

Foremost[®] Insurance Company

Dwelling Fire Three Policy Owner Occupied



FOREMOST[®]
INSURANCE COMPANY
GRAND RAPIDS, MICHIGAN

A Stock Company

Home Office

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DWELLING FIRE THREE POLICY OWNER OCCUPIED

Read the entire policy carefully to determine rights, duties, and what is and is not insured. Various provisions in this policy restrict coverage.

Words and phrases that appear in **bold faced type** have special meaning. Refer to the Definitions.

Insuring Agreement

With your payment of the premium, we agree to provide only the Coverages, Amounts of Insurance and Limits of Liability you have selected as shown on the Declarations Page. This is subject to all policy terms and conditions. This policy, which includes the Declarations Page and endorsements, if any, is the entire agreement between you and us regarding the insurance coverages expressed in it and supersedes all previous agreements regarding those coverages, either oral or written.

We, us and our means the insurance company named on the Declarations Page.

You, your and yours means the person, persons or organization named on the Declarations Page. You, your and yours also means any **family member** of the person or persons named on the Declarations Page.

In SECTION II — Your Liability Coverages, with respect to animals or watercraft to which this policy applies, you also means any person or organization legally responsible for these animals or watercraft that are owned by any of you. But you 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 owners.

In SECTION II — Your Liability Coverages, you also means persons employed by any of you and other persons while they are using a vehicle, to which this policy applies, on your **premises** and with the consent of any of you.

Definitions

Actual cash value means the amount it would cost to repair or replace insured property with materials available today of like kind and quality, less allowance for physical deterioration and depreciation, including obsolescence.

Bodily injury means physical injury, sickness, disease or death, caused by an accident, sustained by any person except you.

Business means any full or part-time trade, profession or occupation engaged in for economic gain.

But **business** does not mean:

1. The rental, or holding for rental, of part of your **premises** for use as a dwelling, unless the rental is to three or more roomers or boarders;
2. The rental, or holding for rental, of part of your **premises** as a private garage.
3. Incidental farming operations conducted on your **premises** unless the gross income from these operations is more than \$5,000 a year.

Earth movement means all of the following items whether arising out of any act of nature or human activity:

1. Earthquake, including land shock waves or tremors before, during or after volcanic eruptions;
2. Landslide;
3. Mudflow;
4. Earth sinking, rising or shifting; or
5. Mine subsidence.

Family member means a person who resides in your household and is related to you by blood, marriage or adoption. Family member also means a ward or a foster child who resides in your household.

Medical expenses means reasonable charges for:

1. Medical;
2. Surgical;
3. X-ray;
4. Dental;
5. Ambulance;
6. Hospital;
7. Professional nursing;
8. Recognized religious methods of healing;
9. Prosthetic devices; or
10. Funeral services.

Pollutant means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, metals, lead paint components and compounds, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. However, irritants and contaminants released by an accidental fire on your **premises** are not a **pollutant**.

Premises means:

1. The dwelling and other structures that are described on the Declarations Page;
2. The sidewalks, driveways or other private approaches that serve that dwelling and other structures; and
3. The grounds that are immediately adjacent to that dwelling and other structures.

For purposes of SECTION II — Your Liability Coverages, **premises** also means:

1. Vacant land, other than farm land, owned by or rented to any of you.
2. Land on which a one-family or two-family dwelling is being built for your personal use.
3. Premises not owned by you but in which you live temporarily.
4. Your cemetery plots and burial vaults.
5. Any part of a premises occasionally rented to you for other than **business** use.

Property damage means direct physical damage or destruction of tangible property of others, including loss of its use, caused by an accident.

Replacement cost means:

- Coverage A - Dwelling
- Coverage B - Other Structures

The cost to repair or replace property, without deduction for depreciation, with new property of like kind and quality using conventional materials and construction methods which are available at the time of the loss.

But **replacement cost** does not mean loss, damage or increased loss caused by enforcement of any governmental

requirement regulating construction, repair, occupancy, renovation or remodeling.

Coverage C - Personal Property

The cost to repair or replace property, without deduction for depreciation, with new property of like kind and quality.

Residence employee means an employee of yours who performs duties in connection with the maintenance or use of your **premises**, including household or domestic services, or who performs duties elsewhere of a similar nature not in connection with the **business** of any of you.

SECTION I — Your Property Coverages

Coverage A — Dwelling

We insure:

1. The dwelling that is described on the Declarations Page;
2. Materials and supplies for use in the construction, alteration or repair of that dwelling located within or immediately adjacent to that dwelling; and
3. Any structure you own that is attached to that dwelling, other than a structure attached only by plumbing, utility line or similar connection.

But we do not insure:

1. Fences;
2. Land including any cost to repair, rebuild, stabilize or otherwise restore land on which the dwelling is located either before or after a loss; or

3. Loss, including damage or remediation costs, caused by or resulting from the presence of mold, mildew, or other fungi, their secretions, and dry and wet rot of any kind regardless of the cause, condition or loss that led to their formation or growth.

Coverage B — Other Structures

We insure:

1. The other structures that are described on the Declarations Page; and
2. Materials and supplies for use in the construction, alteration or repair of those other structures located within or immediately adjacent to those other structures.

But we do not insure:

1. Land including any cost to repair, rebuild, stabilize or otherwise restore land on which the other structures are located either before or after a loss; or
2. Loss, including damage or remediation costs, caused by or resulting from the presence of mold, mildew, or other fungi, their secretions, and dry and wet rot of any kind regardless of the cause, condition or loss that led to their formation or growth.

Coverage C — Personal Property

We insure personal property owned or used by any of you while it is on your **premises**. We insure personal property owned or used by any of you while away from your **premises** for up to 10% of the Personal Property Amount of Insurance shown on the Declarations Page for Coverage C. Such insurance does not increase the Personal Property Amount of Insurance.

If you request it, we will insure personal property owned by a guest while the property is on the part of your **premises** occupied by any of you.

But we do not insure:

1. Aircraft and any aircraft parts, equipment and accessories including engines and motors. But we do insure model or hobby aircraft not used or designed to carry people or cargo.
2. Watercraft and any watercraft parts, equipment and accessories, including trailers, engines and motors.
3. Motor vehicles, recreational land motor vehicles, golf carts, all other motorized land conveyances and any vehicle or conveyance parts, equipment and accessories.

We do insure vehicles or conveyances, other than golf carts and recreational vehicles or conveyances, that are:

- a. Not subject to motor vehicle registration and that are used solely for maintenance of your **premises**; or
 - b. Designed for assisting the handicapped.
4. Property separately described and specifically insured in this or any other insurance policy.
 5. Camper bodies or trailers.
 6. Property held as a sample or for sale or delivery after sale.
 7. Data stored on any media including data stored in:
 - a. Paper records; or
 - b. Electronic data processing tapes, discs or other software media; or

c. Computer related equipment.

We do insure the cost of pre-recorded computer programs available on the retail market.

8. Grave markers.
9. **Business** property owned by or in the possession of any of you or your **residence employee**.
10. Accounts, bills, bullion, deeds, evidences of debt, gold other than goldware, letters of credit, manuscripts, medals, notes other than bank notes, passports, personal records, platinum, securities, silver other than silverware, tickets and stamps.
11. Coins, currency, bank notes and money whether in the form of cash, scrip, or any electronic equivalent.
12. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds.
13. Materials and supplies for use in the construction or repair of the dwelling or other structures.
14. Animals including birds or fish.
15. Loss, including damage or remediation costs, caused by or resulting from the presence of mold, mildew, or other fungi, their secretions, and dry and wet rot of any kind regardless of the cause, condition or loss that led to their formation or growth.

Coverage D — Loss Of Rents

If an insured loss occurs at that part of your **premises** that you rent to others or that you hold for rental, we will pay for your loss of normal rents resulting from that insured loss while the rented part of the dwelling is not fit to live in or use, less

charges and expenses that do not continue during that time.

We will pay loss of normal rents only for the shortest time needed to make that part of your **premises** that you rent to others or that you hold for rent habitable. This coverage will pay loss of normal rents at a monthly rate of one-twelfth of the Amount of Insurance shown on the Declarations Page for Coverage D. The total amount we will pay will not exceed the Amount of Insurance described on the Declarations Page for Coverage D.

If damage caused by an Insured Peril occurs at a neighboring premises, we will pay any resulting loss of normal rents for up to two weeks if civil authorities prohibit occupancy of your dwelling.

We will not pay expenses due to cancellation of any lease or written or oral agreement.

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

No deductible will apply to this coverage.

Coverage E — Additional Living Expenses

If an insured loss makes your **premises** not fit to live in, we will pay the actual, reasonable and necessary increase in your living expense to maintain your normal standard of living while you live elsewhere. We will pay for the shortest time needed:

1. To repair or replace the damaged property; or
2. For you to permanently relocate.

The total amount we will pay will not exceed the Amount of Insurance described on the Declarations Page for Coverage E.

If damage caused by an Insured Peril occurs at a neighboring premises, we will pay reasonable additional living expenses for up to two weeks should civil authorities prohibit occupancy of your **premises**.

This period of time will not be shortened by the expiration of this policy.

We will not pay for expense due to the cancellation of a lease or agreement.

No deductible will apply to this coverage.

Your Additional Coverages

When you buy Coverage A — Dwelling, we automatically include the following additional coverages:

1. **Debris Removal.** We will pay the actual, reasonable and necessary cost for the removal of debris of insured property, other than trees, from your **premises** when deposited by an Insured Peril that applies to the insured property.

The debris removal cost is included in the Amount of Insurance that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal cost is more than the Amount of Insurance for the damaged property, an additional 5% of that Amount of Insurance is available for debris removal.

No deductible will apply to this coverage.

2. **Emergency Repairs After Loss.** We will pay any actual, reasonable and necessary expenses for emergency repairs incurred in protecting your insured property from further damage if the damage was caused by an Insured Peril.

This coverage is included in and does not change the Amount of Insurance that applies to the property being protected.

No deductible will apply to this coverage.

3. **Emergency Removal of Personal Property.** We cover your insured personal property against direct loss from any cause not excluded in SECTION I — Exclusions while the property is being removed from your **premises** because it is in danger of loss by an Insured Peril. We provide this coverage for no more than 30 days while the property is removed from your **premises**.

This coverage is included in and does not change the Amount of Insurance that applies to the property being removed.

No deductible will apply to this coverage.

4. **Fire Department Service Charge** (not applicable in Arizona, New Jersey and New Mexico). We will pay up to \$500 for actual fire department charges incurred by you when the fire department is called to save or protect insured property from an Insured Peril.

No deductible will apply to this coverage.

5. **Trees, Shrubs, Plants and Lawns.** We will pay up to 5% of the Amount of Insurance shown for Coverage A — Dwelling for loss to trees, shrubs, plants and lawns on your **premises**. We will not pay more than \$500 for any one tree, plant or shrub including the cost of removing the debris of the insured item.

Coverage applies to loss caused by the perils of fire or lightning, explosion, riot or civil commotion, aircraft, vehicles not owned

or operated by any resident of your **premises**, vandalism or malicious mischief or burglars.

But we do not insure trees, plants, shrubs or portions of lawn:

- a. Grown for **business** purposes; or
- b. Located more than 150 feet from the dwelling described on the Declarations Page.

No deductible will apply to this coverage.

SECTION I — Insured Perils

We insure risk of direct, sudden and accidental physical loss to the property described in Coverage A — Dwelling and Coverage B — Other Structures unless the loss is excluded elsewhere in this policy. The loss must occur during the Policy Period shown on the Declarations Page.

We insure risk of direct, sudden and accidental physical loss to property insured by Coverage C — Personal Property. The loss must occur during the Policy Period shown on the Declarations Page and be caused by any of the following perils unless the loss is excluded elsewhere in this policy.

1. Fire.
2. Lightning.
3. Windstorm or Hail.

But we do not insure loss to signs, radio or television antennas, aerials or satellite dishes, positioners, receivers, descramblers, including lead-in wiring, masts or towers, and related satellite dish equipment when any of these types of property are located outdoors.

4. Explosion.

5. Riot or civil commotion, including direct loss from pillage and looting during or immediately after the riot and at the site of the riot or civil commotion.
6. Aircraft, including self-propelled missiles and spacecraft.
7. Vehicles.
8. Smoke or smudge.

But we do not insure loss caused by or consisting of:

- a. The gradual accumulation of any oily or greasy substance or film; or
 - b. Smoke from agricultural or commercial operations.
9. Vandalism or malicious mischief, meaning the intentional and willful damage or destruction of property by anyone other than the owner of the property.

But we do not insure:

- a. Any loss to personal property or materials and supplies for use in construction, arising out of its theft or other unlawful taking from your **premises**;
- b. Any loss caused by, resulting from, contributed to or aggravated by intentional acts of any tenant or any roomers and boarders of your **premises**; or
- c. Any loss to personal property if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling while being constructed, altered or repaired is not considered vacant.

These exceptions do not apply to ensuing loss caused by fire or explosion.

10. Loss caused by burglars.

But we do not insure:

- a. Theft of property; or
- b. Loss caused by burglars to property on your **premises** if the dwelling has been vacant for more than 30 consecutive days immediately before the loss occurs. A dwelling or other structure being constructed, altered or repaired is not considered vacant.

These exceptions do not apply to ensuing loss caused by fire or explosion.

11. Falling Objects.

But we do not insure loss to:

- a. Property within the dwelling or other structure unless the falling object first damages the exterior of the dwelling or other structures;
 - b. Outdoor radio and television antennas, aerials, satellite dishes, positioners, receivers, descramblers including lead-in wiring, masts or towers and related satellite dish equipment when any of these types of property are located outdoors; or
 - c. The falling object.
12. Weight of ice, snow or sleet which causes a loss to property contained in the dwelling and any other structure that is described on the Declarations Page.
 13. Tearing apart, cracking, burning or bulging of a steam or hot water heating system, air conditioning

system, automatic fire protective sprinkler system, or appliance for heating water.

But we do not insure loss which is caused by or results from freezing except as provided in the peril of freezing.

14. Freezing of plumbing, heating, or air conditioning systems, automatic fire protective sprinkler systems or domestic appliances, but only if you have used reasonable care to:
 - a. Maintain heat in the dwelling or other structure; or
 - b. Shut off the water supply and drain the systems and appliances of water.
15. Discharge, release or overflow of water or steam from plumbing, heating, or air conditioning systems, automatic fire protective sprinkler systems or domestic appliances.

But we do not insure loss:

- a. To the appliances or systems;
- b. Caused by accidental discharge or overflow which occurs off your **premises**; or
- c. Caused by or resulting from freezing except as provided in the peril of freezing.

For purposes of this peril, plumbing systems do not include sumps or sump pumps and related equipment and piping.

16. Power surge from artificially generated electrical current.

We do not insure loss to a tube, transistor or similar electronic parts of computers, appliances and home entertainment units.

SECTION I — Exclusions

We do not insure loss caused directly or indirectly by any of the following regardless of any other cause or event contributing concurrently or in any sequence to the loss:

1. Loss of or to any property otherwise insured by this policy if that loss is intentionally caused by any of you or performed at any of your direction.
2. Loss caused by, consisting of or increased by the enforcement of any governmental requirement regulating:
 - a. Construction;
 - b. Confiscation;
 - c. Repair;
 - d. Demolition;
 - e. Sale;
 - f. Occupancy;
 - g. Seizure;
 - h. Renovation; or
 - i. Remodeling.

But we do insure loss arising out of a governmental action to prevent the spread of fire provided that a loss caused by fire would otherwise be insured by this policy.

3. Loss caused by an illegal activity, trade or **business** being conducted with or without your knowledge by any of you or any resident of your **premises** whether or not the person conducting the activity, trade or **business** is convicted by a criminal court.
4. Loss caused by war (whether declared or undeclared), includ-

ing civil war, insurrection, rebellion or revolution.

5. Loss caused by:
 - a. The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**.
 - b. Loss, cost or expense from any governmental direction or request that any of you test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**.
6. Loss caused by volcanic eruption.
7. Loss caused by:
 - a. Flood water, surface water, waves, tidal water, tidal waves, storm surge, tsunami or overflow of a body of water or spray from any of these whether or not driven by wind;
 - b. Water or sewage which backs up through sewers or drains or which overflows from a sump; or
 - c. Water below the surface of the ground regardless of its source. This includes water which exerts pressure on or flows, seeps or leaks through any part of the dwelling or other structures, foundation, sidewalk, driveway or swimming pool.

This exclusion applies whether or not there was widespread damage and whether or not it was caused by a human activity or an act of nature.

This exclusion does not apply to ensuing loss caused by fire or explosion.

8. Loss caused by freezing, thawing, pressure or weight of water or ice or snow, whether driven by wind or not, to a fence, pavement, patio, swimming pool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock.
 9. Loss caused by any **business** activity being conducted with or without your knowledge by any of you or any resident of your **premises**.
 10. Loss caused by vandalism, burglary, malicious mischief, theft or any other unlawful taking of property:
 - a. By any tenant or any roomers and boarders of your **premises**; or
 - b. If the dwelling has been vacant for more than 30 consecutive days immediately preceding the loss. A dwelling being constructed, altered or repaired is not considered vacant.
- This exclusion does not apply to ensuing loss caused by fire or explosion.
11. Loss caused by breakage of glass and safety glazing materials if the dwelling has been vacant for more than 30 consecutive days immediately preceding the loss. A dwelling being constructed, altered or repaired is not considered vacant.
 12. Loss caused by wind, hail, ice or snow to outdoor radio and television antennas, satellite dishes, aerials, positioners, receivers, descramblers, including lead-in wiring, masts or towers, and related satellite dish equipment

when any of these types of property are located outdoors.

13. Loss caused by:

- a. Freezing of plumbing, heating or air conditioning systems, fire protective sprinkler systems or domestic appliances;
- b. Freezing of sumps or sump pumps and related equipment and piping; or
- c. Discharge, leakage or overflow from the systems or appliances damaged by freezing.

This exclusion does not apply if you have taken reasonable care to:

- a. Maintain heat in the dwelling or other structure; or
- b. Shut off the water supply and drain the systems and appliances of water.

14. Loss caused by theft of materials and supplies for use in the construction, alteration or repair of the dwelling or other structures.

15. Loss caused by **earth movement**.

This exclusion does not apply to ensuing loss caused by fire or explosion.

16. Loss caused by nuclear reaction, radiation or radioactive contamination.

This exclusion does not apply to ensuing loss caused by fire or explosion.

17. Loss caused by:

- a. The conduct, act, failure to act or decision of any person, group, organization or governmental body whether

intentional, wrongful, negligent or without fault.

b. A defect, weakness, inadequacy, fault or unsoundness in:

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, construction, grading, compaction during construction;
- (3) Materials used in construction or repair; or
- (4) Maintenance;

of any property, including but not limited to, land, structures, or improvements of any kind, whether on or off your **premises**.

c. Weather conditions, including, but not limited to, heat, cold, rain, ice, snow, sleet, wind, hail or drought.

This exclusion applies only if there is another cause of loss that is excluded by this policy.

This exclusion does not apply to ensuing loss caused by fire or explosion.

18. Loss caused by:

- a. Wear and tear, marring or scratching, deterioration, rust or other corrosion;
- b. Inherent vice, latent defect, mechanical breakdown;
- c. Mold, mildew, or other fungi, their secretions, and dry and wet rot of any kind;
- d. Smog, smoke from agricultural smudging or industrial operations;

- e. Settling, cracking, shrinkage, bulging or expansion, including resulting cracking of pavements, patios, foundations, walls, floors, roofs or ceilings; or
- f. Birds, vermin, rodents, insects or domestic animals.

This exclusion does not apply to:

- a. Ensuing loss caused by fire or explosion;
- b. Water damage caused by water that suddenly escapes from a plumbing, heating, fire protection sprinkler or air conditioning system or appliance because of any of the above; or
- c. The cost of tearing out and replacing any part of the dwelling or other structure necessary to repair the system or appliance.

But we do not insure loss to the system or appliance from which the water escaped.

- 19. Loss caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, fire protective sprinkler or air conditioning system or from within an appliance which occurs over a period of weeks, months, or years.

This exclusion does not apply to ensuing loss caused by fire or explosion.

SECTION I — Our Payment Methods

Coverage A — Dwelling

Total Loss Payment Method

A total loss occurs when the dwelling is damaged beyond reasonable repair.

When a total loss occurs, your loss will be equal to the Amount of Insurance shown on the Declarations Page.

Partial Loss Payment Method

When a partial loss occurs, the amount we pay for loss to the dwelling will be the lowest of:

1. The difference between the **actual cash value** of the dwelling immediately before the loss and its **actual cash value** immediately after the loss;
2. The **actual cash value** of the damaged part of the dwelling at the time of the loss.
3. The amount required to repair or replace the dwelling.
4. The Amount of Insurance shown on the Declarations Page for the dwelling.

We may make a cash settlement or repair or replace the property with property of like kind and quality. We will give you notice of our intention within 30 days after we receive your proof of loss

We will not pay for loss consisting of actual or perceived reduction of market value after the damaged property has been replaced, restored or repaired.

The damage to the property will reduce the Amount of Insurance available during the policy period by the amount of the damage. Your coverage will return to the Amount of Insurance shown on the Decla-

rations Page upon completion of the repairs or replacements.

Coverage B — Other Structures Coverage C — Personal Property

The amount we pay for loss to the other structures and personal property will be the lowest of:

1. The difference between the **actual cash value** of the property immediately before the loss and its **actual cash value** immediately after the loss; or
2. The **actual cash value** of the lost or damaged part of the property at the time of the loss; or
3. The amount required to repair or replace the lost or damaged property; or
4. The Amount of Insurance shown on the Declarations Page.

We may make a cash settlement and take all or part of the property at its appraised or agreed upon value, or repair or replace the property with property of like kind and quality. We will give you notice of our intention within 30 days after we receive your proof of loss.

We will not pay for loss consisting of actual or perceived reduction of market value after the damaged property has been replaced, restored or repaired.

The damage to the property will reduce the Amount of Insurance available by the amount of the damage. Your coverage will return to the Amount of Insurance shown on the Declarations Page upon completion of the repairs or replacements.

Payment Methods — Specific Losses

Pairs and Sets

In case of loss to a part of a pair, set, series of objects, pieces or panels, either interior or exterior, we may:

1. Repair or replace any part to restore the pair or set to its value before the loss;
2. Pay the difference between the **actual cash value** of the pair or set before and after the loss; or
3. Pay the reasonable cost of providing a substitute to match the remainder of the pair or set as closely as possible.

We will not be obligated to repair or replace the entire pair, set, series of objects, pieces or panels when a part is lost or damaged.

Glass Replacement

We will pay for loss to glass caused by an Insured Peril on the basis of replacement with safety glazing materials when required by law.

Deductible

No deductible will be applied to Coverage A - Dwelling in the event of a total loss unless stated otherwise in this policy. All other losses will be subject to the deductible shown in this policy.

SECTION II — Your Liability Coverages

Coverage F — Personal Liability

If a claim is made or a suit is brought against you for damages because of **bodily injury** or **property damage** caused by an accident, we will:

1. Pay up to the Limit of Liability shown on the Declarations Page for the damages for which you are legally liable; and
2. Provide a defense at our expense by attorneys of our choice.

We may make any investigations and settle any claims or suits that we decide appropriate. Our obligation to defend any claim or suit ends when the amount we pay in settlement or judgment equals the Limit of Liability. Coverage F — Personal Liability applies to **bodily injury** and **property damage** only if the **bodily injury** or **property damage** occurs during the Policy Period shown on the Declarations Page.

Coverage G — Medical Payments To Others

We will pay for you, up to the Limit of Liability shown on the Declarations Page, the actual, reasonable and necessary **medical expenses** incurred or medically determined within three years from the date of an accident causing **bodily injury**. Coverage G — Medical Payments To Others applies only to accidents that occur during the Policy Period shown on the Declarations Page.

Medical Payments To Others applies only:

1. To a person on your **premises** with your permission.
2. To a person on or off your **premises** if the **bodily injury**:
 - a. Arises out of a condition in or on your **premises**;
 - b. Is caused by your activities;
 - c. Is caused by a **residence employee** in the course of duties for you; or

- d. Is caused by an animal owned by you or in your care.

A Medical Payments To Others payment is not an admission of liability by any of you or us.

SECTION II — Your Additional Coverages

Claim Expenses

We will pay:

1. Expenses we incur and costs taxed against you in any suit we defend;
2. Premiums on bonds required in a suit we defend, but not for bond amounts greater than the Limit of Liability for Personal Liability. We are not obligated to apply for or furnish any bonds;
3. Expenses you incur at our request, including up to \$250 a day actual loss of earnings, for assisting us in the investigation or defense of any claim or suit;
4. Prejudgment interest awarded against you on that part of the judgment we pay; and
5. Interest on the entire entered judgment until we pay, formally offer, or deposit in court that part of the judgment that does not exceed the limit of our liability on that judgment.

First Aid Expenses

We will pay your expenses for first aid to others at the scene of an accident. We will not pay for first aid to any of you.

Damage To Property Of Others

We will pay, at replacement cost, up to \$500 per accident, for Damage To Prop-

erty Of Others caused by you, provided that at the time of the accident the property was being used by any of you or was in your care.

SECTION II — Exclusions

Coverage F — Personal Liability Coverage G — Medical Payments To Others

We will not pay for **bodily injury** or **property damage**:

1. Resulting from any act or omission that is intended by any of you to cause any harm or that any of you could reasonably expect to cause harm. This exclusion applies whether or not any of you:
 - a. Intended or expected the result of his or her act or omission so long as the resulting injury or damage was a natural or foreseeable consequence of the intended act or omission;
 - b. Was under the influence of alcohol or narcotics;
 - c. Was insane; or
 - d. Is deemed not to have had the mental capacity to form the legal intent to commit the act or omission causing injury or damage.

This exclusion does not apply to **bodily injury** resulting from the use of reasonable force to protect persons or property.

2. Arising out of the **business** pursuits of any of you.

This exclusion does not apply to the rental or holding for rental of any part of the dwelling to a

tenant for residential purposes, provided that you continue to reside in the dwelling.

3. Arising out of the rendering or failing to render professional services.
4. Arising out of the actual, alleged or threatened discharge, dispersal, release, escape of, or the ingestion, inhalation or absorption of **pollutants** at or from any property you own, rent, occupy, sell, abandon or give away.
5. Arising out of loss, cost or expense from any governmental direction or request that you test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**.
6. Arising out of the ownership, operation, maintenance, use, loading or unloading of:

- a. Aircraft.

This exclusion does not apply to model or hobby aircraft not used or designed to carry people or cargo.

- b. A land motor vehicle designed for use on public roads, entirely or partially owned or operated by or rented or loaned to any of you.

This exclusion does not apply if the land motor vehicle is not subject to motor vehicle registration because it is:

- (1) Used exclusively on your **premises**; or
- (2) Kept in dead storage on your **premises**.

- c. A recreational land motor vehicle owned entirely or partially by any of you.

This exclusion does not apply:

- (1) To recreational land motor vehicles while on your **premises**;
- (2) To recreational land motor vehicles in dead storage; or
- (3) To a golf cart while used for golfing.

- d. Watercraft:

- (1) Owned entirely or partially by, or rented to, any of you if it has motor power, as rated by its manufacturer, of more than 50 total horsepower; or
- (2) Owned entirely or partially by, or rented to, any of you if it is a sailing vessel 26 feet or more in length.

- e. Trailers.

This exclusion applies only to trailers being towed by or carried on a land motor vehicle.

This exclusion does not apply to **bodily injury** to a **residence employee** arising out of and in the course of employment by any of you.

- 7. Arising out of the entrustment by any of you to any person of any aircraft, land motor vehicle, recreational land motor vehicle, watercraft or trailer the use of which is not insured in SECTION II — Your Liability Coverages.

- 8. Arising out of:

- a. The negligent supervision by any of you of any person;
- b. Any liability by statute imposed on any of you; or
- c. Any liability assumed through an unwritten or written agreement by any of you;

with regard to the ownership, operation, maintenance or use of any aircraft, land motor vehicle, recreational land motor vehicle, watercraft or trailer that is not insured in SECTION II — Your Liability Coverages.

- 9. Arising directly or indirectly out of war, hostile or warlike action in time of peace or war, whether or not declared, riot or civil disorder.
- 10. Arising out of the transmission of or exposure to a communicable disease by any of you, your **residence employee**, your roomers or boarders, any tenant, any other residents of your tenant's dwelling unit, or guests.
- 11. Arising out of child care services provided for a fee by or at the direction of:
 - a. Any of you;
 - b. Any of your employees; or
 - c. Any other person actually or apparently acting on behalf of any of you.

This exclusion does not apply to the occasional child care services provided by any of you or to the part-time child care services provided by any of you younger than 19 years of age.

- 12. Arising out of any sexual act, sexual molestation, corporal punish-

ment, or physical or mental abuse by any of you, your **residence employee**, your roomers or boarders, any tenant, any other residents of your tenant's dwelling unit, or guests.

13. Arising out of the use, sale, manufacture, distribution, delivery, transfer or possession of any illegal substance or a controlled substance as defined by federal or state law by any of you, your **residence employee**, your roomers or boarders, any tenant, any other residents of your tenant's dwelling unit, or guests. Such substances include, by way of example, but are not limited to: cocaine, LSD, methamphetamines, marijuana and all narcotic drugs.
14. Arising out of nuclear reaction, radiation or radioactive contamination.
15. Sustained by any person who regularly resides in that part of the dwelling described on the Declarations Page that is used or occupied by you for residential purposes.
16. Resulting from an act committed by any of you in the course of or in furtherance of any crime or offense of a violent nature.
17. Arising out of any premises or dwelling owned by or leased to any of you that is not described in this policy.
18. Arising out of liability for your share of any loss for an assessment charged against all members of an association, corporation or community of tenants or property owners.

Coverage F — Personal Liability

We will not pay for:

1. Liability assumed in an unwritten or written agreement in connection with a **business** of any of you.
2. Liability arising out of any written or oral statement made by you or others on your behalf which is material to any financial transaction.
3. Damage to property owned, sold, rented to others, abandoned or given away by any of you.
4. Damage to property rented to, occupied or used by any of you or in your care, except **property damage** caused by fire, smoke or explosion.
5. **Bodily injury** to any person eligible to receive any benefits required to be provided by you under any workers' compensation, non-occupational disability or occupational disease law.
6. **Bodily injury** or **property damage** to any of you as defined in this Policy.

Coverage G — Medical Payments To Others

We will not pay for **bodily injury**:

1. To any of you or any person who regularly resides in any of the dwelling units which are in the dwelling.
2. To a **residence employee** if **bodily injury** occurs off your **premises** and does not arise out of, or in the course of, the employment by any of you.
3. To any person eligible to receive any benefits required to be provided by you under any workers'

compensation, non-occupational disability or occupational disease law.

Damage To Property Of Others

We will not pay for damage:

1. Otherwise insured in this policy.
2. Caused intentionally by any one of you who is 13 years old or older.
3. To property owned by any of you or any person who regularly resides in that part of the dwelling occupied by you.
4. Arising out of:
 - a. Any of your **business**; or
 - b. Any act or omission in connection with a premises owned, rented or controlled by any of you that is not described in this policy.
5. Arising out of the ownership, operation, maintenance or use of any:
 - a. Aircraft;
 - b. Land motor vehicle;
 - c. Recreational land motor vehicle;
 - d. Watercraft; or
 - e. Trailer.

This exclusion does not apply to:

- (1) Golf carts while being used for golfing purposes; or
- (2) Equipment usual and incidental to the maintenance of your **premises**.

Policy Conditions

1. **Insurable Interest, Amount of Insurance and Limits of Liability.** Regardless of the number of

persons or organizations who have an interest in the insured property, we will not be liable in any one loss for more than the lesser of:

- a. The interest of the person or organization insured; or
- b. The applicable Amount of Insurance.

The Limit of Liability for Coverage F — Personal Liability will not exceed the limit shown on the Declarations Page regardless of the number of people insured or claims made.

The insuring of more than one person or organization by this policy does not increase the Amounts of Insurance.

2. **Joint Obligations.** The terms of this policy impose joint obligations on each and every one of you. This means that the responsibilities, acts and failures to act of any of you will be binding upon all of you.
3. **Concealment or Fraud.** The entire policy will be void whether before or after a loss or claim relating to this insurance if any of you:
 - a. Intentionally conceal or misrepresent any material fact or circumstance;
 - b. Engage in fraudulent conduct; or
 - c. Make false statements.
4. **What to Do When You Have a Loss.** You or someone on your behalf must promptly report to the police any theft, robbery, or burglary loss after you discover the loss.

In the event of a loss or accident, you or someone on your behalf must notify us at once. The quickest way is to phone your agent or us. Please give your name, policy number, how the loss happened, the extent of the damages or injuries, names of witnesses and all other pertinent facts. You must promptly send us any demand, notice, summons or other legal papers you receive.

If we need other information to investigate the loss, we will ask you for it. We may require this information in writing.

If you have a loss, you must protect the dwelling, other structures or personal property from any further damage. If you fail to do so, any further damage will not be insured by this policy.

We may require that you submit to us a notarized statement of loss. That statement must be submitted within 90 days of our request that you do so. You may be required to show us the damaged property and submit to examination under oath. You will be required to cooperate with us in our effort to investigate the accident or loss, settle any claims against you and defend you. If you fail to cooperate, we have the right to deny you coverage in this policy.

You may not, except at your own cost, voluntarily make any payment, assume any obligation or incur any expenses other than First Aid Expenses to others or Emergency Repairs After Loss.

We will make settlement within 30 days after we receive an

acceptable proof of loss from you and the amount of loss is determined as provided in this policy.

5. **Appraisals.** If you and we fail to agree on the amount of the loss, then both you and we have the right to select a competent and disinterested appraiser within 20 days from the day of disagreement. The appraisers will determine the amount of the loss. If they do not agree, then the appraisers will choose an umpire. Then each appraiser will submit his amount of the loss to the umpire selected by them or by a court having jurisdiction if the appraisers cannot agree upon an umpire. The agreement of any two will determine the amount of loss for damage to your property. You pay your appraiser and we pay our appraiser. You and we share equally the expenses of the umpire and all other expenses of the appraisals.

In no event will an appraisal be used for the purpose of interpreting any policy provision, determining causation or determining whether any item or loss is insured by this policy. If there is an appraisal, we still retain the right to deny the claim.

6. **Other Insurance.**
 - a. **SECTION I—Your Property Coverages**

If both this and other insurance apply to a loss, we will pay our share. Our share will be the proportionate amount that this insurance bears to the total amount of all applicable insurance.

b. SECTION II — Your Liability Coverages

This insurance is excess over other valid insurance except insurance written specifically to insure excess over the limits that apply in this policy.

c. SECTION I — Your Property Coverages

SECTION II — Your Liability Coverages

If at the time of loss or accident, there is other insurance in the name of a corporation or association of property owners insuring the same property insured by this policy, this insurance will be excess over the amount recoverable under such other insurance.

7. **Our Right to Recover From Others.**

After we have paid a claim, except for Medical Payments To Others, we have the right to recover the payment from anyone who may be held responsible for the loss. You may waive your rights to recover against another person for loss involving the property insured by this policy. This waiver must be in writing prior to the date of loss.

8. **Legal Action Against Us.**

You may not bring legal action against us concerning this policy unless you have fully complied with all of the policy terms. If you and we have failed to agree on the amount of the loss, then you may not bring legal action against us until you have submitted and resolved that dispute through appraisal as

described in Condition 5. Suit must be brought within one year after the loss occurs.

9. **Mortgagee.** An insured loss will be payable to the mortgagee(s) named on the Declarations Page, to the extent of their interest and in their order of precedence. All provisions of this policy apply to these mortgagees.

We will protect the mortgagee's interest in an insured building or structure in the event of an increase in hazard, intentional or criminal acts of any of you, neglect by any of you to take all reasonable steps to save and preserve property after an insured loss, a change in ownership, or foreclosure if the mortgagee has no knowledge of these conditions.

The mortgagee will:

- a. Furnish proof of loss within 60 days after notice of the loss if any of you fail to do so.
- b. Pay upon demand any premium due if any of you fail to do so.
- c. Notify us of any change of ownership or occupancy or any increase in hazard of which the mortgagee has knowledge.
- d. Give us the mortgagee's right of recovery against any party liable for loss.
- e. After a loss, and at our option, permit us to satisfy the mortgage requirements and receive full transfer of the mortgage.

This mortgagee interest provision will apply to any trustee named in this policy.

10. **Changes in Your Policy.** If any provision of this policy is in conflict with any governmental requirements at the time your policy is written, it is automatically changed to conform to them.

If we broaden the coverages provided by this edition of the policy without additional premium charges during the Policy Period, we will give you the benefit of these broadened coverages.

The only other way this policy can be changed is if we change it in writing, which will be made a part of this policy. Any change in your premium will be made at this time.

If your policy is renewed, we will furnish you any form revisions applicable to your policy.

11. **Bankruptcy.** If you become bankrupt or insolvent, we will still insure you for the period of time your premium is paid.
12. **Transfer of This Policy.** You may not transfer any interest in this policy without our written consent. If you die, this policy will continue in force for the remainder of the Policy Period shown on the Declarations Page. This policy will continue for other members of your family entitled to coverage at the time of your death or for your legal representative, but only with respect to the property insured by this policy at the time of death.
13. **Abandoned Property.** We are not obliged to accept abandoned property.
14. **No Benefit to Bailee.** This insurance will not benefit any

person or organization who may be caring for or handling your property for a fee.

15. **Inspections and Consumer Reports.** We are permitted, but not obligated, to inspect your property and/or order consumer reports. Our inspection does not warrant that the property is safe or healthful or in compliance with any law, rule, regulation or building code.

16. **Your Duties to Maintain Policy Amounts of Insurance.** It is your responsibility to maintain adequate amounts of insurance on your dwelling, other structures and personal property.

If you want to change the amounts of insurance, you may do so by contacting your insurance representative.

This policy is signed at the Home Office by our President and Secretary. It is countersigned on the Declarations Page by our authorized representative(s) if required.



S. J. BOSHOVEN
President



MARTIN R. BROWN
Secretary

