

Residential Renters Insurance Package Policy

AGREEMENT

We agree with **you**, in return for **your** premium payment, to provide insurance subject to all the terms of this policy. The coverages provided the limits of **our** liability and the premiums are shown in the Declarations of this policy.

DEFINITIONS USED THROUGHOUT THIS POLICY

The terms defined below appear in bold typed throughout this policy:

1. **“You”** And **“your”** mean the Policyholder Named in the Declarations and spouse if living in the same household.
2. **“We”**, **“us”** and **“our”** mean the Underwriters providing this insurance.
3. **“Bodily Injury”** means bodily injury, sickness or disease, and includes care, loss of services, and resulting death.
4. **“Business”** means:
 - (a) any full or part time trade, profession or occupation; and
 - (b) the rental or holding for rental of any premises by an **insured person**.

But, **“business”** does not mean:

- (a) occasional rental or holding for rental of the **residence premises** for use as a dwelling.
 - (b) rental or holding for rental of part of the **residence premises** for use as a dwelling, unless the rental is to three or more roomers or boarders; or
 - (c) rental or holding for rental of part of the **residence premises** as a private garage, office, school or studio.
5. **“Insured Person”** means:
 - (a) **you**;
 - (b) **your** relatives residing in **your** household; and
 - (c) Any other person under the age of 21 residing in **your** household who is in **your** care or the care of a resident relative.

6. “**Insured premises**” means the **residence premises**.
7. “**Occurrence**” means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results in **bodily injury or property damage** during the policy period.
8. “**Property damage**” means physical injury to or destruction of tangible property, including loss of its use.
10. “**Residence premises**” means the unit where **you** reside shown as the **residence premises** in the Declarations.

Section I – Property Protection

Coverage A– Personal Property

We cover personal property owned or used by an **insured person** anywhere in the world. Any personal property away from the **residence premises** is covered for up to 10% of the Personal Property coverage limit.

We do not cover:

1. Animals, birds or fish.
2. Motor vehicles or any other motorized land conveyance including their equipment and accessories while in or upon the conveyance.
3. Aircraft and parts.
4. Property of roomers and boarders not related to an **insured person**, or property of tenants.
5. **Business** property:
 - (a) in storage or held as samples or for sale or delivery after sale;
 - (b) relating to a **business** conducted on the **residence premises**;
 - (c) away from the **residence premises**.
6. Property rented or held for rental to others by an **insured person**. But, **we** do cover that property while on the part of the **residence premises** used exclusively by an **insured person** or roomers and boarders.
7. Property in that part of the **residence premises** regularly rented or held for rental to others (except roomers and boarders) by and **insured person**.

8. Radios, tape players, compact disc players, mobile phones and other devices for the recording, reproduction, receiving or transmitting of sound or pictures, or any other electrical equipment which may be operated by power from the electrical system of a land motorized conveyance, while in or upon that vehicle. Accessories to these devices, including antennas, tapes and records are not covered while in or upon a land motorized conveyance.

SPECIAL LIMITS ON CERTAIN PROPERTY

Special limits apply to the following groups of personal property. These limits do not increase the amount of insurance under Personal Property Coverage. The limit of insurance for each group is the maximum **we** will pay for any one **occurrence** for all property included in the group.

Personal Property Group	Limit of Insurance
1. Money, bank notes, bullion, coins and medal and other Numismatic property and precious metals including Platinum, gold and silver, but not goldware or silverware	\$200
2. Securities, accounts, deeds, evidence of debt, letters of credit, notes other than bank notes, passports, manuscripts, tickets, stamps and other philatelic property. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists. The limit includes the cost to research, replace or restore the information from the lost or damaged material.	\$500
3. Trailers not used to carry watercraft.	\$500
4. Theft of jewelry, watches, precious and semi-precious stones and furs, including any article containing fur which represents its principal value.	\$500
5. Theft of guns	\$500
6. Theft of silverware, goldware and pewterware.	\$500
7. Theft of hand tools (not including lawn and garden tools and equipment.	\$500

Coverage B – Loss of Use (Additional Living Expense)

If a covered loss makes **your residence premises** uninhabitable, **we** will pay the reasonable increase in **your** living expenses necessary to maintain **your** normal standard of living while **you** live elsewhere. The maximum limit for this coverage is equal to 10% of **your** coverage limit for **Section A –Personal Property**

We will pay for the shortest time needed:

1. to repair or replace the damaged property; or
2. for **you** to permanently relocate.

If damage caused by a peril **we** insure against occurs at neighboring premises, **we** will pay reasonable additional living expenses for up to two weeks should civil authorities prohibit occupancy of the **residence premises**.

These periods of time will not be shortened by the expiration of this policy.

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

ADDITIONAL COVERAGES – SECTION I

Emergency Removal of Property

1. We will pay for property damaged in any way when being removed or while removed from premises because of danger from a peril **we** insure against. Coverage is limited to a 30-day period from date of removal. Payments will not increase the amount of insurance applying to the covered property.

2. Credit Card, Charge Plate, Fund Transfer Card, Check Forgery and Counterfeit Money Coverages

- (a) Credit Card, Charge Plate and Fund Transfer Card Coverage. If an **insured person** is legally required to pay for the unauthorized use of a credit card, charge plate or fund transfer card issued to the **insured person**, **we** will cover the loss. A fund transfer card is one for deposit, withdrawal or transfer of funds. But **we** will not cover use of the credit card, charge plate or fund transfer card by a resident of **your** household. **We** also will not cover use by someone to whom an **insured person** has given the card or plate. **We** will not cover any use unless the **insured person** has met all the terms under which the card or plate was issued.
- (b) Check Forgery Coverage. **We** cover loss sustained by an **insured person** caused by forgery or alteration of a check. This includes all negotiable instruments.
- (c) Counterfeit Money Coverage. **We** cover loss sustained by an **insured person** through acceptance in good faith of counterfeit United States or Canadian paper currency.

We will not pay more than \$1000 for any one loss involving one or more of these coverages.

We do not cover any loss that arises from **business** pursuits or dishonesty of the **insured person**.

3. Necessary Repairs After Loss

We will pay the reasonable cost of necessary repairs made solely to protect covered property from additional damage following a loss from a peril **we** insure against. Payments will not increase the amount of insurance applying to the covered property.

4. **Building Additions and Alterations**

We will cover, under Personal Property Coverage, building additions, alterations, fixtures, installations and improvements made to the portion of the **residence premises** used exclusively by **you** and made or acquired at **your** expense. **We** will pay up to 10% of the limit of liability that applies to Personal Property Coverage.

Deductible

We will pay for loss to covered property minus the deductible, if any, shown in the Declarations.

PERILS WE INSURE AGAINST

We cover risks of direct physical loss to property insured under Dwelling, Other Structures and Personal Property caused by the perils listed below except for losses excluded in the section entitled exclusions.

1. **Fire or Lightning**

2. **Windstorm or Hail**

This does not include loss:

- (a) Caused directly or indirectly by frost, cold weather, ice other than hail, snow or sleet whether driven by wind or not;
- (b) to property in a building caused by rain, snow, sand, sleet or dust unless the building is first damaged by the direct force of wind or hail, creating an opening through which the rain, snow, sand, sleet or dust enters; or
- (c) to watercraft and their trailers, furnishings, equipment and motors unless inside a fully enclosed building.

3. **Explosion**

4. **Riot or Civil Commotion**

5. **Aircraft**, including self-propelled missiles and **spacecraft**.

6. **Vehicles**

7. **Smoke**, if the loss is sudden and accidental. This peril does not apply to loss caused by smoke from agricultural smudging or industrial operations.

8. **Vandalism or Malicious Mischief**

9. **Theft or Attempted Theft**, including loss of property from a known place if it is likely that a theft has occurred.

- (a) This peril does not apply to theft;
 - (1) committed by an **insured person**; or
 - (2) in or from a dwelling under construction or of construction material and supplies until completed and occupied.
 - (3) from that part of a **residence premises** rented by an **insured person** to other than an **insured person**.
 - (4) where no signs of forced entry into the **residence premises** are present
- (b) This peril does not apply away from the **residence premises** to theft of;
 - (1) (a) property while in any other dwelling or its premises owned, rented or occupied by an **insured person** except while an **insured person** is temporarily residing there. Property of an **insured person** who is a student is covered at a residence away from home if the student has been at that residence any time during 30 days immediately before the loss.
 - (b) baggage or from baggage unless the baggage is carried by hand and under your personal supervision
 - (c) of property from any vehicle when such vehicle is left unattended without an authorized person
 - (d) or disappearance of property from hotel or motel rooms during your absence from that room
- (2) watercraft, including its furnishing, equipment and outboard motors.
- (3) trailers and campers.

10. **Falling Objects**

This peril does not apply to loss to property within a building unless the falling object first damages the exterior of the building. **We** do not cover damage to the falling object.

11. **Weight of ice, snow or sleet** which damages property in the building.

12. **Sudden and accidental tearing apart, cracking, burning or bulging** for a heating, air conditioning or automatic fire protection sprinkler system or a water heating appliance.

13. **Accidental discharge or overflow of water or steam** from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or domestic appliance.

This peril does not apply to loss:

- (a) to the appliance from which the water or steam escapes;
- (b) caused by or resulting from freezing; or
- (c) on the **residence premises** caused by accidental discharge or overflow which occurs off the **residence premises**.

In this peril, a plumbing system does not include a sump, sump pump or related equipment.

14. **Freezing** of plumbing, heating and air conditioning systems and domestic appliances.

15. **Sudden and accidental loss caused by artificially generated electrical currents.**

This peril does not apply to tubes, translators or other electronic components.

16. **Volcanic Eruption** other than loss caused by earthquake, land shock waves or tremors. Volcanic eruption means the eruption, explosion or effusion of a volcano.

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

Exclusions – Section I

We do not cover losses resulting directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

1. Enforcement of any ordinance or law regulating the construction, repair or demolition of a building or other structure, unless specifically provided under this policy. **We** do cover loss caused by actions of civil authorities to prevent the spread of a fire caused by a peril **we** insure against.

2. Earthquake or other earth movement including loss caused by, contributed to or aggravated by landslide; mine subsidence; mudflow, earth sinking, rising or shifting. **We** do cover direct loss that follows caused by fire, explosion or breakage of glass.

3. Water damage, meaning:

- (a) flood, surface water, waves tidal water or overflow of a body of water. **We** do not cover spray from any of these, whether or not driven by wind.;
- (b) water which backs up through sewers or drains or which overflows from a sump;

Or

- (c) water below the surface of the ground. This includes water which exerts pressure on or flows, seeps or leaks through any part of a building or other structure, sidewalk, driveway or swimming pool.

We do cover direct loss that follows, caused by theft, fire or explosions.

- 4. Failure or interruption of power or other utility service which occurs away from the **residence premises**. **We** will pay for loss caused solely by a peril **we** insured against that ensues at the **residence premises**.
- 5. Freezing of plumbing, heating or air conditioning systems or domestic appliances, or by discharge, leakage, or overflow from the system or appliance caused by freezing while the building is vacant or unoccupied unless **you** take precautions to:
 - (a) shut off the water supply and drain the systems and appliances; or
 - (b) maintain heat in the building.
- 6. Neglect of an **insured person** to use all reasonable means to protect covered property at and after the time of loss.
- 7. **War** (declared or undeclared), civil war, insurrection, rebellion, or revolution.
- 8. Nuclear action, meaning nuclear reaction, radiation, radioactive contamination or discharge of a nuclear weapon even if accidental, or any consequence of any of these. loss caused by nuclear action is not considered loss by perils of Fire, Explosion or smoke.

Direct loss by Fire resulting from nuclear action is covered.

- 9. An action by or at the direction of any **insured person** committed with the intent to cause a loss.
- 10. An intentionally set fire to a dwelling that has been vacant for more than 30 consecutive days immediately preceding the loss
- 11. This Policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to:
 - mold, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This Exclusion applies regardless whether there is (i) any physical loss or damage to insured property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use, occupancy, or functionality; or

(iv) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

12. This Policy only insures asbestos physically incorporated in an insured building or structure, and then only that part of the asbestos which has been physically damaged during the period of insurance by one of these Listed Perils:

fire; explosion; lightning; windstorm; hail; direct impact of vehicle, aircraft or vessel; riot or civil commotion, vandalism or malicious mischief; or accidental discharge of fire protective equipment.

This coverage is subject to each of the following specific limitations:

1. The said building or structure must be insured under this Policy for damage by that Listed Peril.
2. The Listed Peril must be the immediate, sole cause of the damage of the asbestos.
3. The Assured must report to Underwriters the existence and cost of the damage as soon as practicable after the Listed Peril first damaged the asbestos. However, this Policy does not insure any such damage first reported to the Underwriters more than 12 (twelve) months after the expiration, or termination, of the period of insurance.
4. Insurance under this Policy in respect of asbestos shall not include any sum relating to:
 - (i) any faults in the design, manufacture or installation of the asbestos;
 - (ii) asbestos not physically damaged by the Listed Peril including any governmental or regulatory authority direction or request of whatsoever nature relating to undamaged asbestos.

B. Except as set forth in the foregoing Section A, this Policy does not insure asbestos or any sum relating thereto.

13. This Policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- (a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, programme or software and/or

any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not; or

- (b) any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not.

This clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

14. This Policy does not cover:

- (a) any loss, damage, cost or expense, or
- (b) any increase in insured loss, damage, cost or expense, or
- (c) any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority; or threat thereof, (and whether or not as a result of public or private litigation),

which arises from any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a Peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

The term 'any kind of seepage or any kind of pollution and/or contamination' as used in this Endorsement includes (but is not limited to):

- (a) seepage of, or pollution and/or contamination by, anything, including but not limited to, any material designated as a 'hazardous substance' by the United States Environmental Protection Agency or as a 'hazardous material' by the United States Department of Transportation, or defined as a 'toxic substance' by the Canadian Environmental Protection Act for the purposes of Part II of that Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and

(b) the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

15. This insurance does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

16. Animals, Insects, Reptiles or any other Creature and /or any physical loss or damage caused by said Animal, Insects, Reptiles or any other Creatures

17. This policy does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

Conditions – Section I

1. What To Do In Case Of Loss

If a covered loss occurs, the **insured person** must:

- (a) give immediate notice to **us** or **our** agent. In case of theft, also notify the police. In case of loss under Credit Card, Charge Plate, Fund Transfer Card and Check Forgery Coverages, also notify the issuer of card or plate or the bank;
- (b) protect the property from further damage, making necessary and reasonable repairs to protect the property, and keep records of the costs of repairs.
- (c) Make a list of all damaged or destroyed property, showing in detail quantities, costs, actual cash value and amount of loss claimed;
- (d) send to **us**, within 60 days after **we** request, the above list and a proof of loss signed and sworn to by the **insured person** including.
 - (1) the time and cause of loss;
 - (2) the interest of **insured persons** and all others in the property
 - (3) all encumbrances on the property;
 - (4) other policies covering the loss;
 - (5) changes in title, use, occupancy or possession of the property; and
 - (6) if required, any plans and specification of the damaged buildings or fixtures:
- (e) exhibit the damaged property to **us** or **our** representative, as often as may be reasonably required.
- (f) submit to examinations under oath by any person named by **us**, while not in the presence of any other **insured person**, and sign the transcript of the examinations;
- (g) produce for examination, with permission to copy, all books of account, bills, invoices, receipts and other vouchers as **we** may reasonably require; and
- (h) produce receipts for any increased costs to maintain **your** standard of living while **you** reside elsewhere, and records pertaining to any loss of rental income.

2. How Losses Are Settled

Losses will be settled on a “Replacement Value” Basis. “Replacement Value” means the cost to repair or replace the property with new property of equivalent kind and quality to the extent practical without deduction or depreciation

The “Replacement Value” terms set forth do not apply to the following property:

- (a) Articles of art or rarity that cannot be replaced.
- (b) Memorabilia, souvenirs, collectors items whose age or history contribute to its value
- (c) Items not maintained or in workable condition: or
- (d) Items that are out dated or obsolete and stored and not being used

We will pay the smallest of the following amounts for each covered item:

- (1) the “Replacement Value” of the property
- (2) the amount computed after any special limitations have been applied
To the loss
- (3) the total limit of coverage

3. Appraisal

If **you** and **we** fail to agree on the actual cash value or amount of loss, either party may make written demand for an appraisal. Each party will select a disinterested appraiser and notify the other of the appraiser’s identity within 20 days after the demand is received. The appraisers will select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days, **you** or **we** can ask a judge of a court of record in the state where the **residence premises** is located to select an umpire.

The appraisers shall then appraise the loss, stating separately the actual cash value and loss to each item. If the appraisers submit a written report of an agreement to **us**, the amount agreed upon shall be the actual cash value or amount of loss. If they cannot agree, they will submit their differences to the umpire. A written award by two will determine the actual cash value or amount of loss. However, the amount of the award shall be subject to all applicable provision of the policy.

Each party will pay the appraiser it chooses, and equally pay expenses for the umpire and all other expenses of the appraisal.

4. Insurable Interest

We will not pay more than the insurable interest an **insured person** has in the covered property at the time of loss.

5. Abandoned Property

There may be no abandonment of any property to Underwriters

6. Loss to a Pair or Set

We may repair or replace any part of the pair or set to restore it to its value before the loss, or **we** may pay the difference between the actual cash value of the property

before and after the loss.

7. Our Payment of Loss

We will adjust any loss with **you** and pay **you** unless another payee is named in the policy or is legally entitled to be paid. **We** will pay within 60 days after we receive **your** proof of loss and the amount of loss is finally determined by:

- (a) agreement between **you** or **us**;
- (b) A court judgment; or
- (c) an appraisal award.

8. Suit Against Us –Service of Suit

We may not be sued unless there is full compliance with all the terms of this policy. Suit must be brought within one year after the loss or damage occurs.

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon {Response} and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the

Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

9. No Benefit to Bailee

This insurance will not, in any way, benefit any person or organization that may be caring for or handling property for a fee.

10. Other Insurance

If both this and other insurance apply to a loss, this policy will become excess to any other coverage.

GENERAL POLICY CONDITIONS APPLYING TO SECTION I AND SECTION II

1. Assignment

Interest in this policy may not be transferred without **our** written consent. But, if the Policyholder named in the Declarations or the spouse of the Policyholder residing in the same household dies, the policy will cover:

- (a) a surviving member of the deceased's household who was covered under this policy at the time of the death, but only while a resident of the **Insured premises**.
- (b) the legal representative of the deceased person while acting within the capacity;
and
- (c) a person having proper custody of the insured property until a legal representative is appointed.

2. Cancellation

(a) Your Right to Cancel

You may cancel this policy by returning it to **us** or by advising **us** in writing when at a future date the cancellation is to be effective.

(b) Our Right to Cancel or Refuse to Renew

We may cancel this policy only for the reasons stated below by mailing notice of cancellation to **you**, and to any lienholder named in the policy at the address shown in the Declarations, or by delivering the notice to **you**.

(1) **We** may cancel this policy at any time with only 10 days notice before the effective date of cancellation if **you** have not paid the premium payable to **us**, to **our** agent or under any finance plan.

(2) **We** may cancel this policy for any reason with only 10 days notice before the effective date of cancellation if it has been in effect less than 60 days.

(3) **We** may cancel this policy if it has been in effect for 60 days or more, or at any time if it is a renewal with **us** for the following reasons.

(a) If there has been a material misrepresentation of fact which, if known to **us**, would have caused **us** not to issue the policy, or

(b) If the risk has changed substantially since the policy was issued.

We must notify **you** at least 30 days before the date of cancellation takes effect.

(4) **We** may elect not to renew this policy by delivery to **you** at **your** mailing address shown in the Declarations written notice at least 30 days before the expiration date.

The mailing of notice or proof of mailing when required by law will be sufficient proof of notice. The policy period will end on the date and time stated in the notice.

(c) Return of Premium

All premiums are earned on a whole month basis, any premiums paid will be considered fully earned.

3. Concealment or Fraud

The entire policy will be void if, whether before or after a loss, an **insured person** has:

- (a) intentionally concealed or misrepresented any material fact or circumstance;
- (b) engaged in fraudulent conduct; or
- (c) made false statements;

with regard to this insurance, including procurement of this policy.

4. **Changes**

This policy and the Declarations include all the agreements between **you** and **us** relating to this insurance. No change or waiver may be effected in this policy except by endorsement issued by **us**. If a premium adjustment is necessary, **we** will make the adjustment as of the effective date of the change. If any coverage **you** have under this policy is broadened by **us** without charge during the policy period, this policy will automatically provide the broadened coverage when effective in **your** state.

5. **Our Right to Recover Payment**

After making payment under this policy, **we** will have the right to recover to the extent of our payment from anyone held responsible. This right will not apply under Section I if **you** have waived it in writing prior to loss.

The **Insured person** will do whatever is requested to transfer this right to **us**.

This condition does not apply under Section II to Medical Payments to Others

6. **Policy Period**

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

7. **Conformity to State Law**

Any policy provision contrary to laws of the state in which this policy is issued is amended to conform to such laws.

8. **Breach of Warranty**

You warrant that any statement **you** make in the application for this insurance is true. Any misstatement of fact **you** make in this application for this insurance will render this policy void from the inception date. If **we** void **your** policy, the premium **you** have paid will be refunded.

9. Joint Obligations

The terms of this policy impose joint obligations on the person named on the Declarations page as the Insured and that person's resident spouse. These persons are defined as **you** or **your**. This means that the responsibilities, acts and failures to act of a person defined as **you** or **your** will be binding upon another person defined as **you** or **your**.

The terms of this policy impose joint obligations on persons defined as and **Insured person**. This means that the responsibilities, acts and failures to act of a person defined as an **insured person** will be binding upon another person defined as an **insured person**.

SECTION II – PERSONAL LIABILITY PROTECTION

COVERAGE C – PERSONAL LIABILITY COVERAGE

We will pay all sums, up to **our** limit of liability, arising out of any one loss for which an **insured person** becomes legally obligated to pay as damages because of **bodily injury** or **property damage**, caused by an **occurrence** covered by this policy. Damages include prejudgment interest awarded against the **insured person**. This coverage is limited to a maximum of \$10,000 with respect to damage to the **insured premises** and/or the building in which it is contained and /or any contiguous structures.

If a claim is made or suit is brought against the **insured person** for liability under this coverage, **we** will defend the **insured person** at **our** expense, using lawyers of **our** choice. **We** are not obligated to pay any claim or judgment or to defend after **we** have paid an amount equal to the limit of **our** liability. **We** may investigate or settle any claim or suit as **we** think appropriate.

COVERAGE D – MEDICAL PAYMENTS TO OTHERS COVERAGE

We will pay the reasonable expenses incurred for necessary medical, surgical, x-ray and dental services, prosthetic devices, eyeglasses, hearing aids, pharmaceuticals, ambulance, hospital, licensed nursing and funeral services. These expenses must be incurred within three years from the date of an accident causing **bodily injury** covered by this policy.

Each person who sustains **bodily injury** is entitled to this protection when that person is:

1. on an **insured premises** with the permission of an **insured person**, or
2. elsewhere, if the **bodily injury**: is caused by the activities of an **insured person**

We do not cover injury to:

- (a) **Insured persons**;
- (b) any other person who resides regularly on any part of the **insured premises**

We do not cover any injuries resulting from assault and/or battery by any insured persons

We may pay the injured person or the party that renders the medical services.

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

ADDITIONAL COVERAGES – SECTION II

We will pay, in addition to our limit of liability:

1. Damage to Property of Others

Up to \$500 per **occurrence** for **property damage** to property owned by others caused by an **insured person**. Payment will be on a replacement cost basis.

We will not pay for property damage:

- (a) caused intentionally by an **insured person** who has attained the age of 13;
- (b) to property owned by an **insured person**.
- (c) arising out of:
 - (1) an act or omission in connection with a premises (other than **insured premises**) owned, rented or controlled by an **insured person**.
 - (2) **business** pursuits: or
 - (3) ownership, maintenance or use of a land motor vehicle, trailer, aircraft, watercraft or any other motorized land conveyances.

2. The Following Expenses

- (a) All costs **we** incur in the settlement of a claim or defense of a suit.
- (b) Interest on the entire amount of damages awarded in a suit **we** defend accruing after judgment is entered and before **we** have paid, offered to pay or deposited in court that portion of the judgment which is not more than **our** limit of liability.
- (c) Premiums on bonds required in a suit **we** defend. But, **we** will not pay the premium for the portion of a bond amount that is greater than **our** limit of liability. **We** have no obligation to apply for or furnish bonds.
- (d) Loss of earnings up to \$50 a day, but not other income, when **we** ask **you** to help **us** investigate or defend any claim or suit.
- (e) Other reasonable expenses incurred at **our** request.

3. First Aid Expenses

Expenses for immediate medical and surgical treatment for other persons at the time of the accident. **We** will pay only expenses which an **insured person** incurs for treatment of **bodily injury** covered by this policy.

EXCLUSION – SECTION II

Under Personal Liability Coverage and Medical Payments to Others Coverage, **we** do not cover:

1. **Bodily injury** or **property damage** arising out of the ownership, maintenance, use, loading or unloading or negligent entrustment of:
 - (a) aircraft.
 - (b) motor vehicles, all other motorized land conveyances, and trailers, owned or operated by or rented or loaned to an **insured persons**.
 - (c) watercraft.
2. **Bodily injury** or **property damage** arising out of the rendering or failing to render professional services.
3. **Bodily injury** or property damage arising out of **business** pursuits of an **insured person**. But, **we** will cover activities of that person not ordinarily incident to **business** pursuits. .

4. **Bodily injury or property damage** caused by the willful, malicious, or intentional act of a minor for which an **insured person** is statutorily liable.

5. **Bodily injury or property damage** arising out of any premises owned, rented or controlled by an **insured person** which is not an **insured premises**.

6. **Bodily injury or property damage** expected or intended by an **insured person**.

7. **Bodily injury or property damage** arising out of war (declared or undeclared), civil war, insurrection, rebellion or revolution.

8. **Bodily injury or property damage** arising out of any nuclear reaction, radiation or radioactive contamination or any consequences of any of these.

9. **Bodily injury or property damage** which arises out of the transmission of a communicable disease by an **insured person**.

10. **Bodily injury or property damage** arising out of sexual molestation of any sexual activity, corporal punishment or physical or mental abuse.

11. **Bodily injury or property damage** arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, the exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

12. **Bodily injury or Property Damage** arising out of the Assault and/or Battery of another person or persons.

13. **Bodily Injury or Property Damage** arising out of the ownership or possession of any Animals, Reptiles, Birds, Insects or other creatures.

14. **Bodily Injury or Property Damage** arising out of any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to:

mold, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This Exclusion applies regardless whether there is (i) any physical loss or damage to insured property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use, occupancy, or functionality; or (iv) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This Exclusion replaces and supersedes any provision in the Policy that provides insurance, in whole or in part, for these matters.

15. Bodily Injury or Property Damage arising out of loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

16. Bodily Injury or Property Damage arising out of:

- (a) any loss, damage, cost or expense, or
- (b) any increase in insured loss, damage, cost or expense, or
- (c) any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority; or threat thereof, (and whether or not as a result of public or private litigation),

which arises from any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a Peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

The term 'any kind of seepage or any kind of pollution and/or contamination' as used in this Endorsement includes (but is not limited to):

- (a) seepage of, or pollution and/or contamination by, anything, including but not limited to, any material designated as a 'hazardous substance' by the United States Environmental Protection Agency or as a 'hazardous material' by the United States Department of Transportation, or defined as a 'toxic substance' by the Canadian

Environmental Protection Act for the purposes of Part II of that Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and

- (b) the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

17. **Bodily Injury or Property Damage** arising out of loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

Under the Personal Liability Coverage, **we** do not cover:

1. Liability assumed under an oral contract or agreement by an **insured person**, or under a contract or agreement in connection with any **business** of an **insured person**.
2. **Property damage** to property owned by an **insured person**.
3. **Property damage** to property occupied or used by an **insured person** or rented to or in the care, custody or control of an **insured person**. But **we** will cover **property damage** to such property caused by fire, smoke or explosion.
4. **Bodily injury** to a person if an **insured person** has or is required to have a policy providing worker's compensation, non occupational disability or occupational disease benefits covering the **bodily injury**.
5. **Bodily injury** to a person who is entitled to benefits which are provided or required to be provided under any worker's compensation, non-occupational disability or occupational disease law.
6. **Bodily injury or property damage** when an **insured person** is covered under a nuclear energy liability policy. This exclusion applies even if the limits of liability of that policy have been exhausted.
7. **Bodily injury** to:
 - (a) **you**;
 - (b) **your** relatives residing in **your** household; and
 - (c) any other person under the age of 21 residing in **your** household who is in **your** care, or the care of a resident relative.

8. Liability for any loss assessment charged against **you** as a member of an association, corporation or community of property owners.

Under Medical Payments to Others Coverage, **we** do not cover.

1. **Bodily injury** to a person who is entitled to benefits which are provided or required to be provided under any worker's compensation, non-occupational disability or occupational disease law.

CONDITIONS - SECTION II

1. What To Do In Case Of Bodily Injury or Property Damage

In the event of **bodily injury** or **property damage**, the **insured person** must:

(a) notify **us** or **our** agent as soon as possible. This notice must give:

- (1) **your** name and policy number
- (2) the time, place and circumstances of the accident, **occurrence** or loss; and
- (3) the names and addresses of injured persons and witness;

(b) send **us** promptly any legal papers received relating to a claim or suit;

(c) cooperate with **us** and assist **us** in any matter relating to a claim or suit;

days of the loss, sworn proof of loss. The **insured person** shall also exhibit the damage property if within the **insured person's** control.

(d) if a loss covered under Damage to Property of Others occurs, send **us**, within 60

The **insured person** will not, except at the **insured person's** own cost, voluntarily make any payment, assume any obligation or incur expenses other than for First Aid Expenses at the time of the accident.

2. Duties of an Injured Person – Medical Payments to Others Coverage

The injured person or someone acting on behalf of the injured person will:

(a) give **us**, as soon as possible, written proof of claim under oath if required;

(b) submit to physical examinations at **our** expense by doctors **we** select as often as **we** may reasonably require.

(c) authorize **us** to obtain medical and other records.

3. **Limits of Liability**

Regardless of the number of **insured persons**, injured persons, claims made or suits brought, **our** liability is limited as follows.

(a) As respects Personal Liability Coverage, the limit of liability stated in the Declarations is the total limit of **our** liability for all damages resulting from any one **occurrence**. All **bodily injury** and **property damage** resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be resulting from one **occurrence**.

(b) As respects Medical Payments to Others Coverage, the limit of liability stated in the Declarations as applicable to “each person” is **our** limit of liability for all medical expenses for **bodily injury** to any one person as the result of any one accident.

Subject to the limit for “each person”, **our** limit for **bodily injury** to two or more persons in any one accident shall not exceed the limit of liability stated in the Declarations as applicable to “each **occurrence**”.

4. **Severability of Insurance**

This insurance applies separately to each **insured person** against whom claim is made or suit is brought, subject to our limits of liability for each **occurrence**.

5. **Suit Against Us – Service of Suit**

We may not be sued unless there is full compliance with all the provisions and conditions of this policy.

We may not be sued under the Personal Liability Coverage until the obligation of an **insured person** to pay is finally determined either by judgment against the person after actual trial or by written agreement of the person, the claimant and **us**.

No one shall have any right to make **us** a party to a suit to determine the liability of any **insured person**.

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or

to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon {Response} and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

6. Bankruptcy

We are not relieved of any obligation under this policy because of the bankruptcy or insolvency of any **insured person**.

7. Other Insurance – Personal Liability Coverage

This insurance is excess over any other valid and collectible insurance. However, if the other insurance is written as excess insurance over this specific policy, the limits of this policy apply first.