

Policy Endorsement

The following endorsement changes your policy. Please read this document carefully and keep it with your policy.

This Endorsement Changes Your Policy— Keep It With Your Policy

Nevada Condominium Owners Policy Amendatory Endorsement — AP1267-1

This endorsement amends your Condominium Owners Policy and is in addition to all other amendatory endorsements which apply to this policy.

- I. The **General** section is amended as follows:
 - A. The **Cancellation** provision is replaced by the following:

Cancellation

Your Right to Cancel:

You may cancel this policy by notifying **us** of the future date **you** wish to stop coverage.

Our Right to Cancel:

Allstate may cancel this policy by mailing notice to **you** at the mailing address shown on the Policy Declarations. When this policy has been in effect for less than 70 days, and is not a renewal with **us**, **we** may cancel this policy for any reason by giving **you** at least 10 days notice before the cancellation takes effect.

When this policy has been in effect for 70 days or more, or if it is a renewal with **us**, **we** may cancel this policy for one or more of the following reasons:

- 1) non-payment of premium; or
- 2) material misrepresentation or fraud when obtaining the policy, or when submitting a claim under the policy; or
- 3) there has been a material change in the nature or extent of the risk **we** originally accepted which causes the risk of loss to be substantially and materially increased; or
- 4) violation of any of the policy terms or conditions; or
- 5) conviction of an **insured person** of a crime arising out of acts increasing the hazard insured against; or
- 6) a determination by the Commissioner of Insurance that the continuation of the policy would violate the Nevada Insurance Code.

If the cancellation is for non-payment of premium, **we** will mail **you** notice 10 days before the cancellation takes effect. If the cancellation is for any of the other reasons, **we** will mail **you** notice at least 30 days before the cancellation takes effect.

Our mailing the notice of cancellation to **you** will be deemed to be proof of notice. Coverage under this policy will terminate on the effective date and hour stated on the cancellation notice.

Any unearned premium amounts under \$2.00 will be refunded only upon **your** request.

Our Right Not To Renew Or Continue:

Allstate has the right not to renew or continue this policy beyond the current premium period. If **we** don't intend to renew or continue the policy, **we** will mail **you** notice at least 30 days before the end of the premium period. **Our** mailing notice of non-renewal to **you** will be deemed proof of notice.

B. The following provision is added:

Payment

If **we** mail a cancellation notice because **you** didn't pay the required premium when due and **you** then tender payment by check, draft, or other remittance which is not honored upon presentation, **your** policy will terminate on the date and time shown on the cancellation notice and any notice **we** issue which waives the cancellation or reinstates coverage is void. This means that **Allstate** will not be liable under this policy for claims or damages after the date and time indicated on the cancellation notice.

C. The **Concealment Or Fraud** provision is replaced by the following:

Concealment Or Fraud

We do not cover any loss or **occurrence** in which any **insured person** has concealed or misrepresented any material fact or circumstance.

II. **Section I—Your Property** is amended as follows:

A. Under **Coverage A—Building Property Protection**, the **Property We Cover Under Coverage A** provision is replaced by the following:

Property We Cover Under Coverage A

We will cover items of real property owned exclusively by an **insured person** that:

1. do or will comprise a part of the **residence premises**;
2. are used to service or support **your residence premises**; and
3. are **your** insurance responsibility as expressed under the governing rules of the **condominium association**.

Real property includes only those fixtures, structures, construction material and supplies, installations or additions located either within that portion of the premises used as **your residence premises** or on the **condominium** premises.

B. Under **Losses We Do Not Cover Under Coverages A and C**, item 15 d), "rust or other corrosion, mold, wet or dry rot" is replaced by:

15.d) rust or other corrosion;

C. Under **Losses We Do Not Cover Under Coverages A and C**, the following is added:

22. Mold, fungus, wet rot, dry rot or bacteria. This includes any loss which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.

This exclusion applies regardless of whether mold, fungus, wet rot, dry rot or bacteria arises from any other cause of loss, including but not limited to a loss involving water, water damage or discharge, which may otherwise be covered by this policy, except as specifically provided in **Section I, Conditions — Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss.**

D. Under **Additional Protection — Additional Living Expense** is replaced by the following:

1. **Additional Living Expense**

a) **We** will pay the reasonable increase in living expenses necessary to maintain **your** normal standard of living when a direct physical loss **we** cover under **Coverage A — Building Property Protection** or **Coverage C — Personal Property Protection** makes **your residence premises** uninhabitable. However, additional living expense due to remediation of mold, fungus, wet rot or dry rot will not be paid in addition to any amounts paid or payable under **Section I, Conditions — Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss.**

Payment for additional living expense as a result of a covered loss under **Coverage A — Building Property Protection** or **Coverage C — Personal Property Protection** will be limited to the least of the following:

- 1) the time period required to repair or replace the property **we** cover, using due diligence and dispatch;
- 2) if **you** permanently relocate, the shortest time for **your** household to settle elsewhere; or
- 3) 12 months.

b) **We** will pay **your** lost fair rental income resulting from a covered loss under **Coverage A — Building Property Protection** or **Coverage C — Personal Property Protection**, less charges and expenses which do not continue, when a loss **we** cover under **Coverage A — Building Property Protection** or **Coverage C — Personal Property Protection** makes the part of the **residence premises you** rent to others, or hold for rental, uninhabitable. **We** will pay for lost fair rental income for the shortest time required to repair or replace the part rented or held for rental but not to exceed 12 months. However, payments for **your** lost fair rental income expense due to remediation of mold, fungus, wet rot or dry rot will not be

paid in addition to any amounts paid or payable under **Section I, Conditions — Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss.**

- c) **We** will pay the reasonable and necessary increase in living expenses and the lost fair rental income for up to two weeks should civil authorities prohibit the use of the **residence premises** due to a loss at a neighboring premises caused by a loss **we** insure against. However, payments for increase in living expenses or **your** lost fair rental income expense due to remediation of mold, fungus, wet rot or dry rot will not be paid in addition to any amounts paid or payable under **Section I, Conditions — Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss.**

These periods of time are not limited by the termination of this policy.

We do not cover any lost income or expense due to the cancellation of a lease or agreement.

No deductible applies to this protection.

- E. In **Section I — Conditions**, item 5, **How We Pay For A Loss**, sub-item c), Building Structure Reimbursement is replaced by the following:

- C) Building Property Reimbursement. **Under Coverage A — Building Property Protection**, we will make additional payment to reimburse **you** for cost in excess of actual cash value if **you** repair, rebuild or replace damaged, destroyed or stolen covered property within 180 days of the actual cash value payment. This additional payment includes the reasonable and necessary expense for treatment or removal and disposal of contaminants, toxins, or pollutants as required to complete repair or replacement of that part of **your residence premises** which are **your** insurance responsibility as expressed under the governing rules of the **condominium**. This additional payment shall not include any amounts which may be paid or payable under **Section I, Conditions — Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss**, and shall not be payable for any losses excluded in **Section I — Your Property**, under **Losses We Do Not Cover Under Coverages A and C**, item 22.

Building Property Reimbursement will not exceed the smallest of the following amounts:

1. the replacement cost of the part(s) of the building property for like kind and quality construction for the same use on the same premises;
2. the amount actually and necessarily spent to repair or replace the damaged building property with like kind and quality construction for the same use on the same **residence premises**; or
3. the limit of liability applicable to the building property as shown on the Policy Declarations for **Coverage A — Building Property Protection**.

Building Property Reimbursement payment will be limited to the difference between any actual cash value payment made for covered loss to building property and the smallest of 1., 2. or 3. above.

Building Property Reimbursement will not apply to:

1. property covered under **Coverage C — Personal Property Protection**; or
2. wall-to-wall carpeting, fences, awnings and outdoor antennas, whether or not attached to a building structure.

Payment under "a", "b" or "c" above will not include any increased costs due to the enforcement of any building codes, ordinances or laws regulating the construction, reconstruction, maintenance, repair, relocation or demolition of building property or other structures.

F. In **Section I — Conditions**, the following is added:

19. Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss

In the event of a covered water loss under **Coverage A — Building Property Protection** or **Coverage C — Personal Property Protection**, we will pay up to \$5,000 for mold, fungus, wet rot or dry rot **remediation**.

Remediation means the reasonable and necessary treatment, removal or disposal of mold, fungus, wet rot or dry rot as required to complete repair or replacement of property we cover under **Coverage A — Building Property Protection** or **Coverage C — Personal Property Protection** damaged by a covered water loss, including payment for any reasonable increase in living expenses necessary to maintain **your** normal standard of living if mold, fungus, wet rot or dry rot makes **your residence premises** uninhabitable. **Remediation** includes any investigation or testing to detect, measure or evaluate mold, fungus, wet rot or dry rot.

This Condition does not increase the limits of liability under **Coverage A — Building Property Protection** or **Coverage C — Personal Property Protection**.

III. In **Section II — Family Liability and Guest Medical Protection**, under **Losses We Do Not Cover Under Coverage X**, the following is added:

17. **We** do not cover **bodily injury** or **property damage** which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.
18. **We** do not cover any liability imposed upon any **insured person** by any governmental authority for **bodily injury** or **property damage** which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.

IV. In **Section II — Family Liability and Guest Medical Protection**, under **Losses We Do Not Cover Under Coverage Y**, the following is added:

14. **We** do not cover **bodily injury** which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.

All other policy terms and conditions apply.