned by the "tenant" who acquired it before the Coverage Period, but only if:
 - (i) the "tenant" declares them at inception of the Coverage Period; or
 - (ii) the "tenant's" intent to insure them is reported to us in writing within 45 days after the "tenant" acquires them.

The coverages in (c) and (d) above apply for the Coverage Period.

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

C. "Aircraft Liability"

The policy does not cover "aircraft liability".

D. "Hovercraft Liability"

The policy does not cover "hovercraft liability".

E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others

Coverages **E** and **F** do not apply to the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by the "tenant" 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 the "tenant" 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 the "tenant", whether or not the "business" is owned or operated by the "tenant" or employs the "tenant".

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)** A "tenant" 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. "Tenant's" Premises Not An "Insured Location"

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

- a.** Owned by the "tenant";
- b.** Rented to the "tenant"; or
- c.** Rented to others by the "tenant";
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 any biological or chemical agent or 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 the "tenant";

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.

9. "Pollutants", Asbestos, Lead and Silicon

"Bodily injury" or "property damage" arising out of the presence, dispersal, release, ingestion, inhalation, absorption, contact with, exposure to, or failure to warn of the presence of: "pollutants", lead, asbestos, silicon or anything containing such material or substance. In addition, we will not pay cost or expense to abate, mitigate, remediate, contain, remove or dispose of any of these substances.

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

F. Coverage E – Personal Liability

Coverage **E** does not apply to:

1. Liability:

- a.** For any loss assessment charged against the "tenant" as a member of an association, corporation or community of property owners, except as provided in **D.** Loss Assessment under Section **II** – Additional Coverages;
- b.** Under any contract or agreement entered into by the "tenant". 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 the "tenant" prior to an "occurrence";

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

2. "Property damage" to property owned by the "tenant". This includes costs or expenses incurred by the "tenant" 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 the "tenant". 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 the "tenant" under any:
 - a. Workers' compensation law;
 - b. Non-occupational disability law; or
 - c. Occupational disease law;
5. "Bodily injury" or "property damage" for which the "tenant":
 - a. Is 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 the "tenant" as defined under Definitions **5.a.** or **b.**

This exclusion also applies to any claim made or suit brought against the "tenant":

- a. To repay; or
- b. Share damages with;
another person who may be obligated to pay damages because of "bodily injury" to the "tenant".

G. Coverage F – Medical Payments To Others

Coverage **F** 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 the "tenant";
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 the "tenant", regularly residing on any part of the "insured location".

SECTION II – 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 the "tenant" in any suit we defend;
2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage **E** Limit of Liability. We need not apply for or furnish any bond;
3. Reasonable expenses incurred by the "tenant" 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 the "tenant" for "bodily injury" covered under the policy. We will not pay for first aid to the "tenant".

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 the "tenant".
2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section **I**;
 - b. Caused intentionally by a "tenant" who is 13 years of age or older;
 - c. To property owned by the "tenant";
 - d. To property owned by or rented to the "tenant" or a resident in the "tenant's" household; or

- e. Arising out of:
 - (1) A "business" engaged in by the "tenant";
 - (2) Any act or omission in connection with a premises owned, rented or controlled by the "tenant", 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 e.(3) does not apply to a "motor vehicle" that:

- (a) Is designed for recreational use off public roads;
- (b) Is not owned by the "tenant"; 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.

D. Loss Assessment

1. We will pay up to \$1,000 for the "tenant's" share of loss assessment charged against them as tenant of the "residence premises", during the Coverage Period by a corporation or association of property owners, when the assessment is made as a result of:
 - a. "Bodily injury" or "property damage" not excluded from coverage under Section II – Exclusions; or
 - b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided such person:
 - (1) Is elected by the members of a corporation or association of property owners; and
 - (2) Serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.
2. Paragraph I. Coverage Period under Section II – Conditions does not apply to this Loss Assessment Coverage.
3. Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:
 - a. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or
 - b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

4. We do not cover assessments charged against the "tenant" or a corporation or association of property owners by any governmental body.

SECTION II – CONDITIONS

A. Limit Of Liability

Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the Coverage E Limit of Liability shown in the policy. This limit is the same regardless of the number of "tenants", 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 F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage F Limit of Liability shown in the policy.

B. Severability Of Insurance

Coverage applies separately to each "tenant". This condition will not increase our Limit of Liability for any one "occurrence".

C. Duties After "Occurrence"

In case of an "occurrence", the "tenant" will perform the following duties that apply. We have no duty to provide coverage under the policy if the "tenant's" failure to comply with the following duties is prejudicial to us. The "tenant" 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 policy;
 - 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 the "tenant";
 - 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 Section II – Additional Coverages, submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in the "tenant's" control;

6. No "tenant" shall, except at such "tenant'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 F – 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 F – Medical Payments To Others

Payment under this coverage is not an admission of liability by the "tenant" 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 Section II.

2. No one will have the right to join us as a party to any action against either the Named Insured or the "tenant".

3. No action with respect to Coverage E can be brought against us until the obligation of the "tenant" has been determined by final judgment or agreement signed by us.

G. Bankruptcy

Bankruptcy or insolvency of the Named Insured or the "tenant" will not relieve us of our obligations under the policy.

H. Other Insurance

Coverage under the policy is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the Limit of Liability that applies in the policy.

I. Coverage Period

Coverage under the policy applies only to "bodily injury" or "property damage" which occurs during the applicable Coverage Period for the "tenant" and "residence premises".

The Coverage Period shall commence upon the later of the policy Effective Date or the inception date of the lease agreement between the "tenant" and the Named Insured for utilizing the "residence premises".

The Coverage Period shall cease upon the earlier of the cancellation or expiration date of the policy or the termination or expiration date of the lease agreement between the "tenant" and the Named Insured for utilizing the "residence premises".

J. Concealment Or Fraud

We do not provide coverage to a "tenant" 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 the insurance coverage provided under the policy.

SECTIONS I AND II – CONDITIONS

A. Liberalization Clause

If we make a change which broadens coverage under the policy without additional premium charge, that change will automatically apply as of the date we implement the change, provided that this implementation date falls within the Coverage Period.

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 the policy; or

2. An amendatory endorsement.

B. Tenant is not a Named Insured

The "tenant" is not a Named Insured under the policy. The "tenant" holds a third party beneficiary status as Loss Payee under Coverage C and D of the policy. The "tenant" is an Additional Insured under Coverage E and F of the policy.

C. Cancellation / Nonrenewal

1. The Named Insured may cancel the 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 the policy at any time. We may do so by delivering to the Named Insured, or mailing to the Named Insured at the mailing address shown in the policy, written notice at least 10 days before the date cancellation is to take effect for non-payment of premium and 30 days for any other reasons. Proof of mailing will be sufficient proof of notice.

3. We may elect not to renew the policy. We may do so by delivering to the Named Insured, or mailing to the Named Insured at the mailing address shown in the policy, written notice at least 30 days before the expiration date of the policy. Proof of mailing will be sufficient proof of notice.
4. Unless agreed otherwise by us, upon cancellation or non-renewal of the policy for any reason, all coverage shall immediately cease for all "tenants" and "insured locations". The cancellation or expiration date of the policy shall be the end of the Coverage Period.
5. Upon termination or expiration of the lease agreement between the Named Insured and the "tenant" for use the "residence premises", all coverage under the policy shall immediately cease for such "tenant" without notice to the "tenant".
6. When this policy is canceled, any premium for the period from the date of cancellation to the expiration or anniversary dates of the annual lease agreements will be refunded to the Named Insured in accordance with our short rate methodology, unless we agree to extend coverage until expiration or anniversary of the annual lease agreement.

D. Named Insured's Duty to Notify Tenants

We have no duty to notify the "tenant" of cancellation or non-renewal of the policy. The Named Insured shall notify all "tenants" of cancellation or non-renewal of the policy.

E. Assignment

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

F. Subrogation

The "tenant" 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 "tenant" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage **F** or Paragraph **C**. Damage To Property Of Others under Section **II** – Additional Coverages.

G. Death

If the "tenant" dies, the following apply:

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; and

2. "Tenant" includes:

- a. A member of the "tenant's" household at the time of the "tenant's" death, but only while a resident of the "residence premises"; and
- b. With respect to the "tenant's" property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

H. Waiver Or Change Of Policy Provisions

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

I. Premium Reporting and Remittance:

Premium shall be computed in accordance with our rates as specified in the policy Declarations or as amended by us.

Within ten (10) days after the close of each month, the Named Insured shall report to us, on our Reporting Schedule, the following information for each residence premises being added or deleted from the policy:

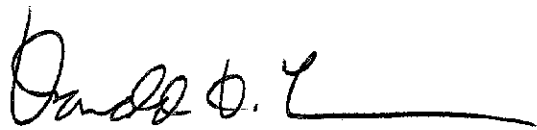
1. "tenant" name;
2. "residence premises" address; and
3. Effective date of addition or deletion.

Any premium due shall accompany the Reporting Schedule. Coverage for any individual "residence premises" and the occupying "tenants" will not be effective unless we receive the Reporting Schedule and the appropriate premium has been paid for such "residence premises".

Coverage may not be backdated prior to the later of the first day of the Reporting Month or the inception date of the lease agreement. Failure by the Named Insured to report an individual "residence premises" shall void coverage for such "residence premises" and occupying "tenants".

At your request, we do not provide coverage for any "residence premises" that you specify. Your nonpayment of premium for any individual "residence premises" shall, at our sole discretion, be deemed evidence that you have waived coverage for such "residence premises". If subsequent payment is tendered, we shall have the right but not the obligation to accept payment and extend coverage for such "residence premises".

IN WITNESS WHEREOF, the Company has caused this policy to be executed by its President and Secretary, respectively

Handwritten signature of Donald Larson in black ink, featuring a large, stylized 'D' and a long horizontal stroke at the end.

Donald Larson
President, Specialty Group

Handwritten signature of Karen Holley Horrell in black ink, written in a cursive style.

Karen Holley Horrell
Secretary