

# QUICK REFERENCE TEXAS HOMEOWNERS POLICY - FORM A

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### YOUR DUTIES AFTER A LOSS

Section I:

1. Protect the property from further damage.
2. Call your agent or company & report the loss.
3. Call the police if a law has been broken.
4. Make a list of all damaged personal property, including costs.
5. If requested, obtain proof of loss form from your agent or the company and submit within 91 days of the request.

Section II:

1. Do not make any voluntary payments except for first aid to others at the time of the accident.
2. Give written notice to agent or company, including details about the accident and any witnesses.
3. Send copies of legal notices you receive to the company.
4. Help the company get the necessary information to make settlement.

FOR A COMPLETE LIST OF YOUR DUTIES  
SEE PAGES 5 AND 9 OF YOUR POLICY.

# HOMEOWNERS FORM A

## 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 on the declarations page and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance. In addition, certain words and phrases are defined as follows:

1. "**Bodily injury**" means bodily harm, sickness or disease. This includes required care, loss of services and death that results.
2. "**Business**" includes trade, profession or occupation.
3. "**Insured**" means you and residents of your household who are:
  - a. your relatives; or
  - b. other persons under the age of 21 and in the care of any person named above.

Under Section II Liability, "**insured**" also means:

- c. any person or organization legally responsible for animals or watercraft to which this policy applies. You or a person included in 3.a. or 3.b. above must own the animal or watercraft. A person or organization using or having custody of these animals or watercraft without consent of the owner is not an **insured**.
- d. any employee of an **insured** while engaged in the employment of the **insured**, but only with respect to the use of farm tractors and trailers or other farm equipment.
4. "**Insured location**" means:
  - a. the **residence premises**.
  - b. the part of other premises, other structures and grounds you use as a residence and:
    - (1) which is shown on the declarations page; or
    - (2) which you acquire during the policy period for your use as a residence.

- c. any premises you use in connection with a premises in 4.a. or 4.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 or two family dwelling is being built as a residence for an **insured**.
- g. individual or family cemetery plots or burial vaults of an **insured**.
- h. any part of a premises occasionally rented to an **insured** for other than business use.
5. "**Occurrence**" means an accident, including exposure to conditions, which results in **bodily injury** or **property damage** during the policy period.
6. "**Property damage**" means injury to, destruction of, or loss of use of property.
7. "**Residence employee**" means an employee of an **insured** who performs duties related to the ownership, maintenance or use of the **residence premises**, including maintenance or use of a motor vehicle. This includes employees who perform similar duties elsewhere for an **insured**. This does not include employees while performing duties related to the **business** of an **insured**.
8. "**Residence premises**" means the residence premises shown in the declarations page. This includes the one or two family dwelling, including other structures, and grounds where you reside or intend to reside within 60 days after the effective date of this policy.

## SECTION I-PROPERTY COVERAGE

### COVERAGE A (DWELLING)

We cover:

1. the dwelling on the **residence premises** shown on the declarations page including structures attached to the dwelling:
  - a. while occupied by an **insured** as a dwelling; or

- b. if an **insured** intends to occupy the dwelling within 60 days after the effective date of this policy.
2. other structures on the **residence premises** set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line or similar connection. The total limit of liability for other structures is the limit of liability shown on the declarations page or 10% of the Coverage A (Dwelling) limit of liability, whichever is greater. This is additional insurance and does not reduce the Coverage A (Dwelling) limit of liability.

We do not cover other structures:

- a. used for commercial, manufacturing or farming purposes; or
  - b. wholly rented to any person, unless used solely as a private garage.
3. wall to wall carpeting attached to a building on the **residence premises**.

### **COVERAGE B (PERSONAL PROPERTY)**

We cover:

1. a. personal property owned, worn or used by an **insured** while on the **residence premises**. This includes window or wall air conditioning units.
- b. at your request, property of others while the property is on the part of the **residence premises** occupied by an **insured**.
2. a. personal property owned, worn or used by an **insured** anywhere in the world.
- b. at your request, personal property of a **residence employee** when:
  - (1) the property is away from the residence premises of the **residence employee** and in the control of the **residence employee**; and
  - (2) while the **residence employee** is performing work for you.

Our total limit of liability under 2.a. and 2.b. above is 10% of the Coverage B (Personal Property) limit of liability or \$1,000, whichever is greater. This is additional insurance and does not reduce the Coverage B (Personal Property) limit of liability.

**SPECIAL LIMITS OF LIABILITY.** These limits do not increase the Coverage B (Personal Property) limit of liability. The special limit for each numbered category below is the total limit for each loss for all property in that category.

1. Money/Bank Cards. \$100 on money or numismatic property or loss by theft or unauthorized use of bank fund transfer cards registered to an **insured**.
2. Bullion/Valuable Papers. \$500 on gold or silver bullion, manuscripts, notes, securities, stamps, philatelic property, accounts, bills, deeds, evidences of debt, letters of credit, passports, documents, transportation or other tickets.
3. Jewelry/Watches/Furs. \$500 for loss by theft of gems, watches, jewelry, or furs.
4. Business Personal Property. \$2,500 on **business** property or farm and ranch property.

We will not cover any **business** property or farm and ranch property:

- a. that consists of samples or articles for sale or delivery; or
- b. if the property is away from the **residence premises**.

**PROPERTY NOT COVERED.** We do not cover:

1. articles separately described and specifically insured by this or other insurance.
2. animals or birds.
3. motor or engine propelled vehicles or machines designed for movement on land, including attached machinery or equipment.

However, we do cover such vehicles which are not subject to motor vehicle registration and are:

- a. devices and equipment for assisting the handicapped.
  - b. power mowers.
  - c. golf carts.
  - d. vehicles or machines used for recreational purposes while located on the **residence premises**.
  - e. farm equipment not designed for use principally on public roads.
4. trailers, semi-trailers or mobile homes.

However, we do cover:

- a. trailers and semi-trailers that are designed for use principally off public roads.
  - b. boat trailers while on the **residence premises**.
5. aircraft meaning any device used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo.
6. watercraft, including outboard motors and furnishings or equipment.

We do cover watercraft, including outboard motors and furnishings or equipment, while located on land on the **residence premises**.

7. property of roomers or tenants.
8. property usually rented to others off the **residence premises**.

### **EXTENSIONS OF COVERAGE.**

1. **DEBRIS REMOVAL.** We will pay your expense for the removal from the **residence premises** of:
  - a. debris of covered property if a Peril Insured Against causes the loss.
  - b. a tree that has damaged covered property if a Peril Insured Against causes the tree to fall.

This does not increase the limit of liability that applies to the damaged property.

2. **LOSS OF USE.** If a loss caused by a Peril Insured Against under Section I makes the **residence premises** wholly or partially untenable, we cover:
  - a. additional living expense, meaning any necessary and reasonable increase in living expense you incur so that your household can maintain its normal standard of living.

- b. fair rental value, meaning the fair rental value of that part of the **residence premises** usually rented to others by you, less any expenses that do not continue.

The total limit of liability for all loss of use is 10% of the Coverage A (Dwelling) limit of liability. This is additional insurance and does not reduce the Coverage A (Dwelling) limit of liability. The deductible clause does not apply to loss of use coverage.

Payment will be for the reasonable time required to repair or replace the damaged property. If you permanently relocate, payment will be for the reasonable time required for your household to become settled.

The periods of time for loss of use are not limited by expiration of this policy.

- 3. **REASONABLE REPAIRS.** If a Peril Insured Against causes the loss, we will pay the reasonable cost you incur for necessary repairs made solely to protect covered property from further damage. This coverage does not increase the limit of liability that applies to the property being repaired.

- 4. **TREES, SHRUBS, PLANTS AND LAWNS.** We cover trees, shrubs, plants and lawns, on the **residence premises**, only for loss caused by the following Perils Insured Against: Fire or Lightning, Explosion, Aircraft, Vehicles not owned or operated by a resident of the **residence premises**, Vandalism and Malicious Mischief, Riot and Civil Commotion and Theft or attempted theft.

The limit of liability for this coverage is 5% of the Coverage A (Dwelling) limit of liability. We will not pay more than \$250 for any one tree, shrub or plant, including the cost of removal. We do not cover property grown for **business** purposes.

This is not additional insurance and does not increase the Coverage A (Dwelling) limit of liability. The deductible clause does not apply to trees, shrubs, plants and lawns.

- 5. **PROPERTY REMOVED.** We pay for expense and damage incurred in the removal of covered property from an **insured location** endangered by a Peril

Insured Against. This coverage exists on a pro rata basis for 30 days at each location to which such property is removed for preservation. This is not additional insurance and does not increase the Coverage B (Personal Property) limit of liability.

- 6. **CONSEQUENTIAL LOSS.** We insure:
  - a. property contained in a building on the **residence premises** against loss due to change in temperature as the direct result of physical damage to the dwelling, or any equipment contained in the dwelling, caused by a Peril Insured Against. The deductible clause does not apply to this coverage.
  - b. property contained in a building on the **residence premises** against a loss due to change in temperature as a direct result of physical damage to any power, heating or cooling equipment (including connections and supply pipes) not contained in or on the dwelling, caused by a Peril Insured Against.

The total limit of liability for the coverage described in 6.b. above is \$500. This is not additional insurance and does not increase the Coverage B (Personal Property) limit of liability.

- 7. **AUTOMATIC REMOVAL.** If you move from the **residence premises** shown on the declarations page to another location within the United States, to be occupied as your principal residence, we cover:

- a. the personal property under Coverage B (Personal Property) at each location in the proportion that the value at each location bears to the total value of all the personal property covered under Coverage B (Personal Property).
- b. property in transit up to 10% of the Coverage B (Personal Property) limit of liability or \$1,000, whichever is greater.

We provide coverage for only 30 days from the date the removal begins.

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## SECTION I-PERILS INSURED AGAINST

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### COVERAGE A (DWELLING) AND COVERAGE B (PERSONAL PROPERTY)

We insure against physical loss to the property described in Coverage A (Dwelling) and Coverage B (Personal Property) caused by a peril listed below, unless the loss is excluded in Section I Exclusions:

- 1. **Fire and Lightning.**

- 2. **Sudden and Accidental Damage from Smoke.**

This peril does not cover loss caused by smog or by smoke from industrial or agricultural operations.

- 3. **Windstorm, Hurricane, and Hail.**

This peril does not cover:

- a. loss to the following:

- (1) cloth awnings, greenhouses and their contents, buildings or structures located wholly or partially over water and their contents.

- (2) radio and television towers, outside satellite dishes, masts and antennas, including lead-in wiring, wind chargers and windmills.

- b. loss caused by rain, snow, sand or dust, whether or not driven by wind, unless the direct force of wind or hail makes an opening in the roof or wall and the rain, snow, sand or dust enters through this opening and causes the damage.

- 4. **Explosion.**

- 5. **Aircraft and Vehicles.**

This peril does not cover loss caused by any vehicle owned or operated by an occupant of the **residence premises**.

6. **Vandalism and Malicious Mischief.**
7. **Riot and Civil Commotion.**
8. **Theft**, including attempted theft and loss of property from a known place when it is likely that the property has been stolen.

This peril does not cover:

- a. personal property while away from the **residence premises** at any other residence owned by, rented

to or occupied by an **insured**, except while an **insured** is temporarily living there.

- b. personal property while away from the **residence premises** and unattended in or on any motor vehicle or trailer, other than a public conveyance, unless all its doors, windows and other openings are closed and locked and there are visible marks of forcible entry.

Property is not unattended when the **insured** has entrusted the keys of the vehicle to a custodian.

- c. building materials and supplies not on the **residence premises**.

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## SECTION I-EXCLUSIONS

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1. We do not cover property described under Coverage A (Dwelling) or Coverage B (Personal Property) for loss caused by any of the following. These exclusions do not apply to an ensuing loss caused by fire, smoke or explosion.

- a. We do not cover loss to electrical devices or wiring caused by electricity other than lightning.
- b. We do not cover loss caused by or resulting from flood, surface water, waves, tidal water or tidal waves, overflow of streams or other bodies of water or spray from any of these whether or not driven by wind.

We do cover an ensuing loss by theft or attempted theft or any act or attempted act of stealing.

2. **GOVERNMENTAL ACTION.**

We do not cover loss caused by the destruction of property by order of governmental authority.

But we do cover loss caused by acts of destruction ordered by governmental authority taken at the time of a fire to prevent its spread, if the fire would be covered under this policy.

3. **BUILDING LAWS.**

We do not cover loss caused by or resulting from the enforcement of any ordinance or law regulating the construction, repair or demolition of a building or structure.

4. **WAR DAMAGE.**

We do not cover loss resulting directly or indirectly from war. This includes undeclared war, civil war, insurrection, rebellion, revolution, warlike act by military personnel, destruction or seizure or use for a military purpose, and any consequence of these. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

5. **NUCLEAR DAMAGE.**

We do not cover loss resulting directly or indirectly from nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused. We cover direct loss by fire resulting from nuclear reaction, radiation or radioactive contamination.

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## SECTION I-DEDUCTIBLE

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**DEDUCTIBLE CLAUSE 1-WINDSTORM, HURRICANE OR HAIL** -The amount shown on the declarations page for Deductible Clause 1 will be deducted from the combined amount of each loss under Coverage A (Dwelling) and Coverage B (Personal Property) that results from windstorm, hurricane or hail.

**DEDUCTIBLE CLAUSE 2-ALL OTHER PERILS**-The amount shown on the declarations page for Deductible

Clause 2 will be deducted from the combined amount of each loss under Coverage A (Dwelling) and Coverage B (Personal Property) unless the loss results from windstorm, hurricane or hail.

If a single event causes loss by windstorm, hurricane or hail and loss by lightning, only the larger deductible will apply.

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## SECTION I-CONDITIONS

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1. **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:

- a. to the **insured** for more than the amount of the **insured's** interest at the time of loss; or

- b. for more than the applicable limit of liability.

Each time there is a loss to any building insured under Coverage A (Dwelling), the amount of insurance applicable to that building for loss by fire will be reduced by the amount of the loss. As repairs are made, the amount of insurance will be reinstated up to the limit of liability as shown on the declarations page.

- Art. 6. 13. Policy a Liquidated Demand. A fire insurance policy, in case of a total loss by fire of property insured, shall be held and considered to be a liquidated demand against the company for the full amount of such policy. The provisions of this article shall not apply to personal property.
2. **Residential Community Property Clause.** This policy, subject to all other terms and conditions, when covering residential community property, as defined by state law, shall remain in full force and effect as to the interest of each spouse covered, irrespective of divorce or change of ownership between the spouses unless excluded by endorsement attached to this policy until the expiration of the policy or until canceled in accordance with the terms and conditions of this policy.
  3. **Your Duties After Loss.** In case of a loss to covered property caused by a peril insured against, you must:
    - a. give prompt notice to us or our agent.
    - b. notify the police in case of loss by theft.
    - c. (1) protect the property from further damage.  
(2) make reasonable and necessary repairs to protect the property.  
(3) keep an accurate record of repair expenses.
    - d. furnish a complete inventory of damaged personal property showing the quantity, description and amount of loss. Attach all bills, receipts and related documents which you have that justify the figures in the inventory.
    - e. as often as we reasonably require:
      - (1) provide us access to the damaged property.
      - (2) provide us with pertinent records and documents we request and permit us to make copies.
      - (3) submit to examination under oath and sign and swear to it.
    - f. send to us or our agent, if we request, your signed sworn proof of loss within 91 days of our request on a standard form supplied by us. If we do not request a signed sworn proof of loss within the first 60 days after you notify us or our agent of the loss, we waive our right to require a proof of loss. Such waiver will not waive our other rights under this policy.

This proof of loss shall state, to the best of your knowledge and belief:

      - (1) the time and cause of loss.
      - (2) the interest of the **insured** and all others in the property involved including all liens on the property.
      - (3) other insurance which may cover the loss.
      - (4) the actual cash value of each item of property and the amount of loss to each item.
  4. **Loss Settlement.** Our limit of liability and payment for covered losses under Section I Property Coverage will not exceed the smallest of the following:
    - a. the actual cash value at the time of the loss determined with proper deduction for depreciation;
    - b. the cost to repair or replace the damaged property with material of like kind and quality, with proper deduction for depreciation; or
    - c. the specified limit of liability of the policy.
  5. **Loss to a Pair or Set.** In case of loss to an item which is part of a pair or set, the measure of loss shall be a reasonable and fair proportion of the total value of the pair or set. The importance of the item will be considered in assessing the loss. Such loss will not be considered a total loss of the pair or set.
  6. **Our Option.** If we give you 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 property of like kind and quality, within a reasonable time, rather than make payment for the loss or we may take all or part of the property at the appraised or agreed value.
  7. **Appraisal.** If you and we fail to agree on the actual cash value, amount of loss or the cost of repair, either can make a written demand for appraisal. Each will then select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. 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 district court of a judicial district where the loss occurred. The two appraisers will then set the amount of loss, stating separately the actual cash value and loss to each item.

If the appraisers fail to agree, they will submit their differences to the umpire. An itemized decision agreed to by any two of these three and filed with us will set the amount of the loss. Such award shall be binding on you and us.

Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally.
  8. **Loss Payment.** After we receive your Proof of Loss and:
    - a. we reach an agreement with you, in writing; or
    - b. there is a filing of an appraisal award with us;loss will be payable within 60 days.
  9. **Other Insurance-Section I.** Other insurance is permitted on property covered by this policy, but other insurance covering the dwelling is not permitted. If a loss covered by this policy is also covered by other insurance we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.
  10. **Suit Against Us.** No suit or action can be brought unless the policy provisions have been complied with. Action brought against us must be started within two years and one day after the cause of action accrues.

11. **Abandonment of Property.** There can be no abandonment of property to us.
12. **Vacancy.** If the **insured** moves from the dwelling and a substantial part of the personal property is removed from that dwelling, the dwelling will be considered vacant. Coverage that applies under Coverage A (Dwelling) will be suspended effective 60 days after the dwelling becomes vacant. This coverage will remain suspended during such vacancy.
13. **Mortgage Clause (without contribution).**
  - a. The word "mortgagee" includes trustee.
  - b. We will pay for any covered loss of or damage to buildings or structures to the mortgagee shown on the declarations page as interests appear.
  - c. The mortgagee has the right to receive loss payment even if the mortgagee has started foreclosure or similar action on the building or structure.
  - d. If we deny your claim because of your acts or because you have failed to comply with the terms of this policy, the mortgagee has the right to receive loss payment if the mortgagee:
    - (1) at our request, pays any premiums due under this policy, if you have failed to do so.
    - (2) submits a signed, sworn statement of loss within 91 days after receiving notice from us of your failure to do so.
    - (3) has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgagee.

All of the terms of this policy will then apply directly to the mortgagee. Failure of the mortgagee to comply with d.(1), d.(2) or d.(3) above shall void this policy as to the interest of the mortgagee.
  - e. If we pay the mortgagee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this policy:
    - (1) the mortgagee's rights under the mortgage will be transferred to us to the extent of the amount we pay.
    - (2) the mortgagee's right to recover the full amount of the mortgagee's claim will not be impaired.

At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.
  - f. If this policy is canceled, we will give the mortgagee specifically named on the declarations page:
    - (1) 14 days written notice of cancellation if the reason for cancellation is for non payment of premium.
    - (2) 30 days written notice of cancellation if the cancellation is for any other reason.

We will not give notice of cancellation to any successors or assignee of the mortgagee named in this policy.
  - g. If the property described under Coverage A (Dwelling) is foreclosed upon under the deed of trust, the mortgagee may cancel this policy of insurance and will be entitled to any unearned premiums from this policy.
 

The mortgagee must credit any unearned premium against any deficiency owed by the borrower and return any unearned premium not so credited to the borrower. The unearned premium will be figured using the customary short rate procedures.
  - h. If we elect not to renew this policy, the mortgagee specifically named on the declarations page will be given 30 days written notice of the non-renewal.
14. **No Benefit to Bailee.** We will not recognize any assignment or grant any coverage for the benefit of a person or organization holding, storing or moving property for a fee.

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## SECTION II-LIABILITY COVERAGE

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### COVERAGE C (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 damages for which the **insured** is legally liable.
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.

### COVERAGE D (Medical Payments To Others)

We will pay the necessary medical expenses incurred or medically determined 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. This coverage does apply to **residence employees**. As to others, this coverage applies only:

1. to a person on the **insured location** with the permission of an **insured**.
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**.

d. is caused by an animal owned by or in the care of an **insured**.

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## SECTION II-EXCLUSIONS

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1. **COVERAGE C (Personal Liability) and Coverage D (Medical Payments to Others)** do not apply to:

- a. **bodily injury** or **property damage** which is caused intentionally by or at the direction of the **insured**;
- b. **bodily injury** or **property damage** arising out of or in connection with a **business** engaged in by an **insured**. But this exclusion does not apply to activities which are ordinarily incidental to non-business pursuits.
- c. **bodily injury** or **property damage** arising out of the rental or holding for rental of any part of any premises by an **insured**. This exclusion does not apply to the rental or holding for rental of an **insured location**:
  - (1) on an occasional basis if used only as a residence.
  - (2) 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.
  - (3) in part, as an office, school or studio.
  - (4) if the rental is for not more than three car spaces or stalls garages or stables.
- d. **bodily injury** or **property damage** arising out of the rendering of or failure to render professional services.
- e. **bodily injury** and **property damage** arising out of a premises:
  - (1) owned by an **insured**;
  - (2) rented to an **insured**; or
  - (3) rented to others by an **insured**;that is not an **insured location**.

This exclusion does 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. **bodily injury** or **property damage** arising out of the ownership, maintenance, operation, use, loading or unloading of:
  - (1) motor or engine propelled vehicles or machines designed for movement on land, including attached machinery or equipment.
  - (2) trailers, semi-trailers or mobile homes; which are owned or operated by or rented or loaned to an **insured**.

However, this exclusions does not apply to:

- (1) motor vehicles which are not subject to motor vehicle registration and are:

- (a) used for assisting the handicapped.
- (b) used to service an **insured location**.
- (c) golf carts while on the **residence premises** or used for golfing purposes.
- (d) designed and used for recreational purposes, and are:
  - (i) not owned by an **insured**; or
  - (ii) owned by an **insured** while on the **residence premises**.
- (e) in dead storage on the **residence premises**.
- (f) used exclusively on the **residence premises**.
- (2) trailers or semi-trailers while not being towed by or carried on a motor vehicle.

This exclusion does 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**.

- g. **bodily injury** or **property damage** arising out of the ownership, maintenance, operation, use, loading or unloading of watercraft:
  - (1) with inboard or inboard-outdrive motor power of more than 50 horsepower owned by or rented to an **insured**.
  - (2) powered by one or more outboard motors with more than 25 total horsepower if the outboard motor is owned by an **insured**. But, outboard motors of more than 25 total horsepower are covered for the policy period if:
    - (a) you acquire them prior to the policy period and:
      - (i) you declare them at policy inception; or
      - (ii) your intention to insure is reported to us in writing within 45 days after you acquire the outboard motors.
    - (b) you acquire them during the policy period.
  - (3) that is a sailing vessel, with or without auxiliary power, which is 26 feet or more in length owned by or rented to an **insured**.

This exclusion does not apply while the watercraft is on the **residence premises**.

This exclusion does 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**.



- h. **bodily injury** or **property damage** arising out of the ownership, maintenance, operation, use, loading or unloading of aircraft.

Aircraft means any device used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo.

This exclusion does 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**.

- i. **bodily injury** or **property damage** arising out of:
- (1) the entrustment by an **insured** to any person; or
  - (2) the negligent supervision by an **insured** of any person;

with regard to the ownership, maintenance or use of any motor vehicle, watercraft or aircraft which is excluded in paragraph f., g. or h. above.

This exclusion does not apply to **bodily injury** to a **residence employee** arising out of an in the course of the **residence employee's** employment by an **insured**.

- j. **bodily injury** or **property damage** caused directly or indirectly by war. This includes undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for military purpose, and any consequence of these. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

- k. **bodily injury** and **property damage** arising out of the transmission of sickness or disease by an **insured** through sexual contact.

- l. **bodily injury** to any person eligible to receive any benefits voluntarily provided or required to be provided by an **insured** under any workers' compensation law or occupational disease law.

2. **Coverage C (Personal Liability)** does not apply to:

- a. liability under any contract or agreement.

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 an **insured**:

unless excluded elsewhere in this policy.

- b. **property damage** to property owned by an **insured**.

- c. **property damage** to property rented to, occupied or used by or in the care of the **insured**.

This exclusion does not apply to **property damage** caused by fire, smoke or explosion.

- d. **bodily injury** or **property damage** for which an **insured** under this policy is also an insured under a nuclear energy liability policy or would be an insured under that policy but for the exhaustion of its limit of liability.

A nuclear energy liability policy is one issued by American Nuclear Insurers, Mutual Atomic Energy Liability Underwriters, or Nuclear Insurance Association of Canada.

- e. **bodily injury** to you or an **insured** within the meaning of part a. or part b. of insured as defined.

3. **Coverage D (Medical Payments to Others)** does not apply to:

- a. **bodily injury** to a **residence employee** if the **bodily injury**:

- (1) occurs off the **insured location**; and
- (2) does not arise out of or in the course of the **residence employee's** employment by an **insured**.

- b. **bodily injury** to any person, other than a **residence employee** of an **insured**, regularly residing on any part of the **insured location**.

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## SECTION II-ADDITIONAL COVERAGES

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

1. **Claim Expenses.** We pay:

- a. expenses we incur and costs taxed against an **insured** in any suit we defend.
- b. premiums on bonds required in a suit we defend but not for bond amounts more than the limit of liability for Coverage C (Personal Liability). We need not apply for or furnish any bond.
- c. reasonable expenses incurred by an **insured** at our request, including actual loss earnings (but not loss of other income) up to \$50 per day, for assisting us in the investigation or defense of a claim or suit.
- d. 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.

2. **Imperative Medical Expenses to Others.** We pay expenses incurred by an **insured** for immediate medical and surgical relief to others if imperative at the time of the accident.

3. **Damage to Property of Others.** We pay replacement cost up to \$500 per **occurrence** for **property damage** to property of others caused by an **insured**.

We do 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.
- 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**.

- (3) the ownership, maintenance, use, loading or unloading of aircraft, watercraft or motor vehicles or all other motorized land conveyances.

This exclusion does not apply to any motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and not owned by an **insured**.

## SECTION II-CONDITIONS

1. **Limit of Liability.** The limit of liability for Coverage C (Personal Liability) shown on the declarations page is our total liability under Coverage C (Personal Liability) for all damages resulting from any one **occurrence**. This limit is the same regardless of the number of **insureds**, claims made or persons injured.  
 The limit of liability for Coverage D (Medical Payments to Others) shown on the declarations page is our total liability under Coverage D (Medical Payments to Others) for all medical expense payable for **bodily injury** to one person as the result of one accident. The total limit of our liability for all expenses payable to two or more persons injured in one accident is \$25,000.
2. **Severability of Insurance.** This insurance applies separately to each **insured**. This condition will not increase our limit of liability for any one **occurrence**.
3. **Duties After Loss.** In case of an accident or **occurrence**, the **insured** will perform the following duties that apply or will help us by seeing that these duties are performed:
  - a. Give written notice to us or our agent as soon as is practical, which sets forth:
    - (1) the identity of the policy and **insured**.
    - (2) reasonably available information on the time, place and circumstances of the accident or **occurrence**.
    - (3) names and addresses of any claimants and witnesses.
  - b. Promptly forward to us every notice, demand, summons or other process relating to the accident or **occurrence**.
  - c. At our request, help us:
    - (1) to make settlement.
    - (2) to enforce any right of contribution or indemnity against any person or organization who may be liable to an **insured**.
    - (3) with the conduct of suits, including attending hearings and trials.
    - (4) to secure evidence and obtain the attendance of witnesses.
  - d. The **insured** will not, except, at the **insured's** own cost, voluntarily make payment, assume obligation or incur expense other than for immediate medical and surgical relief to others at the time of the **bodily injury**.
4. **Duties of an Insured Person-Coverage D (Medical Payments to Others).**  
 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.
  - b. authorize us to obtain copies of medical reports and records.
 The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.
5. **Payments of Claim-Coverage D (Medical Payments to Others).** Payment under this coverage is not an admission of liability by an **insured** or us.
6. **Suit Against Us.** No action can be brought against us unless there has been compliance with the policy provisions.  
 No one will have the right to join us as a party to any action against an **insured**. Also, no action with respect to Coverage C (Personal Liability) can be brought against us until the obligation to the **insured** has been determined by final judgment or agreement.  
 Under Coverage D (Medical Payments to Others), no action can be brought until 30 days after the required proofs of claim have been filed with us.
7. **Bankruptcy of the Insured.** Bankruptcy or insolvency of the **insured** or of the **insured's** estate will not relieve us of our obligations under this policy.
8. **Other Insurance-Section II.** If the **insured** has other insurance under Coverage C (Personal Liability), we will not be liable for a greater proportion of a loss than the limit of liability shown on the declarations page bears to the total limit of all valid and collectible insurance against such loss.  
 However, with respect to loss arising out of the ownership, maintenance, operation, use, loading or unloading of:
  - a. any motor vehicle or recreational motor vehicle at the **residence premises**; or
  - b. watercraft,
 this policy, will not apply to the extent that any valid and collectible insurance is available to the **insured**.