



Sterling Insurance Company

P.O. Box 9, 182 Barnerville Road, Cobleskill New York 12043

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Organized 1895

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March 5, 2020

Re: Policy # LP16045937
Insured: Edward Daire
Allison Daire

Attached please find a copy of policy LP16045937 for the following term: July 1, 2018 through July 1, 2019 term. (All forms)

Also the declaration pages only for the term: 7/1/2016-7/1/2017 & 7/1/2017- 7/1/2018.

I hereby certify that to the best of my knowledge this is a true copy of the original policy.


Lori Brown, CPCU


Date

Assistant Vice President, Commercial Lines Underwriting

**Sterling Insurance Company**

P.O. Box 9, 182 Barnerville Road, Cobleskill New York 12043

Landlords Package PolicyNew Business Declaration
Original Effective Date:
Declaration Effective Date:**MTA**

07/01/2016

07/01/2016

POLICY NUMBER

LP16045937

POLICY PERIOD

FROM 07/01/2016 TO 07/01/2017 12:01 AM EASTERN STANDARD TIME

NAMED INSURED AND ADDRESS:EDWARD DAIRE
ALLISON DAIRE
405 1/2 MARION STREET
ENDICOTT, NY 13760**AGENCY: 747-747****PHONE: (607) 639-1930**RINKER AGENCY LLC
191 MAIN STREET
PO BOX 23
AFTON, NY 13730-0023

THIS REPLACES ALL PREVIOUSLY ISSUED POLICY DECLARATIONS, IF ANY. THIS POLICY APPLIES ONLY TO ACCIDENTS, OCCURRENCES, OR LOSSES WHICH HAPPEN DURING THE POLICY PERIOD SHOWN ABOVE. THIS DECLARATION DOES NOT SUPERSEDE ANY CANCELLATION NOTICES.

PREMIUM SUMMARYYour total policy premium of **\$914.00** breaks down as follows:

Basic Premium	\$901.00	Total Discounts	\$0.00
Endorsement Premium	\$13.00	NYS Fire Fee	\$0.00

POLICY CHARGES & CREDITS SUMMARY

(amounts in this section are already reflected in the coverage premiums below where applicable)

10% Renovated Credit

INSURED PROPERTY ADDRESS - LOCATION 1

2895 STATE ROUTE 7 HARPURSVILLE, NY 13787

LIABILITY LIMITS - LOCATION 1

The Liability Limits in this section are shared by all items at this location where coverage is indicated

COVERAGE	EACH OCCURRENCE	AGGREGATE
Coverage L - Bodily Injury & Property Damage	\$300,000	
	EACH PERSON	EACH ACCIDENT
Coverage M - Premises Medical Pay	\$1,000	\$25,000

COVERAGES - LANDLORDS PACKAGE ITEM 1 - LOC 1 - BLDG 1

COVERAGE	LIMIT	PREMIUM
Coverage A - Residence	\$255,000	\$865.00
Coverage B - Related Private Structure On The Premises	\$25,500	
Coverage D - Additional Living Expense or Loss of Rents	\$25,500	
Coverage L - Bodily Injury & Property Damage	see LOC 1 Liab section above	\$28.00
Coverage M - Premises Medical Pay	see LOC 1 Liab section above	\$8.00

FORMS AND ENDORSEMENTS - LANDLORDS PACKAGE ITEM 1 - LOC 1 - BLDG 1

FORM	DATE	DESCRIPTION	LIMIT	PREMIUM
FL-2	01/92	Cause of Loss		
FL-52A	12/98	Trampoline Exclusion		(\$2.00)
FL-OLT	01/92	Premises Liability Ins. Coverage Part		
NY STAT-1	11/08	NY Statutory Endorsement		
SFL-345	04/13	Equipment Breakdown Enhancement Endorsement		\$15.00

LANDLORDS PACKAGE ITEM 1 - LOC 1 - BLDG 1

Rate Plan	Landlords Package	Form	FL-2
Vandalism	Yes	ACV/RC	Residence Replacement Cost
Construction	Frame	Deductible	500
Protection	Semi-Protected	Number Families	1 Family
Occupancy	Non-Owner Occupied	Year Built	1970

LANDLORDS PACKAGE ITEM 1 - LOC 1 - BLDG 1 (continued)

Prudent Protection	No	150 amp electric w/controlled circuit breakers	Yes
Heating System installed within 30 years	Yes		

CHARGES & CREDITS - LANDLORDS PACKAGE ITEM 1 - LOC 1 - BLDG 1

(amounts in this section are already reflected in the coverage premiums above)

10% Renovated Credit

POLICY FORMS AND ENDORSEMENTS

FORM	DATE	DESCRIPTION	LIMIT	PREMIUM
FL-18	06/96	Intentional Acts Exclusion		
FL-185	12/05	Automatic Inflation Protection		
FL-20	01/92	Agreement		
FL-30	05/92	Amendatory Endorsement		
FL-425	04/10	New York Policy Conditions Amendatory Endorsement		
FL-73	05/10	Earth Movement Exclusion Clarification		
FL-83	02/02	Amendment of Policy Conditions		
FL-84A	04/94	New York Amendatory Endorsement		
FMD-1	08/08	Important Flood Exclusion Notice		
ML-217	09/99	Intentional Acts Clarification		
ML-430B	02/08	Renewal Endorsement		
ML-60	06/99	Modification of Terminology		
NSC	01/91	Notice to Senior Citizens		
SIC-TERR-D	01/15	Notice of Terrorism Insurance Coverage Disclosure		\$0.00
TERR-COV	01/15	Notice of Terrorism Insurance Coverage		\$0.00



FL-18
Ed. 6/96

Intentional Acts Exclusion

Refer to Supplemental Declarations if information is not shown on this form.

The amended coverage provided under this endorsement is subject to the *terms* contained in the General Policy Provisions.

WHAT WE DO NOT PAY FOR

The following exclusion is added to **EXCLUSIONS THAT APPLY TO YOUR POLICY** shown in FL-20:

15. **Intentional Acts**~~-we~~ do not pay for loss which results from an act committed by or at the direction of an *insured* and with the intent to cause a loss.

FL-18

Ed. 6/96



FL-185
Ed. 12/05

AUTOMATIC INFLATION PROTECTION

Refer to Supplemental Declarations if information is not shown on this form.

We provide coverage under this endorsement subject to the *terms* contained in the General Policy Provisions.

During the term of this policy, Coverages A and B will be increased on the annual renewal date by the average percentage change factor of the construction cost index used in the company's current replacement cost estimator.

FL-185

Ed. 12/05



FL-20
Ed. 1/92

AGREEMENT

We will provide the insurance described in this policy during the policy period, in return for *your* compliance with all of the *terms* and provisions of this policy. The policy consists of this Agreement, the Declarations, Supplemental Declarations (if any), the General Policy Provisions, Causes of Loss sections and any forms and endorsements made part of it, including any State mandated endorsements. Each part is subject to all of the policy *terms* relating to it including the *terms* applicable to the entire policy.

Endorsements attached to this policy which increase existing coverage or add new coverage may result in a premium increase. Electing increased deductibles, coverage limiting endorsements or exclusionary endorsements may result in a reduction of premium.

It is recommended that *you* read and understand this contract and retain it for future reference.

The Table of Contents shows the policy format. The coverage(s) *you* selected are shown on the Declarations Page or other attachments comprising a part of this policy.

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GENERAL POLICY PROVISIONS

Definitions-these definitions apply to this policy.

1. The words *you* or *your* refers to the person or entity shown as named *insured* on the Declarations Page. It includes any additional *insured* but only with respect to Principal Coverages A and B and only for the *insured premises*.
2. The words *we*, *us* or *our* refers to the Insurance Company named on the Declaration Page.
3. *Business* means a trade, profession or other occupation including farming, all whether full or part time. It does not include the rental or holding for rent of any part of the *insured premises*.
4. *Insured* means *you* or *your* legal representative. However, *your* legal representative is an *insured* only with respect to property covered by this insurance.
 - a. If *you* are an individual and the *residence* is *your* primary dwelling, *your* spouse and relatives and any persons under the age of 21 in *your* care are *insureds*; provided that all such persons are regular residents of *your* household.
 - b. Each person or entity listed on the Declaration Page is a separate *insured* under this policy, but this does not increase *our* amount of insurance under this policy.
5. *Insured premises* means the *residence* described on the Declarations Page including Related Private Structures and the grounds at the described location.
6. *Motorized vehicle* means any self-propelled land or amphibious vehicle (regardless of horsepower, number of wheels or method of surface contact) including parts and equipment. This does not include small motorized equipment for the service of the *insured premises*, such as power lawn mowers and snowblowers. The following categories of *motorized vehicles* have specific meaning as used in this policy.
 - a. *Motor vehicle* means a *motorized vehicle*, trailer or semi-trailer (including any attached machinery or apparatus):
 - 1) subject to *motor vehicle* registration; or
 - 2) designed for use or travel on public roads.

- b. **Recreational motor vehicle** means a **motorized vehicle** (other than a **motor vehicle** as defined above), trailer, or attached apparatus, designed or used for recreation, vacation or leisure time activities.
7. **Pollutant** means any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
8. **Residence** means the one to four family house or a one or two family mobile home owned by the **insured** and located on the **insured premises**.
9. **Terms** means Provisions, Limitations, Exclusions and Definitions as used in this policy and any forms or endorsements attached.

PRINCIPAL COVERAGES

Coverage A-Residence (when applicable)

This policy covers the **residence** on the **insured premises** including additions, built-in components and fixtures.

1. **We** cover building materials and supplies located on the **insured premises** for use in construction of or to the **residence**.
2. **We** cover permanently installed carpeting, stoves, refrigerators and appliances furnished with those parts of the **insured premises you** rent to others.

Coverage A does not cover:

1. outdoor antennas (including satellite systems), their lead-in wiring, accessories, masts and towers except as provided under Incidental Coverages.
2. trees, shrubs, plants and lawns except as provided under Incidental Coverages.
3. land, including the land on which the property is located. This includes costs of excavating, removing, grading or filling land, or water in or on that land.
4. pools, piers, wharves, docks, underground pipes, flues, conduit and drains, and retaining walls that are not part of the building.

Coverage B-Related Private Structures on the Premises

(applicable only when Coverage A is in force)

You may apply up to 10% of the Coverage A amount of insurance to Coverage B, any payment under this option reduces the Coverage A amount of insurance for the same loss.

This policy covers Related Private Structures on the **insured premises** which are not attached to **your residence**, (structures connected to the **residence** by only a fence, utility line, or similar connection are considered to be Related Private Structures). This coverage includes fences, driveways, sidewalks and other permanently installed outdoor yard fixtures.

We cover building materials and supplies located on the **insured premises** for use in construction of or to Related Private Structures.

Coverage B does not cover:

1. structures designed or used for **business**; (however, this exclusion does not apply to structures rented, held for rental or otherwise used solely for private, non-commercial garage purposes).
2. outdoor antennas (including satellite systems), their lead-in wiring, accessories, masts and towers, except as provided under Incidental Coverages.
3. trees, shrubs, plants and lawns, except as provided under Incidental Coverages.
4. land, including the land on which the property is located. This includes costs of excavating, removing, grading or filling land, or water in or on that land.
5. pools, piers, wharves, docks, underground pipes, flues, conduit and drains, and retaining walls that are not part of the building.

Coverage C-Personal Property (when applicable)

1. **While on the insured premises**-this policy covers Personal Property owned or used by an **insured**. At **your** option, the personal property of guests and **domestic employees** is covered while on that portion of the **insured premises** occupied exclusively by an **insured**.
2. **While Away From the insured premises**-**you** may apply up to 10% of the Coverage C amount of insurance, not to exceed \$2500, to cover Personal Property owned or used by an **insured**, while away from the **insured premises**, anywhere in the world. This does not increase the Coverage C amount of insurance.
3. **Change of Location**-When **you** move to another location where **you** intend to permanently reside:
 - a. the Coverage C amount of insurance applies pro-rata at each location for 30 days from the date **you** begin to move but not extending past the expiration date of the policy; and
 - b. property in transit is covered against direct loss by covered causes of loss for an amount up to 10% of Coverage C amount of insurance.

When **you** move, this change of location coverage applies in place of **your** coverage for property while away from the **insured premises**.

4. **Limitations on Certain Property**-these special limits do not increase the Coverage C amount of insurance. The special limit for each category below is the total amount for all loss to all property in that category.

- a. \$100 on money, banknotes, bullion, gold other than goldware, silver other than silverware, platinum, coins, medals and numismatic properties;
- b. \$500 on securities, commercial paper, stamps, philatelic property, tickets, accounts, deeds, evidences of debt, passports, manuscripts, unpublished works and other valuable papers; (commercial paper means drafts, checks, certificates of deposit and notes other than banknotes, including negotiable orders of withdrawal);
- c. \$500 on jewelry, watches, precious and semi-precious stones, gems and furs;
- d. \$500 on grave markers;
- e. \$500 on guns and gun accessories;
- f. \$500 on watercraft including their trailers, equipment, accessories and outboard motors;
- g. \$1000 on silverware, goldware, pewterware and items plated with gold or silver; or
- h. \$2500 on **motorized vehicles** used exclusively to service the **insured premises** or those designed and used exclusively to assist the handicapped and not licensed for use on public roads.

The following property is covered only while on the **insured premises** and is limited to the amount stated:

- i. \$500 on **business** property of any **insured**; or
 - j. \$500 on dismounted camper bodies and trailers not used with watercraft.
5. **Personal Property not covered**-Coverage C does not cover:
- a. property covered by any scheduled insurance;
 - b. animals, insects, birds and fish;
 - c. **motorized vehicles** including their parts and equipment, except those vehicles used exclusively to service the **Insured premises** and those designed and used exclusively to assist the handicapped, subject to Limitations on Certain Property;
 - d. aircraft, including their parts and equipment;
 - e. **business** property away from the **insured premises**;
 - f. property of roomers, boarders and tenants who are not **insureds**;
 - g. outdoor antennas (including satellite systems), their lead-in wiring, accessories, masts and towers, except as provided under Incidental Coverages;
 - h. losses that result from any credit card or fund transfer card; or
 - i. any device, accessories or antennas designed for reproducing, receiving, transmitting recording or playing back data, sound or picture (or any film, tape, wire, record or other media designed for use with such device) which may be operated from the electrical system of a **motorized vehicle**, farm equipment or watercraft while in or on a **motorized vehicle**, farm equipment or watercraft.

Coverage D - Additional Living Expense or Loss of Rent Coverage

You may apply up to 10% of the Coverage A or 20% of Coverage C, amount of insurance (which ever is applicable) to Coverage D. Any payment under this coverage reduces the Coverage A or Coverage C amount of insurance for the same loss. **You** may recover either Additional Living Expense or Loss of Rents, at **your** option. The period of time is not limited by the policy period. Under Coverage D **we** pay:

- 1. The reasonable and necessary increase in living expense **you** incur to maintain the normal standard of living of **your** household if the portion of the **insured premises** containing **your** household is made unfit for occupancy by a covered loss. **We** pay only for the period of time reasonably required to make the **insured premises** fit for occupancy or to settle **your** household in new quarters, whichever is less.
- 2. The reasonable and necessary increase in **your** living expense or loss of rents for a period of up to two weeks if the **premises** immediately adjoining the **insured premises** are damaged by a covered cause of loss insured by this policy and **you** are prohibited by act of Civil Authority from using the **insured premises**. **We** will pay the fair rental value of that part of the **insured premises** that **you** rent, or hold for rental, to others if damage by a covered cause of loss makes that part unfit for its normal use. **We** pay only for the period of time reasonably required to make that part fit for occupancy. Loss of rents covers only those expenses which necessarily continue during the repairs and it does not include any loss or expense due to cancellation of any lease or rental agreement.

Coverage E-Farm Personal Property

This coverage (provided only when an amount of insurance and a premium charge is shown for the coverage on the Declarations) is described in the farm forms attached to this policy.

Coverage F-Farm Structures This coverage (provided only when an amount of insurance and a premium charge is shown for the coverage on the Declarations) is described in the farm forms attached to this policy.

INCIDENTAL COVERAGES

This policy provides the following Incidental Coverages. These Incidental Coverages are subject to all of the **terms** of the applicable Principal Coverages A, B, or C. These Incidental Coverages do not increase the amount of insurance stated for the Principal Coverages.

1. Removal

a. Emergency Removal

- 1) *We* pay for loss to covered property while removed from the **insured premises** for preservation from damage from covered causes of loss. Such property is covered against direct loss from causes of loss, not otherwise excluded or limited by this policy, for the first five days. It is covered against loss from covered causes of loss for an additional 25 days. This coverage does not extend past the expiration date of the policy.
- 2) *We* pay up to \$250 towing charge to move a covered mobile home endangered by a covered cause of loss.

b. Debris Removal

- 1) *We* will pay the reasonable costs to remove the debris of covered property after an insured loss.
- 2) *We* will pay the reasonable costs to remove ash, dust or particulate matter from a volcanic action that caused direct loss to covered buildings or covered property within a building.

We do not pay for these costs:

- 1) To extract **pollutants** from land or water; or
- 2) To remove, restore or replace polluted land or water.

2. Trees, plants, Shrubs and Lawns

You may apply up to 5% of the coverage A amount of insurance to cover trees, shrubs, plants and lawns on the **insured premises**. *We* pay only for loss caused by the following covered causes of loss: Fire, Lightning, Explosion and (if insured under this policy) Riot, Civil Commotion, Aircraft, Vehicles not owned or operated by *you* or by an occupant of the **insured premises**, and Vandalism. *We* do not pay more than \$250 for any one tree, plant or shrub including the cost of removing the debris of the covered item.

We do not cover trees, shrubs, plants and portions of lawn:

- a. Grown for **business** purposes; or
- b. Located more than 250 feet from the **residence** on the **insured premises**.

3. Tenant's improvements and betterments-If *you* are a tenant, *you* may apply up to 10% of the Coverage C amount of insurance to cover direct loss by covered causes of loss to permanent fixtures, alterations, improvements and additions installed on the **insured premises** and made or acquired at *your* expense. Any payment under this option reduces the coverage C amount of insurance for the same loss.

4. Outdoor Antenna Coverage-*We* pay up to \$500 for direct loss by covered causes of loss to outdoor antennas, including their lead-in wiring, accessories, masts and towers. Any payment under this option reduces the Coverage B amount of insurance for the same loss.

EXCLUSIONS THAT APPLY TO YOUR POLICY

We do not pay for loss or damage caused directly or indirectly by any of the following; such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. For other Exclusions, Limitations and Property Not Covered which may affect *your* policy, see Principal Coverages, Incidental Coverages, and other endorsements added to *your* policy.

1. **Business Interruption**-means loss resulting from the interruption of **business**.
2. **Civil Authority**-means loss, including seizure, confiscation or destruction of property, caused by the order of any civil authority. This includes acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body. *We* do pay for acts of destruction ordered by governmental authority and taken at the time of fire to prevent its spread if the fire would be covered under this coverage part.
3. **Delay or loss of Market**.
4. **Dishonest or Criminal Acts**-means loss caused by or resulting from any dishonest or criminal act by *you*, any of *your* partners, employees, directors, trustees, authorized representatives or anyone, to whom *you* entrust property for any purpose:
 - a. Acting alone or in collusion with others; or
 - b. Whether or not occurring during the hours of employment. This is exclusion does not apply to acts of destruction by *your* employees; but theft by an employee is not covered.
5. **Earth Movement of any Kind**-includes any earth movement (other than sinkhole collapse), such as earthquake, landslide, mudflow, or earth sinking, rising or shifting. But, if loss or damage by fire or explosion results, *we* will pay for the resulting loss or damage.
6. **Faulty, Inadequate or Defective**:
 - a. Planning, zoning, development, surveying, siting;

- b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- c. Materials used in repair, construction, renovation or remodeling; or
- d. Maintenance of part or all of any property on or off the **insured premises**.
- 7. **Neglect**-means neglect by an **insured** to use all reasonable means to save and preserve covered property when endangered by a covered cause of loss.
- 8. **Nuclear Clause**-**We** do not cover loss or damage caused by nuclear reaction, nuclear radiation or radioactive contamination, all whether directly or indirectly resulting from a covered loss under this policy. But, if loss or damage by fire results, **we** will pay for the resulting loss or damage.
- 9. **Ordinance or Law**-means loss or increased cost resulting from enforcement of any code, ordinance or law regulating the use, construction, repair or demolition of a building or other structure, including the cost of removing its debris. When breakage of glass is covered by this policy, **we** pay to replace the damaged glass with safety glazing where required by code, ordinance or law.
- 10. **Power Interruption**-means loss caused by the interruption of power or other utility services resulting from any cause, whether insured under this policy or not, if the interruption takes place away from the **insured premises**. **We** pay for loss to covered property by power interruption as the direct result of damage to covered property on **premises** caused by a covered cause of loss.
- 11. **War**-means undeclared war, civil war, insurrection, rebellion, warlike act by a military force or military personnel, or destruction, seizure or use of property for a military purpose. It includes any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental.
- 12. **Water Damage**-means loss caused by:
 - a. Flood, surface water, waves, tides, tidal water, tidal waves or overflow of a body of water or spray from any these, all whether wind driven or not;
 - b. Water which backs up through sewers or drains;
 - c. Water below the surface of the ground pressing on, flowing or seeping through:
 - 1) Foundations, walls, floors or paved surfaces;
 - 2) Basements, whether paved or not; or
 - 3) Swimming pools or other structures.

But if loss or damage by fire or explosion results, **we** will pay for that resulting loss or damage.
- 13. **Wear and Tear**-means damage caused by:
 - a. Wear and tear, marring, scratching, or chipping;
 - b. Inherent vice, latent defect, deterioration or mechanical breakdown;
 - c. Rust or corrosion, mold, mildew, wet or dry rot, contamination, pollution or smog;
 - d. Dampness or dryness of atmosphere, changes in or extremes of temperature; or
 - e. Birds, vermin, rodents or insects.
- 14. **Weather**-**We** do not pay any loss if weather conditions contribute in any way, with a cause or event excluded in 1 through 13 above, to produce the loss.

HOW MUCH WE PAY FOR LOSS OR CLAIM

Settlement of property losses covered by this policy shall be made in accordance with the following provisions:

- 1. **Property losses will settled on the basis of the lesser of the following amounts:**
 - a. The applicable limit of insurance;
 - b. The amount of **your** interest in the property;
 - c. The actual cash value of the property at the time of the loss including an appropriate deduction for depreciation, however caused;
 - d. The cost of repairing or replacing the property with materials of equivalent kind and quality to the extent practicable;
 - e. The amount computed after applying the deductible or other limitation applicable to the loss;
 - f. (Applies to mobile homes only at **your** option) the amount equal to the difference between the actual cash value of the property immediately before the loss and its actual cash value immediately after the loss; or
 - g. When applicable, **we** will settle property losses under the **terms** and conditions of the Replacement Cost Provision.
- 2. **Deductible**-The deductible applies to the following:
 - a. Coverage A—**Residence**
 - b. Coverage B—Related Private Structures
 - c. Coverage C—Personal Property
 - d. Incidental Coverages
 - e. All additional property coverages added by endorsement. The deductible applies to all covered causes of loss unless otherwise stated in the Declarations or any endorsement.

- 1) **We** pay only that part of the loss over the deductible stated in the Declarations or endorsement. Not more than one deductible applies per loss, but:
 - a) If this policy covers more than one building, the deductible applies separately to each building.
 - b) If this policy covers only **business** or personal property, the deductible applies separately to such property in each building.
- 2) If coverage is otherwise restricted by Special Amounts of Insurance, **our** liability must be separately computed under both the deductible and the special Amount of insurance, **we** pay the lesser of the two amounts.
- 3) If a different deductible amount applies separately to **your** building and to the property within the building, the higher of the deductibles shall apply to a loss.
3. **Insurance Under More Than One Coverage**-if more than one coverage of this policy insures the same loss, **we** pay no more than the actual claim, loss or damage sustained.
4. **Insurance Under More Than One Policy.**
 - a. **You** may have other insurance subject to the same plan, **terms**, conditions and provisions as the insurance under this policy. If **you** do, **we** will pay **our** share of the covered loss or damage. **Our** share is the proportion that the applicable amount of Insurance under this policy bears to the amount of all insurance covering on the same basis.
 - b. If there is other insurance covering the same loss or damage, other than that described in (a) above, **we** will pay only the amount of covered loss or damage in excess of the amount due from that other insurance, whether **you** can collect on it or not. But, **we** will not pay more than the applicable amount of Insurance.
5. **Loss to a Pair or Set**-If there is a covered loss to an article which is part of a pair or set, **we** will elect to:
 - a. Pay the cost to repair or replace any part to restore the pair or set to its pre-loss value; or
 - b. Pay the difference in the actual cash value of the pair or set just before the loss and the actual cash value just after the loss.
6. **Restoration of Amount of Insurance**-any loss **we** pay under this policy does not reduce the Amount of Insurance applying to a later loss.
7. **Tenant's Improvements and Betterments**-If there is a covered loss, **we** will pay either 1, 2 or 3:
 1. The actual cash value of loss if the property is repaired or replaced, within a reasonable time, at **your** expense.
 2. A portion of **your** original cost if **you** do not make repairs. The payment will be at that same proportion as the unexpired days bears to the original number of days granted by **your** lease. If **your** lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
 3. Nothing, if others pay for repairs or replacement.

PAYMENT OF LOSS OR CLAIM

1. **In the event of loss or damages to property covered under this policy, we** will, at **our** option:
 - a. Pay the loss in money;
 - b. Rebuild, repair or replace with property of equivalent kind and quality, to the extent practicable, within a reasonable time. **We** will give **you** notice of **our** intent to rebuild, repair or replace within 30 days after receipt of a conforming Sworn Statement in Proof of Loss.
 - c. Take all or any part of the property at the agreed or appraised value. Any property that **we** have paid for or replaced shall become **our** property.
2. **Your Property**-**We** will adjust all losses with **you**. A covered loss will be payable after a conforming Sworn Statement in Proof of Loss is received, and the amount of loss has been established by written agreement with **you** or by the filing of an appraisal award with **us**. Payment will be to **you** unless another loss payee is named in the policy.
3. **Property of Others**-Losses to property of others may be adjusted with **you**. **We** reserve the right to adjust with and pay to the owners. Payment to the owners satisfies **our** obligation to **you** for loss of this property. **We** may also choose to defend **you** against any suits arising from claims by the owners of the property.
4. **Liens for Unpaid Taxes**-**We** are required by the Insurance Law to deduct the claim of any tax district from the amount **we** pay **you** for a loss by fire.

To the extent **we** pay any tax district the amount certified as **your** unpaid taxes, **we** are no longer obligated to pay this amount to **you**. **Our** payment of such claim to the tax district within 30 days of the receipt of the certificate of lien shall be considered by **you** and **us** that such claim was valid and properly paid. This does not apply to a one or two family residential structure.

WHAT YOU MUST DO IN CASE OF LOSS OR CLAIM

1. **Notice**
 - a. In case of a loss or if **you** become aware of anything that indicates that there might be a claim under this policy, **you** must:
 - 1) Promptly give **us** or **our** agent notice (in writing if requested);

- 2) Promptly notify the police when the act causing the loss is also a violation of the Law.
- b. The notice to **us** must state:
 - 1) **your** name, the kind of policy, policy number, and the time, place and circumstances of the loss; and
 - 2) Names and addresses of all known or potential claimants and witnesses.
2. **Protect Property-You** must take all reasonable steps to protect covered property at and after a covered loss to avoid further damage. **We** pay for repairs which are reasonable and necessary to protect the property from further damage, provided **you** keep an accurate record of such expenses. These payments do not increase the amount of insurance otherwise applicable to the loss.
3. **Exhibit Property-You** must exhibit the damaged property and permit inspections as often as **we** reasonably request.
4. **Cooperation-You** must cooperate with **us** in performing all of the acts required by this policy.
5. **Proof of Loss-You** must submit to **us** a Sworn Statement in Proof of Loss signed and sworn to by **you**, within 60 days of **our** request. The Sworn Statement in Proof of Loss will set forth, to the best of **your** knowledge and belief, the following information:
 - a. The time, origin and cause of loss;
 - b. **Your** interest, and that of all others, in the property involved and all mortgages or liens on the covered property;
 - c. All other contracts of insurance covering any of the property involved;
 - d. Any change in title, use or occupancy of the property during the policy period;
 - e. All available plans and specifications of the damaged property, including fixtures and machinery a part thereof;
 - f. Detailed estimates of repair of the damage establishing the actual cash value of each item and the amount of loss claimed; and
 - g. If requested, an inventory of damaged personal property showing in detail the quantity, description, cost, actual cash value and amount of loss. **You** must attach to the inventory copies of all bills, receipts and related documents that substantiate the inventory.
6. **Volunteer Payments-You** must not, except at **your** own cost, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses.
7. **Additional Duties-Each insured**, at **our** request, will separately:
 - a. Submit to examination under oath, at such times as may be reasonably required, about any matter relating to this insurance or **your** claim, including **your** books and records. In such event, **your** answers must be signed;
 - b. Produce records, including tax returns and bank microfilms of all canceled checks, relating to value, loss and expenses and permit copies and extracts to be made of them as often as **we** reasonably request; and
 - c. Assist in enforcing any right of recovery which **you** may have against any party causing the loss.

CONDITIONS APPLICABLE TO ALL COVERAGES

In addition to the policy **terms**, which are contained in other sections of this policy, the following conditions also apply.

1. **Assignment**-Assignment of this policy is not valid without **our** written consent.
2. **Required Policy Period**-Means a period of three years from the date the policy is first issued or voluntarily renewed.
3. **Cancellation**:
 - a. By **you-you** may cancel this policy at any time by giving **us** written notice or returning the policy to **us** and stating when thereafter the cancellation is to be effective.
 - b. By **us-we** may cancel this policy by written notice delivered to or mailed to **you** at the mailing address shown in the Declarations. Proof of delivery or mailing is sufficient proof of notice.
 - c. **We** refund premium for the unexpired policy as follows:
 - 1) If canceled by **us**-on a pro-rata basis; or
 - 2) If canceled by **you**-on the basis of **our** short rate table, unless **our** bylaws, as set forth in this policy, require that refunds be computed on a pro-rata basis.
 - d. Refund of Premium-Payment or tender of unearned premium is not a condition of cancellation. If the unearned premium is not refunded with the cancellation notice, it will be sent to **you** within a reasonable time.
 - e. When **we** may Cancel-**we** may cancel the policy under the following conditions:
 - 1) Non-payment of Premium-If the premium has not been paid when due, **we** may cancel at any time by giving the required notice at least 15 days before cancellation is to be effective.
 - 2) New Policy-If this is a new policy which has been in effect less than 60 days and is not a renewal, **we** may cancel for any reason by giving the required notice at least 30 days before cancellation is effective. A renewal of a policy issued by **us** is not a new policy.
 - 3) Policy with a **Term** Over One Year-If this policy is written for a term longer than one year, **we** may cancel for any reason by giving **you** the required notice at least 45 days (but not more than 60 days) before the anniversary date of the required policy period.

- 4) All Other Situations-If this policy has been in effect 60 days or more or is a renewal of a policy issued by **us**, **we** may cancel only for the reasons set forth below and by giving the required notice at least 30 days before cancellation is effective. The reasons are:
- a) The policy was obtained through fraud, material misrepresentation or omission of fact which, if known to **us**, would have caused **us** not to issue the policy; or
 - b) There has been a material change or increase in hazard of the risk.
4. **Non-renewal**-**We** may elect not to renew or continue this policy by giving written notice of **our** intent at least 45 days (but not more than 60 days) before the end of the required policy period. The notice may be delivered to or mailed to **you** at the mailing address shown in the Declarations. Proof of delivery or mailing shall be sufficient proof of notice.
5. **Change, Modification or Waiver of Policy Terms**-A waiver or change of any **terms** of this policy must be issued by **us** in writing to be valid. **Our** request for an appraisal or examination under oath does not waive any of **our** rights. If **we** adopt any revision of forms or endorsements during a policy period which would broaden coverage under this policy without additional premium, the broadened coverage will automatically apply to this policy. If this policy is on a continuous basis (with no specified expiration date), **we** may substitute or add, upon any anniversary date, forms or endorsements which are authorized for use on this policy in accordance with **our** manual rules in effect at the time. If the change in forms or endorsements reduces coverage or limits, **we** must notify **you** as provided under the Non-renewal **terms** contained in this endorsement.
6. **Conformity with Statute**-**Terms** of this policy, in conflict with the statutes of the state where the premises described in the Declarations are located, are amended to conform to such statutes.
7. **Misrepresentation, Concealment or Fraud**-This entire policy is void if, whether before or after a loss:
- a. An **insured** has willfully concealed or misrepresented:
 - 1) Any material fact or circumstance concerning this insurance; or
 - 2) An **insured's** interest herein.
 - b. There has been fraud or false swearing by an **insured** regarding a matter relating to this insurance or the subject thereof.
8. **Inspection**-**We** are permitted, but not obligated, to inspect **your** property and operations. **Our** inspection or any resulting advice or report does not warrant that **your** property or operations are safe or healthful or are in compliance with any law, rule or regulation.
9. **Policy Premium**-If this policy is issued without a specified expiration date, it may be continued by payment of the required premium for the next annual period. The premium must be paid to **us** as specified on **our** premium notice.
10. **Recoveries**-If **we** pay an **insured** for loss under this policy and lost or damaged property is recovered or payment is made by those responsible for the loss, the following provisions apply:
- a. The **insured** must notify **us** or **we** will notify the **insured** promptly if either recovers the property or receives payment.
 - b. Any proper expenses incurred by either party in making the recovery are reimbursed first.
 - c. The **insured** may keep recovered property by refunding **us** the amount of the claim paid or any lesser amount to which **we** agree.
 - d. If the claim paid is less than the agreed loss due to a deductible, special limit of insurance or other limiting **terms** of the policy, any recovery will be pro-rated between the **insured** and **us** based on **our** respective interests in the loss.
11. **Subrogation**:
- a. If **we** make a payment under this policy, **we** may require that the **insured** assign to **us** his or her right of recovery against any person for loss to the extent of the payment. The **insured** must do everything necessary to make this assignment and secure **our** rights.
 - b. **We** are not liable for any loss if an **insured** does anything after the loss occurs to impair **our** right to recover. **You** may waive **your** right of recovery in writing before a loss occurs without voiding the coverage.
 - c. If **we** pay a loss to or on behalf of an **insured** and the **insured** recovers damages from another person for the same loss, the **insured** shall hold the amount recovered in trust for **us** and shall reimburse **us** as provided under Recoveries.
12. **Suit Against Us**-No suit to recover any property loss may be brought against **us** unless:
- a. The **terms** of this policy have been fully complied with; and,
 - b. The Suit is commenced within two years after the loss. If any law of the state where the premises described in the Declarations are located makes this limitation invalid, then suit must begin within the shortest period permitted by the law.
13. **Abandonment of Property**-**We** may take the property, or any part of it, at the agreed or appraised value, but an **insured** may not abandon the covered property to **us** unless **we** specifically agree.

14. **Appraisal**-If *you* and *we* do not agree on the cost to repair or replace, actual cash value of or amount of loss to covered property when loss occurs, either party may demand that these amounts be determined by appraisal. If either makes a written demand for appraisal, each shall notify the other of the appraiser's identity within 20 days of the written demand. The two appraisers will then select a competent, impartial umpire. If the two 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 property is located to select an umpire. The appraisers will then determine the amount of the damage stating separately and in detail: The cost to repair or replace, actual cash value of, and the amount of loss to each building item and item of personal property. If the appraisers submit a written report of any agreement to *us*, the amount agreed upon will be the amount of damage or value. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the cost to repair or replace, actual cash value of and amount of loss to each item. Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by *you* and *us*.
15. **No Benefit To Bailee**-Insurance under this policy shall not directly or indirectly benefit any hired carrier or anyone else who is paid for assuming custody of covered property.
16. **Secured Party Coverage**-Applies only to coverage on mobile homes and personal property; (this entire clause is void unless the name of a secured party is inserted in the Declarations. This clause applies only to the interest of a secured party and does not affect the *insured's* rights or duties under the policy). If a secured party is named in this policy, any loss payable on property subject to the security interest shall be payable to the secured party and *you* as interest may appear. If there is more than one security interest in the same property, the order of payment shall be the same as their order of priority. If *we* deny *your* claim, that denial shall not apply to a valid claim of a secured party, if such party has:
- Notified *us* of any change in ownership, occupancy or substantial change in risk of which the secured party became aware;
 - Paid any premium due under the policy on demand if *you* have not made such payment; and
 - Submitted a signed, Sworn Statement in Proof of Loss within 60 days if an *insured* has failed to do so.
- Policy conditions relating to appraisal, suit against *us* and loss payment apply to the secured party. If the policy is canceled by *us* the secured party shall be notified at least 10 days before the date cancellation takes effect. If *we* pay the secured party for any loss for which *we* have denied payment to *you*:
- We* are subrogated to all rights of the secured party granted under the security agreement; or
 - At *our* option, *we* may pay the secured party the remaining amount due on the security agreement plus interest and receive a full assignment of the security agreement and any Securities held as collateral for the agreement. However, the secured party's interest is not covered for conversion, embezzlement or secretion by an *insured* in possession of the encumbered property, unless specifically insured against and a premium paid for such.
17. **Mortgage clause**-Applies Only to Coverage on Buildings (this entire clause is void unless the name of the mortgagee (mortgage holder), or trustee under a trust deed, is inserted in the Declarations. This clause applies only to the mortgagee or trustee and does not affect *your* rights or duties under this policy).
- We* will pay for loss or damage to buildings to each mortgagee shown on the Declarations and to *you* as interest may appear. If more than one mortgagee is named in the Declarations, they shall be paid in that order of priority.
 - The mortgagee is entitled to receive loss payment even if the mortgagee has started foreclosure or other similar proceedings on the building or structure.
 - The insurance on the mortgagee continues in effect even when *your* insurance may be void because of *your* acts, neglect or failure to comply with policy *terms*, provided that the mortgagee:
 - Pays any premium due under this policy at *our* request insofar as *you* have failed to do so;
 - Submits a signed, Sworn Statement in Proof of Loss within 60 days after receiving notice from *us* of *your* failure to do so; and
 - Notifies *us* of any change in ownership, occupancy or substantial changes in risk known to the mortgagee. If all of these conditions are met, then the *terms* of this policy will apply directly to the mortgagee.
 - If *we* pay the mortgagee for a loss where *your* insurance may be void as a result of *your* acts, neglect or failure to comply with policy *terms* then:
 - The mortgagee's rights under the mortgage will be transferred to *us* to the extent of the amount *we* pay; and
 - The mortgagee's right to recover the remainder of the mortgage debt from *you* will not be impaired. At *our* option, *we* may pay the mortgagee the remaining principal and accrued interest in return for a full assignment of the mortgagee's interest and any instruments given as security for the mortgage debt.
 - If *we* cancel this policy, *we* will give written notice to the mortgagee at least:
 - 10 days before the effective date of cancellation if *we* cancel for nonpayment of premium or other statutory reasons; or
 - 30 days before the effective date of cancellation if *we* cancel for any other reason.

- f. If *we* do not renew this policy, *we* will give written notice to the mortgagee at least 10 days before the expiration of this policy.
18. **Additional Provisions**-Notwithstanding any other provisions of this policy:
- a. In the event of loss, *we* will pay no more than the lesser of the following:
- 1) The actual cash value of the property at the time of loss; or
 - 2) The amount which it would cost to repair or replace the property with material of like kind and quality, to the extent practical, within a reasonable time after loss; however:
 - a) *We* do not pay any increased cost of repair or reconstruction by reason of any ordinance, code or law regulating construction or repair; and
 - b) *We* do not, unless specifically provided in this policy, pay for loss resulting from the interruption of *business* or manufacturing; or
 - 3) An amount not exceeding the amount of insurance shown in the Declarations, but in any event for no more than the interest of the *insured*.
- b. The provisions of the appraisal clause set out in the standard fire policy and the provisions of section 3408 of the Insurance Law, including determinations as to the amount of loss or damage rendered thereunder, shall be binding on all parties to the contract of insurance evidenced by this policy.



FL-30
Ed. 5/92

AMENDATORY ENDORSEMENT PRINCIPAL COVERAGES

Refer to Supplemental Declarations if information is not shown on this form.

For an additional premium, *we* provide coverage under this endorsement subject to the *terms* contained in the General Policy Provisions.

Coverage B-Related Private Structures on the Premises-is deleted and replaced by the following:

Coverage B-Related Private Structures on the Premises.

This policy covers related private structures on the *insured premises* which are not attached to *your residence*.

(Structures connected to the *residence* by only a fence, utility line or similar connection are considered to be related private structures).

This coverage includes fences, driveways, sidewalks, and other permanently installed outdoor yard fixtures.

Coverage B does not cover:

1. structures designed or used for *business*; (However, this exclusion does not apply to structures rented, held for rental or otherwise used solely for private garage purposes).
2. outdoor antennas (including satellite systems), their lead-in wiring, accessories, masts and towers, except as provided under Incidental Coverages; and
3. trees, plants, shrubs and lawns.

Coverage D-Additional Living Expense & Loss of Rents Coverage-is deleted and replaced by the following:

Coverage D-Additional Living Expense and Loss of Rent Coverage.

Under Coverage D *we* pay:

1. the reasonable and necessary increase in living expenses *you* incur to maintain the normal standard of living of *your* household if the portion of the *insured premises* containing *your* household is made unfit for occupancy by a covered loss. *We* pay only for the period of time reasonably required to make the *insured premises* fit for occupancy or to settle *your* household in new quarters, whichever is less. This period of time is not limited by the policy period.
2. the fair rental value of that part of the *insured premises* that *you* rent, or hold for rental, to others if damage by a covered cause of loss makes that part unfit for its normal use. *We* pay only for the period of time reasonably required to make the *insured premises* fit for occupancy. Loss of rents covers only those expenses which necessarily continue during the repairs and it does not include any loss or expense due to cancellation of any lease or rental agreement. This period of time is not limited by the policy period.

This Change Applies To Form FL-1R ONLY

Optional causes of loss-Extended Coverage-The following causes of loss, 3 through 7, are subject to an additional premium charge and apply only if a premium for Extended Coverage is shown on the Declarations Page, is deleted and replaced by the following:

Extended Coverage-The following causes of loss, 3 through 7, are included in the basic premium charge.

LEAD EXCLUSION

WHAT WE DO NOT PAY FOR

The following exclusion is added to the **EXCLUSIONS** shown in the General Liability Coverage:

We do not pay for loss resulting directly or indirectly from ***bodily injury***:

1. resulting from inhalation or ingestion of dust, chips or other residues of lead or lead based materials adorning the interior or exterior of the covered building(s);
2. resulting from ingestion of leaded leachate from plumbing systems comprising part of the *insured premises*; or
3. resulting from ingestion of lead or residues of lead from the soil comprising a part of the *insured premises*.



FL-425
Ed. 4/10

NEW YORK POLICY CONDITIONS AMENDATORY ENDORSEMENT (For use with FL-20 Ed. 11/79 and FL-20 Ed. 1/92)

The coverage under this endorsement is subject to the **terms** contained in the General Policy Conditions. This endorsement amends the following policy condition(s):

Under the heading **Policy Conditions**, When **We** May Cancel subsection No. 2. e. in the FL-20 Ed. 11/79 and the heading **Conditions Applicable to All Coverages**, When **We** May Cancel subsection No. 3. e. in the FL-20 Ed. 1/92, the subsection is deleted and replaced, respectively, in each referenced form as follows:

- e. **When We May Cancel** - **We** may cancel the policy under the following conditions:
- 1) Non-Payment of Premium-If the premium has not been paid when due, **we** may cancel at any time by giving the required notice at least 15 days before cancellation is effective.
 - 2) New Policy-If this is a new policy which has been in effect less than 60 days and is not a renewal, **we** may cancel by providing a statement giving the specific reason or reasons for cancellation and by giving the required notice at least 30 days before cancellation is effective. A renewal of a policy issued by **us** is not a new policy.
 - 3) Policy with Term Over One Year-If this policy is written for a term longer than one year, **we** may cancel for any reason by giving **you** the required notice at least 45 days (but not more than 60 days) before the anniversary date of the **required policy period**.
 - 4) All Other Situations - If this policy has been in effect 60 days or more or is a renewal of a policy issued by **us**, **we** may cancel only for the reasons set forth below and by giving the required notice at least 30 days before the cancellation is effective. The reasons are:
 - a. conviction of a crime arising out of acts increasing the hazard insured against;
 - b. discovery of fraud or material misrepresentation in obtaining the policy or in the presentation of a claim thereunder;
 - c. discovery of willful or reckless acts or omissions increasing the hazard insured against;
 - d. physical changes in the property insured occurring after issuance or last annual anniversary date of the policy which result in the property becoming uninsurable in accordance with the insurer's objective, uniformly applied underwriting standards in effect at the time the policy was issued or last voluntarily renewed; or
 - e. a determination by the superintendent that the continuation of the policy would violate or would place the insurer in violation of the New York Insurance Law.

The Anti-Arson Application Section is New Material:

- 5) Anti-Arson Application - When the anti-arson application is applicable to the property covered by this policy pursuant to New York Insurance Department Regulation 96, **your** policy is amended to include the following provisions:
 - a. If **you** fail to return the completed, signed and affirmed anti-arson application to **us** or the agent or broker within 45 days of the effective date of coverage, **we** shall cancel such coverage by giving written notice in compliance with the applicable provisions of subsection (b) of section 3425 of the New York Insurance Law;
 - b. If **you** fail to return the completed, signed and affirmed anti-arson application to **us** prior to the annual renewal date of the policy, **we** shall cancel the policy in accordance with Section 3425(c)(2)(F) of the New York Insurance Law.

Under the heading **Policy Conditions**, Non-Renewal subsection 3. in the FL-20 Ed. 11/79 and the heading **Conditions Applicable to All Coverages**, Non-Renewal No. 4. in the FL-20 Ed. 1/92, the subsection is deleted and replaced in each referenced form as follows:

Non-Renewal - **We** may elect not to renew or continue this policy by giving written notice of **our** intent at least 45 days (but not more than 60 days) before the end of the **required policy period**. This notice shall contain **our** specific reason(s) for non-renewal or conditional renewal. The notice may be delivered to or mailed to **you** at the mailing address shown in the Declarations. Proof of delivery or mailing shall be sufficient proof of notice.

All other **terms** and conditions remain unchanged.



FL-73
Ed. 5/10

EARTH MOVEMENT EXCLUSION CLARIFICATION

The exclusion contained in this endorsement is subject to the *terms* contained in *your* policy

EXCLUSIONS

The EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES contained in *your* policy are clarified as follows:

The Earth Movement of any Kind exclusion contained in *your* policy is deleted and replaced as follows:

Earth Movement of any Kind-which includes, but is not limited to:

- a. earthquake, including tremors or land shock waves that occur before, during or after a volcanic eruption;
- b. landslide, mudslide or mudflow;
- c. subsidence, sinkhole, erosion, expanding or contracting, volcanic eruption or effusion including outpouring of lava or ash, except when sinkhole collapse and volcanic action are separately addressed by this policy; or
- d. any other earth movement including earth sinking and earth rising or shifting arising out of, caused by or resulting from any human or animal act or any act of nature.

We pay for direct loss by fire, explosion, and (if covered by this policy) theft resulting from earth movement. Explosion does not include volcanic eruption or effusion.

All other *terms* and conditions remain unchanged.

FL-73
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Ed. 5/10

FL-83
Ed. 2/02**AMENDMENT OF POLICY CONDITIONS**

(For Use with FL-20 Ed. 11/79 and FL-20 Ed. 1/92)

The coverage under this endorsement is subject to the **terms** contained in the General Policy Conditions. This endorsement amends the **CONDITIONS APPLICABLE TO ALL COVERAGES**.

The following provision is added to item 2, **CANCELLATION**:

- g. **Conditional Reinstatement**-if **we** issue a cancellation notice because **you** didn't pay the required premium when due and **you** then tender payment by check, draft or other remittance which is not honored on presentation, **your** policy will terminate on the date and time shown on the cancellation notice and any notice **we** issue which waives the cancellation or reinstates the policy is void. This means **we** will not be liable under this policy for claims or damages after the date and time indicated on the cancellation notice. **We** will give **you** notice of the dishonor of **your** remittance as soon as practicable but this shall not interrupt the cancellation of this policy.

Item 2d. under **CANCELLATION** is deleted and replaced as follows:

- d. **We** refund premium for the unexpired policy period on a pro-rata basis. Any unearned premium amounts under \$5.00 will be refunded only on **your** request.

The following provision is added to the **POLICY CONDITIONS** in accordance with Insurance Law section 3407-a:

When **you** have a claim of damage to real property pending; **we** will, at **your** request, furnish **you** or **your** representative designated in writing, a copy of any written estimate(s) of the cost of damages to your real property that **we** prepared or had prepared on **our** behalf. **We** will respond within thirty days after the request or preparation, whichever is later, and **we** will show all real property deductions under consideration in the estimate(s). **We** are not required to provide an estimate unless **we** prepared one or had one prepared for **us**.

FL-84A
Ed. 4/94

NEW YORK AMENDATORY ENDORSEMENT (For use with FL-30 Ed. 5/92)

The coverage under this endorsement is subject to the *terms* contained in the General Policy Conditions. This endorsement amends the following policy condition.

Under the heading **Coverage B-Related Private Structures on the Premises**, subsection titled **Coverage B** does not cover on form FL-30 Ed. 5/92; the subsection is deleted and replaced as follows:

Coverage B does not cover:

1. structures designed or used for *business*; (However, this exclusion does not apply to structures rented, held for rental or otherwise used solely for private, non-commercial garage purposes).
2. outdoor antennas (including satellite systems), their lead-in wiring, accessories, masts and towers, except as provided under Incidental Coverages.
3. trees, plants, shrubs and lawns, except as provided under Incidental Coverages.
4. land, including the land on which the property is located. This includes the cost of excavating, removing, grading or filling land, or water in or on that land.
5. pools, piers, wharves, docks, underground pipes, flues, conduits and drains, and retaining walls that are not part of the building.

D-Additional Living Expense & Loss of Rents Coverage-is deleted and replaced by the following:

Coverage D Additional Living Expense or Loss of Rent Coverage

Under Coverage D *we* pay:

1. the reasonable and necessary increase in living expenses *you* incur to maintain the normal standard of living of *your* household if the portion of the *insured premises* containing *your* household is made unfit for occupancy by a covered loss. *We* pay only for the period of time reasonably required to make the *insured premises* fit for occupancy or to settle *your* household in new quarters, whichever is less. This period of time is not limited by the policy period; or
2. the fair rental value of that part of the *insured premises* that *you* rent, or hold for rental, to others if damage by a covered cause of loss makes that part unfit for its normal use. *We* pay only for the period of time reasonably required to make the *insured premises* fit for occupancy. Loss of rents covers only those expenses which necessarily continue during the repairs and it does not include any loss or expense due to cancellation of any lease or rental agreement. This period of time is not limited by the policy period.

There is a Change Applicable to Form FL-1R ONLY:

Optional causes of loss-Extended Coverage-The following causes of loss, (3 through 9), are subject to an additional premium charge and apply only if a premium for Extended Coverage is shown on the Declarations Page is deleted and replaced by the following:

Extended Coverage-The following causes of loss, (3 through 9), are included in the basic premium charge.

**IMPORTANT FLOOD INSURANCE NOTICE****FMD-1****Ed. 8/08**

Your homeowners or dwelling policy does NOT provide coverage for loss caused by flood or mudslide, which is defined in part, by the National Flood Insurance Program as:

A general and temporary condition of partial or complete inundation of normally dry land areas from overflow of inland or tidal waters or from the unusual and rapid accumulation or runoff of surface waters from any source.

If you are required by your mortgage lender to have flood insurance on your property, or if you feel that your property is susceptible to flood damage, insurance covering damage from flood is available on most buildings and contents in participating communities through the National Flood Insurance Program.

Information about flood insurance and whether your community participates in the program can be obtained from your insurance company, from your insurance agent/broker, or directly from the National Flood Insurance Program by calling 1-800-638-6620 or via their website at <http://www.floodsmart.gov>.

FMD-1**Ed. 8/08**



ML-217
Ed. 9/99

INTENTIONAL ACTS CLARIFICATION

Refer to Supplemental Declarations if information is not shown on this form.

The clarification under this endorsement is subject to the *terms* contained in the General Liability Coverage.

WHAT *WE* DO NOT PAY FOR

The following clarification is added to the General Liability Coverage:

We do not pay for *bodily injury, property damage* or costs from the actual or alleged willful or malicious failure to guard, or to warn against, a dangerous condition, use, structure or activity on recreational property made available without cost to users.

All other *terms* and conditions remain unchanged.

ML-217

Ed. 9/99



ML-430B
Ed. 2/08

RENEWAL ENDORSEMENT

Refer to Supplemental Declarations if information is not shown on this form.

We provide coverage under this endorsement subject to the *terms* contained in the General Policy Provisions.

This policy may be continued by payment of the required premium for the next policy period. The premium must be paid to *us* as specified in the premium notice.

If any of the forms attached to *your* policy are revised, *we* will enclose a copy of that revision with *your* renewal policy.

If *we* adopt any revision of forms or endorsements during a policy period which would broaden coverage under this policy without additional premium, *your* policy will be liberalized to include that broadened coverage.

THIS CONTINUATION CERTIFICATE IS CONDITIONED ON PAYMENT OF THE REQUIRED PREMIUM FOR THE NEXT POLICY PERIOD. THIS IS AN IMPORTANT INSURANCE DOCUMENT AND IT SHOULD BE RETAINED WITH YOUR POLICY.

PLEASE REFER TO YOUR POLICY FOR A COMPLETE DESCRIPTION OF YOUR COVERAGES AND FORMS. PLEASE CONTACT YOUR AGENT FOR ASSISTANCE. THANK YOU.

ML-430B

Ed. 2/08



ML-60
Ed. 6/99

MODIFICATION OF TERMINOLOGY
(Applicable to manufactured homes produced after 1967)

Refer to Supplemental Declaration if information is not shown on this form.

We provide coverage under this endorsement subject to the *terms* contained in the General Policy Provisions.

Modification of Terminology

To the extent that the words "mobile home(s)" or "mobile home park(s)" appear in this policy, the words are substituted for and replaced by "manufactured home(s)" and "manufactured home park(s)" respectively.

ML-60

Ed. 6/99

NSC

**Notice to Senior Citizen Insureds**

New York Insurance Law provides that Senior Citizen Insureds may designate a third party to whom we shall submit Notices of Cancellation, Nonrenewal, or Conditional Renewal.

If you are a Senior Citizen Insured (age 65 or older) and a New York resident, you may elect to designate a third party to whom we will transmit copies of such notices.

In the event you wish to designate a third party for this purpose, you must notify us by certified mail, return receipt requested, that a third party has been designated. Such notice to us must contain, in writing, an acceptance by the third party designee; such designee shall provide written notice to us and to the senior citizen insured.

If you are a Senior Citizen Insured and need assistance or additional information regarding this subject, you may contact your agent, or you may write to the company at the Home Office, Bamerville Road, Cobleskill, New York 12043.

Sterling Ins. Co.**1/91**

SIC-TERR-DISC
Ed. 1/15

POLICYHOLDER DISCLOSURE

NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015 (the Act), you have insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term “act of terrorism” means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States Government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020; of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided below and does not include any charges for the portion of loss that may be covered by the federal government under the Act.

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers’ liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

Any coverage provided by your policy in compliance with the Act is limited by the terms, conditions, limits, exclusions and other provisions of your policy.

No terrorism exclusion or limitation is permitted to the extent that coverage is otherwise required by law. Accordingly, no such exclusion or limitation is permissible for coverage with respect to the peril of fire that is subject to New York Insurance Law Section 3404 or for workers’ compensation insurance. An insured cannot voluntarily waive this statutorily mandated coverage.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$0.00.

TERR-COV
Ed. 1/15

NOTICE OF TERRORISM INSURANCE COVERAGE

Refer to Supplemental Declarations if information is not shown on this form.

The portion of *your* annual premium that is attributable to coverage for acts of terrorism is \$ _____.

Coverage for *acts of terrorism* is included in *your* policy. The term *act of terrorism* as defined in Section 102(1) of the Terrorism Risk Insurance Act, as amended in 2015 (the Act), means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an *act of terrorism*; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

To the extent coverage for such certified *acts of terrorism* is provided by *your* policy, any losses resulting from certified *acts of terrorism* may be partially reimbursed by the United States Government under a formula established by the Act. Under the formula, the United States Government reimburses the following percentage of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage: 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020.

The Act contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified *acts of terrorism* when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, *your* coverage may be reduced. As such, if aggregate insured losses resulting from certified *acts of terrorism* exceed \$100 billion dollars in any one calendar year beginning January 1 and ending December 31, the Treasury will not pay for any portion of the amount of those losses that exceed the \$100 billion cap.

Should the Secretary of the Treasury make a determination that the aggregate amount of loss from certified *acts of terrorism* has exceeded the \$100 billion cap in a calendar year beginning January 1 and ending December 31, and *we* have met our insurer deductible under the Act, then *we* will not pay for any portion of loss resulting from a certified *act of terrorism* that exceeds \$100 billion. Should the loss resulting from certified *acts of terrorism* exceed \$100 billion in any one calendar year beginning January 1 and ending December 31, any covered losses up to \$100 billion are subject to pro rata allocation according to procedures established by the Secretary of the Treasury under the Act.

Any coverage provided by *your* policy in compliance with the Act is limited by the *terms*, conditions, limits, exclusions and other provisions of *your* policy. The *terms* of this coverage are not intended to provide coverage for any loss or damage that would be otherwise excluded under this policy by any other exclusion(s) that address war, military action or nuclear hazards.

No terrorism exclusion or limitation is permitted to the extent that coverage is otherwise required by law. Accordingly, no such exclusion or limitation is permissible for coverage with respect to the peril of fire that is subject to New York Insurance Law Section 3404 or for workers' compensation insurance. An *insured* cannot voluntarily waive this statutorily mandated coverage.

All other *terms* and conditions remain unchanged.



FL-2
Ed. 1/92

CAUSES OF LOSS

We insure under Coverage A (and Coverage C when applicable) against direct physical loss or damage by these causes of loss:

1. **Fire or Lightning.**
2. **Explosion**-including loss or damage caused by explosion of gas or fuel in the fire box, combustion chamber or flues.
We do not pay for loss or damage caused by:
 - a. explosion of steam boilers, steam pipes, steam turbines or steam engines if owned, leased by or operated under control of an *insured*;
 - b. electric arcing;
 - c. rupture or bursting of rotating or moving parts of machinery caused by centrifugal force or mechanical breakdown;
 - d. water hammer;
 - e. rupture, bursting or operating of pressure relief devices; or
 - f. rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water.
3. **Windstorm or Hail**-excepting the following loss or damage:
 - a. caused directly or indirectly by frost, cold weather, ice (other than hail), snow or sleet, all whether wind driven or not;
 - b. to the interior of a building or mobile home, or to the property inside, caused by dust, rain, sand, sleet, snow or water, all whether wind driven or not. Loss caused by dust, rain, sand, sleet, snow or water is covered if these elements enter through an opening in the roof or walls resulting from damage caused by the direct force of wind or hail; or
 - c. to watercraft (except rowboats and canoes on the *insured premises*) including their trailers, accessories, equipment and outboard motors unless such property is inside a fully enclosed building.
4. **Riot or Civil Commotion**-including loss or damage resulting directly from pillage and looting that occurs during a riot or civil commotion, where it is taking place. *We* also cover loss or damage caused by striking employees of the building owner or tenant while strikers occupy the *insured premises*.
5. **Aircraft**-including loss or damage caused by impact by an aircraft, or parts falling from it, with the covered property. The term aircraft includes spacecraft and self-propelled missiles.
6. **Vehicles**-including loss or damage caused by impact by a vehicle, or an object thrown by it, with the covered property.
We do not pay for loss or damage caused by a vehicle:
 - a. owned, leased or operated by *you* or an occupant of the *insured premises*; or
 - b. to *your* fence(s), driveway(s) or walk(s).
7. **Smoke**-meaning sudden and accidental damage from smoke excepting, smoke from industrial operations or agricultural smudging.
8. **Sinkhole Collapse**-meaning loss or damage caused by sudden settlement or collapse of the earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.
We do not pay for the value of land or the cost of filling sinkholes.
9. **Volcanic Action**-meaning direct loss or damage caused by volcanic action, including airborne volcanic blast or shockwaves; ash, dust or particulate matter; or lava flow. All volcanic actions that occur within any 72 hour period will constitute a single *occurrence*.
We do not pay for removal of ash, dust or particulate matter unless it causes direct physical loss to the described property.
10. **Vandalism**-excepting loss at the *insured premises* while the *residence* is vacant for more than 30 consecutive days immediately before a loss. A *residence* under construction is not considered vacant.
11. **Breakage of Glass or Safety Glazing Materials**-meaning accidental breakage of glass or safety glazing material which is part of the *insured premises*.

We do not pay for such loss if the *residence* is vacant for more than 30 consecutive days immediately before a loss.

A *residence* under construction is not considered vacant.

12. **Falling Objects**-excepting the following loss or damage:
 - a. to the interior of a building or mobile home, or to the property inside, unless the falling object has first damaged the outside walls or roof by impact;
 - b. to *business* or personal property in the open; or
 - c. to the falling object itself.
13. **Weight of Ice, Snow or Sleet**-including physical damage to the *residence* or to the property inside.
We do not pay for loss:
 - a. to awnings or canopies and their supports and to gutters and downspouts; or
 - b. to swimming pools, retaining walls, fences, septic tanks, piers, wharves, docks, foundations, patios, paved areas and outdoor equipment not permanently installed.
14. **Collapse of a Building or Any Part of a Building**-excepting settling, cracking, shrinking, bulging or expansion of a building.
We do not pay for these losses unless they are caused directly by collapse of a building:
 - a. damage to awnings or canopies and their supports and gutters and downspouts.
 - b. damage to swimming pools, retaining walls, fences, septic tanks, piers, wharves, docks, foundations, patios, paved areas and outdoor equipment; or
 - c. damage which results from an excluded cause or event.
15. **Sudden and Accidental Tearing Apart, Cracking, Burning or Bulging**-of a heating or air conditioning system or water heater.
We do not pay for loss caused by freezing.
16. **Accidental Discharge or Overflow of Water or Steam**-from within a plumbing, heating, air conditioning, automatic fire protective sprinkler system or domestic appliance.
We do not pay for loss or damage caused by:
 - a. continuous or repeated seepage or leakage; or
 - b. discharge or overflow if the *residence* has been vacant for more than 30 consecutive days immediately before a loss.

A *residence* under construction is not considered vacant.
We do not pay for loss or damage to the system or appliance from which the water or steam escapes however, *we* do pay the reasonable cost of removing and replacing only those parts of the *residence* necessary to make repairs to the system or domestic appliance involved.
17. **Freezing of Plumbing, Heating, Air Conditioning Systems, Automatic Fire Protective Sprinkler Systems or Domestic Appliances**-excepting loss or damage on the *insured premises* while the *residence* is vacant, unoccupied or being constructed.
We do cover such loss or damage if an *insured* has used reasonable care to maintain heat in the *residence* or to shut off all water and to completely drain the system and domestic appliances.
18. **Sudden and Accidental Damage from Artificially Generated Electrical Currents**-excepting loss or damage to tubes, transistors and similar electronic components.

Replacement Cost Provision (Not Applicable To Mobile Homes Whether Or Not On A Permanent Foundation)

(*Our* liability under this provision is subject to the *terms* of How Much *We* Pay for Loss or Claim in the General Policy Provisions).

1. This provision applies only to covered buildings, including additions and built-in components and fixtures, covered under Coverage A-*Residence* and Coverage B-Related Private Structures on the Premises. The building must have a permanent foundation and roof. This provision does not apply to:
 - a. mobile homes whether or not on a permanent foundation;
 - b. domestic appliances;
 - c. carpeting, curtains and drapes all whether or not permanently installed;
 - d. detachable building items including screens, awnings, storm doors and windows, and window air conditioners; or
 - e. outdoor structures (other than buildings) which are not permanent components or fixtures of a building. These include (but are not limited to) swimming pools, fences, paved areas, submersible pumps and sump pumps.

2. If the amount of insurance on the damaged buildings is less than 80 percent of its replacement cost at the time of loss, **we** pay the larger of the following (in excess of the deductible):
 - a. actual cash value of the damaged part of the building; or
 - b. that proportion of the replacement cost of the damaged part which **our** amount of insurance on the building bears to 80 percent of the full current replacement cost of the building.
3. If the amount of insurance on the damaged building is at least 80 percent of its replacement cost at the time of loss, **we** pay the full cost of repair or replacement of the damaged part without deduction for depreciation.
We pay the smallest of the following amounts:
 - a. the amount of insurance applicable to the building;
 - b. the cost (in excess of the deductible) to repair or replace the damage on the same premises using materials of equivalent kind and quality, to the extent practical; or
 - c. the amount (in excess of the deductible) actually and necessarily spent to repair or replace the damage.
4. When the cost to repair or replace exceeds the lesser of \$1,000 or 5 percent of the applicable amount of insurance on the damaged building, **we** are not liable for more than the actual cash value of the loss until actual repair or replacement is completed.
5. **You** may make a claim for the actual cash value amount of the loss before repairs are made. A claim for any additional amount payable under this provision must be made within 180 days after the loss.



FL-342
Ed. 4/16

UNDERGROUND UTILITY LINE ENDORSEMENT

Refer to Supplemental Declarations if information is not shown on this form.

We provide coverage under this endorsement subject to the *terms* contained in the General Policy Provisions.

Policy Number: _____

Named *Insured*: _____

SCHEDULE

Underground Utility Line Coverage Per <i>Occurrence</i> Limit:	<u>\$10,000</u>
Underground Utility Line Coverage Per <i>Occurrence</i> Deductible:	<u>\$500</u>

This policy is amended to include the following *terms* outlined below. All other *terms* of the policy apply, except as amended by this endorsement.

UNDERGROUND UTILITY LINE COVERAGE

We cover direct physical loss to *underground utility line covered property* that is caused by an *underground utility line occurrence* at the *insured premises*. Underground Utility Line Coverage extends to any Coverage D provided in the policy to which this endorsement attaches. The Underground Utility Line Coverage Per *Occurrence* Limit shown in the Schedule above is the most *we* pay for any one loss, regardless of the number of *underground utility line occurrences*.

DEFINITIONS

The following definitions are added:

1. *Underground Utility Line Covered Property* as used herein means any piping or wiring that provides the following services to an *insured premises*: electrical power, heating, natural gas, waste disposal, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. However, *underground utility line covered property* does not include any piping or wiring that is above ground.
2. *Underground Utility Line Occurrence* as used herein means loss or damage caused by:
 - a. Wear and tear;
 - b. Rust or other corrosion, decay, deterioration, hidden or latent defect;
 - c. Collapse, but not including sinkhole or subsidence collapse;
 - d. Electrical, mechanical or pressure systems breakdown; or
 - e. Freezing.

Underground utility line occurrence will only apply to causes of loss listed above. However, *underground utility occurrence* will include any excavation costs associated with the repair or replacement of *underground utility line covered property*.
3. *Green* means products, materials, methods and processes certified by a *green authority* that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.
4. *Green authority* means an authority on *green* buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), Green Building Initiative Green Globes®, Energy Star Rating System or any other recognized *green* rating system.

HOW MUCH WE PAY FOR LOSS OR CLAIM

1. In the General Policy Provisions, under How Much *We* Pay For Loss Or Claim, Deductible is deleted and replaced by the following with respect to the coverage provided by this endorsement.

Deductible

- a. The deductible shown in the Schedule above applies to all coverages provided by this endorsement.
 - b. Subject to the limit set forth in the Schedule above, *we* pay that part of the loss, damage, or expense over the deductible. Only one deductible applies at each location.
2. Subject to the other *terms* shown under How Much *We* Pay For Loss Or Claim in the General Policy Provisions, and the *terms* of this endorsement, *we* settle Underground Utility Line losses according to the Replacement Cost Terms.

Replacement Cost Terms - The smaller of the following amounts is used in computing How Much *We* Pay For Loss or Claim for Underground Utility Line losses:

- a. The cost, at the time of loss, to replace the lost or damaged part of the property, without deduction for depreciation;
- b. The cost, at the time of loss, to repair the damaged part of the property; or
- c. The limit set forth in the Schedule above.

EXTENSION OF COVERAGE**Green Environmental, Safety, and Efficiency Improvements**

If covered property requires repair or replacement due to an *underground utility line occurrence*, *we* will pay:

1. The additional cost to repair or replace that property with equipment that is better for the environment, safer, or more efficient than the equipment being repaired or replaced;
2. The additional reasonable and necessary fees incurred by the *insured* for an accredited professional certified by a *green authority* to participate in the repair or replacement of physically damaged covered property as *green*;
3. The additional reasonable and necessary cost incurred by the *insured* for certification or recertification of the repaired or replaced *underground utility line covered property* as *green*;
4. The additional reasonable and necessary cost incurred by the *insured* for *green* in the removal, disposal or recycling of damaged *underground utility line covered property*; or
5. The Coverage D loss during the additional time required for repair or replacement of covered property, consistent with *green*, in the coverages above.

However, *we* will not pay more than 150% of what the cost would have been to repair or replace such property with like kind and quality, inclusive of fees, costs, and any loss of use loss incurred as stated above.

This Extension of Coverage will be part of, and not an addition to, the limit set forth in the Schedule above.

FL-52A
Ed. 12/98

TRAMPOLINE EXCLUSION

Refer to Supplemental Declarations if information is not shown on this form.

The exclusion under this endorsement is subject to the *terms* contained in the Liability Coverage Section.

WHAT WE DO NOT PAY FOR

The following exclusion is added to the EXCLUSIONS shown in the policy section titled **EXCLUSIONS**:

1. **Exclusions that apply to Both Personal Liability and Medical Payments to Others or Exclusions that apply to Bodily Injury, Property Damage or Premises Medical Payments Coverages:**

We do not pay for *bodily injury* or *property damage* or Medical Payments to Others arising out of injury or damage sustained while tumbling, exercising or otherwise using a **trampoline** owned or used by *you*, *your* tenant, a resident of *your* tenant or other resident of *your* household.

ADDITIONAL DEFINITIONS

Trampoline means a resilient membrane supported by springs in a circular or rectangular frame and used as a springboard and landing area for tumbling, gymnastics or exercise activities.

FL-52A

Ed. 12/98



FL-OLT
Ed. 1/92

PREMISES LIABILITY INSURANCE COVERAGE PART FOR RESIDENCE, APARTMENT AND TWO TO FOUR FAMILY DWELLINGS

AGREEMENT

We agree to provide Premises Liability insurance and the other related coverages described in this Policy in return for payment of the required premium. *We* have added this Coverage Part to *your* Property Insurance Policy. It will expire at the same time the Property Insurance Policy expires and it is subject to the same cancellation provisions.

It is important that *you* read each part of this policy carefully to understand the coverage provided, *your* obligations and *our* obligations under the policy. Each coverage is subject to all *terms* relating to that coverage.

The complete Premises Liability Coverage consists of the declarations page, this booklet, and other endorsements which may be added.

The Table of Contents shows how the coverage part is organized and will help *you* locate particular sections.

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DEFINITIONS-The following definitions apply to this policy.

- The words *you* and *your* refer to the person or entity named in the Declarations and the words *we*, *us* and *our* refer to the insurance company named in the Declarations.
- Bodily injury*** means *bodily injury*, bodily sickness or bodily disease sustained by any person which occurs during the policy period, including death at any time resulting from such *bodily injury*, bodily sickness or bodily disease.
- Business*** means a trade, profession, or other occupation including farming, all whether full or part time, or the rental of any property to others. (However, *business* does not include the rental of the *insured premises* for residential purposes)
- Insured***-Each of the following is an *insured* under the conditions and limitations set forth below:
 - If the named *insured* is an individual, *insured* means *you* and, if residents of *your* household, *your* relatives and any person under the age of 21 in *your* care or in the care of *your* resident relatives.
 - If the named *insured* is a partnership or joint venture, any partner or member and their spouse is an *insured* but only with respect to the conduct of the *business*.
 - If the named *insured* is an organization, the executive officers, members of the board of trustees, directors and governors are *insureds* while acting within the scope of their duties as officers or directors. Stockholders are also *insureds* but only with respect to their liability as stockholders.
 - If *you* die while *insured* under this policy *your* protection passes to *your* legal representative or other person having proper temporary custody of covered property. However, this person or *your* legal representative is an *insured* only with respect to insurance on covered property and legal liability arising out of the property. Any

person who is an *insured* at the time of *your* death continues to be an *insured* while residing on the *insured premises*.

- e. Each person listed above is a separate *insured* under this policy, but this does not increase *our* limit of liability under this policy.

5. Insured Premises.

a. Described Location:

- 1) If *you* own the one to four family house described in the Declarations, the *insured premises* means that house, related private structures, and grounds at that location.
- 2) If *you* own the townhouse or row house described in the Declarations, the *insured premises* means that townhouse or row house, related private structures and grounds used or occupied exclusively by *your* household for residential purposes at that location.
- 3) If *you* own the one or two family mobile home described in the Declarations, the *insured premises* means that mobile home, related private structures and grounds at that location.
- 4) If *you* reside in the condominium unit, cooperative, apartment or rented premises described in the Declarations, the *insured premises* means the parts of the described location which are used or occupied exclusively by *your* household for residential purposes.

b. Insured premises also include the following:

- 1) any premises used by *you* in connection with the described location; and
- 2) approaches and access ways immediately adjoining the *insured premises*.

6. **Medical expenses** mean reasonable and necessary expenses for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing and funeral services, prosthetic devices, and eyeglasses, including contact lenses.

7. **Motorized Vehicle means** any self-propelled land or amphibious vehicle (regardless of horsepower, number of wheels or method of surface contact) including parts and equipment. (This does not include small motorized equipment for the service of the *insured premises* such as power lawn mowers and snow blowers)

The following categories of *motorized vehicles* have specific meanings as used in this policy.

a. Motor Vehicle means a motorized vehicle, trailer or semi-trailer (including any attached machinery or apparatus):

- 1) subject to *motor vehicle* registration; or
- 2) designed for use or travel on public roads.

b. Recreational motor vehicle means a motorized vehicle (other than a motor vehicle as defined above), trailer, or attached apparatus designed or used for recreation, vacation or leisure time activities.

8. **Occurrence** means an accident, including continuous or repeated exposure to substantially similar conditions.

9. **Property Damage** means injury to or destruction of tangible property including the loss of its use.

10. **Residence** means a one to four family house, a townhouse, a row house, or one or two family mobile home.

11. **Terms** as used in this policy mean provisions, limitations, exclusions and definitions.

PRINCIPAL BODILY INJURY AND PROPERTY DAMAGE COVERAGES

Coverage L-Premises Liability Coverage

We pay up to *our* limit of liability, all sums for which the *insured* is legally liable because of *bodily injury* or *property damage* caused by an *occurrence* to which this coverage applies. *We* shall have the right and duty to defend any suit seeking damages, even if any of the allegations of the suit are groundless, false or fraudulent, provided the suit resulted from *bodily injury* or *property damage* not excluded under this coverage. The *bodily injury* or *property damage* must result from the ownership, maintenance or use of the *insured premises*, and operations necessary or incidental to the *insured premises*.

We will defend (with counsel of *our* choice) any suit seeking damages, provided the suit resulted from *bodily injury* or *property damage* not excluded under this coverage. *We* may make any investigation and settle any claim or suit that *we* decide is appropriate. *We* are not obligated to provide a defense after *we* have paid, either by judgement or settlement, an amount equal to *our* limit of liability.

Coverage M-Premises Medical Payments

We provide Premises Medical Payments only if a limit of liability for Premises Medical Payments is shown on the Declarations.

We pay the necessary *medical expenses* incurred or medically determined within one year from the date of an accident causing *bodily injury* to which this coverage applies. This coverage applies only to *bodily injury*

1. caused by a condition in the *insured premises*.
2. caused by operations covered by the *bodily injury* liability afforded by this policy.

INCIDENTAL BODILY INJURY AND PROPERTY DAMAGE COVERAGES

This policy provides the following Incidental Liability Coverages. These incidental coverages are subject to the *terms* of the Principal Liability Coverages. These incidental coverages do not increase the limit of liability stated for the principal coverages except: Claims Expense Coverage and First Aid Expense Coverage.

1. **Contracts and Agreements Coverage**-We pay for damages for *bodily injury* or *property damage* resulting from liability assumed by an *insured* under a contract, relating to the *insured premises* provided:
 - a. the contract is in writing and made before the loss; and
 - b. it is not in connection with *business* activities of any *insured*.
2. **Claims and Defense Expense Coverage**-We pay the following expenses incurred in connection with a suit defended by *us* under the Personal Liability coverage:
 - a. costs taxed to the *insured*;
 - b. expenses incurred by *us*;
 - c. actual loss of earnings by an *insured*, up to \$50 per day, for time spent away from work at *our* request;
 - d. other necessary expenses incurred at *our* request;
 - e. interest accruing after entry of a judgment but ending when *we* tender or pay up to the applicable limit of liability;
 - f. prejudgment interest awarded against the *insured* on that part of the judgement *we* pay. *If we* make an offer to pay the applicable limit of liability, *we* will not pay any prejudgment interest based on that period of time after the offer;
 - g. premiums on appeal bonds or bonds to release attachments up to *our* limit of liability; (*we* are not required to apply for or furnish any bonds) and
 - h. premiums up to \$500 per bail bond required of any *insured* because of an accident or traffic law violation arising out of the use of any vehicle to which this policy applies. (*We* are not required to apply for or furnish any bonds). *We* do not pay for punitive or exemplary damages, or defense costs related thereto. This exclusion applies regardless of any other provision of this policy or endorsements attached to this policy.
3. **First Aid Expense Coverage**-Regardless of an *insured's* legal liability, *we* pay expenses incurred by an *insured* for first aid to persons, other than *insureds*, for *bodily injury* covered by this policy.
4. **Incidental Motorized Vehicle Coverage**-We pay for *bodily injury* or *property damage* which:
 - a. occurs on the *insured premises* and results from the ownership, maintenance, use, loading or unloading by an *insured* of:
 - 1) *motorized vehicles* not subject to motor vehicle registration because of their type or use; or
 - 2) *recreational motor vehicles*;
 - b. occurs away from the *insured premises* and results from *motorized vehicles* designed exclusively for use off public roads and used principally to service the *insured premises* and not subject to *motor vehicle* registration.
5. **Incidental Business Coverage**-We pay for *bodily injury* or *property damage* resulting from:
 - a. the occasional rental of the portion of the *insured premises* normally occupied by *you*, exclusively for residential purposes;
 - b. the rental of any other portion of the *insured premises* for residential purposes; (No family unit may include more than two roomers or boarders)
 - c. the rental of a portion of the *insured premises* as a school, studio, office or private garage;
 - d. incidental activities normally performed by minors; and
 - e. activities in conjunction with *business* pursuits which are ordinarily considered *non-business* in nature.
6. **Watercraft**-We pay for *bodily injury* or *property damage* resulting from the ownership or maintenance of watercraft, while ashore on the *insured premises*.
7. **Operations at Insured Premises**-We pay for *bodily injury* or *property damage* resulting from structural alterations and repairs conducted on the *insured premises* These operations must not change the use of the premises from that described in the Declarations.

EXCLUSIONS

1. **Exclusions that Apply to Bodily Injury, Property Damage and Premises Medical Payments Coverages**

This Policy does not apply to liability:

- a. caused directly or indirectly by war; (This means undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction, seizure or use of property for a military purpose. It includes any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental)

- b. resulting from the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading or unloading of aircraft;
 - c. resulting from the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading or unloading by an *insured* of *motorized vehicles* or watercraft, except as provided under Incidental *Bodily Injury* and *Property Damage* Coverages;
 - d. resulting from the use of a *motorized vehicle* in any racing, speed, pulling or pushing, demolition or stunting activity or contest or in the practice or preparation for such activity or contest;
 - e. resulting from the rendering of or failing to render professional services;
 - f. resulting from activities in connection with an *insured's business*, except as provided under Incidental *Bodily Injury* and *Property Damage* Coverages;
 - g. resulting from premises owned, rented or controlled by an *insured* other than the *insured premises*;
 - h. caused intentionally by or at the direction of any *insured*, including unintentionally caused injuries resulting from assault, battery and/or sexual abuse by or at the direction of any *insured*;
 - i. for *bodily injury* if benefits are payable or required to be provided by an *insured* under any workers' compensation, non-occupational disability, occupational disease or similar law;
 - j. for which an *insured* under this policy is also an *insured* under a nuclear energy liability policy or would be an *insured* but for the exhaustion of its limits of liability. (A nuclear energy liability policy is a policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors)
 - k. resulting from *bodily injury* to any employee of the *insured* arising out of and in the course of his/her employment by the *insured* or to any obligation of the *insured* to indemnify or contribute with another because of damages arising out of such injury.
 - l. for *bodily injury* or *property damage* for which an *insured* may be held liable:
 - 1. as a person or organization engaged in the manufacture, distribution, sale or serving of alcoholic beverages; and
 - a) when an *insured* serves or provides alcoholic beverages at a fee; whether for profit or otherwise and whether a license is required or not; or
 - b) when an *insured* serves or provides alcoholic beverages free; if a license is required for such activities;
 - 2. if not so engaged, as an owner or lessor of premises used for such purposes, if such liability is imposed:
 - a) by, or because of the violation of any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverage; or
 - b) by reason of the selling, serving or giving of any alcoholic beverage to a minor or to a person under the influence of alcohol or which causes or contributes to the intoxication of any person;

but, part 2 b) of this exclusion **does not apply** with respect to liability of an *insured* as owner or lessor described in 2. above;
 - m. caused by structural alterations, new construction or demolition operations performed by or for *you* except as provided in Incidental *Bodily Injury* and *Property Damage* Coverages; or
 - n. for *bodily injury* or *property damage* for which an *insured* may be held liable:
 - 1. resulting directly or indirectly from the transmission of a communicable disease by an *insured* or an employee of an *insured*; or
 - 2. resulting from the use, possession, manufacture, sale or distribution of controlled substances as shown in 21 USCS 812 and amendments. The legitimate use of prescription drugs is excepted from this exclusion.
2. **Exclusions that Apply only to Bodily injury and Property damage**-This coverage does not apply to liability:
- a. for *bodily injury* to *you* and, if residents of *your* household, *your* relatives, and any other person under the age of 21 in *your* care or in the care of *your* resident relatives;
 - b. assumed under any contract or agreement, except as provided under incidental Liability and Medical Payments Coverages;
 - c. for damage to property owned by any *insured*; for damage to property rented to, occupied by, used by, or in the care of an *insured*; and
 - d. resulting from *bodily injury* or *property damage* arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants:
 - 1. at or from premises owned, rented or occupied by the named *insured*;
 - 2. at or from any site or location used by or for the named *insured* or others for the handling, storage, disposal, processing or treatment of waste;
 - 3. which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the named *insured* or any other person or organization for whom the named *insured* may be legally responsible; or

4. at or from any site or location on which the **named insured** or any contractors or subcontractors working directly or indirectly on behalf of the **named insured** are performing operations:
 - a) if the pollutants are brought on or to the site or location in connection with such operations; or
 - b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the pollutants.

For the purpose of this provision, pollutant means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

We do not pay for any loss, cost or expense arising out of any governmental direction or request that the **named insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

This exclusion does not apply to **bodily injury or property damage** caused by heat, smoke or fumes from a hostile fire. For the purpose of this exclusion, hostile fire means a fire which becomes uncontrollable or breaks out from where it was intended to be.

3. **Exclusion that Apply only to Premises Medical Payments** -This coverage does not apply to **bodily injury**:
 - a. to an **insured**;
 - b. to any tenant or other person regularly residing on the **insured premises**;
 - c. to any person while on the **insured premises** because a **business** is conducted or professional services are rendered there; or except as provided under Incidental **Bodily injury** and **Property damage** Coverages; and
 - d. to any person, if benefits are provided under any workers' compensation, non-occupational disability, occupational disease or similar law.

WHAT YOU MUST DO IN CASE OF LOSS

1. **Notice.**
 - a. In case of a loss or if an **insured** becomes aware of anything that indicates there might be a claim under this policy, he or she must, as soon as reasonably practicable, give **us** or **our** agent notice;
 - b. The notice to **us** must state:
 - 1) the **insured's** name, policy identification, the time, place, and circumstances of the loss; and
 - 2) names and addresses of any potential claimants and witnesses.
2. **Cooperation**-The **insured** must cooperate with **us** in performing all acts required by this policy.
3. **Volunteer Payments**-The **insured** must not, except at his or her own cost, voluntarily make any payments, assume any obligations, or incur any other expenses except first aid at the time of **bodily injury**.
4. **Additional Duties-Bodily Injury and Property Damage Coverages**-In the event of an **occurrence** which might result in a claim for **bodily injury** or **property damage** liability under this policy, the **insured** must also do the following:
 - a. promptly forward to **us** copies of all notices, demands, or legal papers received in connection with the **occurrence**; and
 - b. at **our** request, assist in:
 - 1) making settlements;
 - 2) the conduct of suits including attending trials and hearings;
 - 3) enforcing any right of contribution or indemnification against any party who may be liable to any **insured** for the injury or damage;
 - 4) securing and giving evidence; and
 - 5) obtaining the attendance of witnesses.
5. **Additional Duties-Premises Medical Payments**-In case of a Premises Medical Payments loss, the following are also required:
 - a. The injured person or someone acting on such persons behalf must:
 - 1) give **us** written proof of claim (under oath if requested) as soon as practical; and
 - 2) authorize **us** to obtain copies of medical reports and records;
 - b. The injured person shall submit to physical examinations by physicians selected by **us** when and as often as **we** reasonably require.

HOW MUCH WE PAY FOR LOSS OR CLAIM

1. **Under Bodily injury and Property damage Coverages**-The limits of liability stated in the Declarations are the maximum amounts **we** pay for loss in a single **occurrence** under these coverages, regardless of the number of:
 - a. persons insured under this policy;
 - b. parties who sustain injury or damage; or
 - c. claims made or suits brought.

2. **Under Premises Medical Payments Coverage** for the limit of liability stated in the Declarations for "each person" is the limit for all *medical expense* for *bodily injury* to any person as the result of any one accident and the total paid in each accident for two or more persons shall not exceed the limit of liability stated for "each accident." Payment of a claim under the Premises Medical Payments Coverage does not constitute an admission of liability under the Premises Liability Coverage.
3. **Insurance Under More Than One Policy**-If there is other valid and collectible insurance which applies to a loss or claim, or would have applied in the absence of this policy, the insurance under this policy shall be considered excess insurance and shall not apply or contribute to the payment of any loss or claim until the amount of such other insurance is exhausted.
4. **Restoration of Limit of Liability**-Any loss *we* pay under this policy does not reduce the limits of liability.

PAYMENT OF LOSS OR CLAIM

Any person, who has secured a judgment against an *insured* for a covered loss or has liability established by a written agreement between the claimant, an *insured* and *us*, is entitled to recover under this policy to the extent of coverage provided.

POLICY CONDITIONS

In addition to the policy *terms* which are contained in other sections of this policy, the following conditions also apply.

1. **Assignment**-This policy is void if assigned without *our* written consent.
2. **Change, Modification, or Waiver of Policy Terms**-A waiver or change of any *terms* of this policy must be issued by *us* in writing to be valid. *Our* request for an appraisal or examination under oath does not waive any of *our* rights. If *we* adopt any revision of forms or endorsements during a policy period which would broaden coverage under this policy without additional premium, the broadened coverage will automatically apply to this policy. If this policy is issued on a continuous basis (with no specified expiration date) *we* may substitute or add, upon any anniversary date, forms or endorsements which are authorized for use on this policy in accordance with *our* manual rules in effect at the time.
3. **Conformity with Statute-Terms** of this policy, in conflict with the statutes of the state where the premises described in the Declarations are located, are amended to conform to such statutes.
4. **Misrepresentation, Concealment or Fraud**-This entire policy is void if, whether before or after a loss:
 - a. An *insured* has willfully concealed or misrepresented:
 - 1) any material fact or circumstance concerning this insurance; or
 - 2) an *insured's* interest herein;
 - b. There has been fraud or false swearing by an *insured* regarding any matter relating to this insurance or the subject thereof.
5. **Inspection**-*We* are permitted but not obligated to inspect *your* property and operations. *Our* inspection or any resulting advice or report does not warrant that *your* property or operations are safe or healthful or are in compliance with any law, rule or regulation.
6. **Policy Premium**-If this policy is issued without a specified expiration date, it may be continued by payment of the required premium for the next annual period. The premium must be paid to *us* before each anniversary date. This policy expires on any anniversary date that the premium has not been received by *us*. Premium is subject to adjustment on the basis of the rates in effect at each anniversary date.
7. **Subrogation**.
 - a. If *we* make a payment under this policy, *we* may require that the *insured* assign to *us* his or her right of recovery against any person for the loss to the extent of the payment. The *insured* must do everything necessary to make this assignment and secure *our* rights.
 - b. *We* are not liable for any loss if an *insured* does anything after the loss occurs to impair *our* right to recover. *You* may waive *your* right of recovery in writing before a loss occurs without voiding the coverage.
 - c. If *we* pay a loss to or on behalf of an *insured* and the *insured* recovers damages from another person for the same loss, the *insured* shall hold the amount recovered in trust for *us* and shall reimburse *us* as provided under Recoveries.
8. **Suit Against Us**.

Liability Coverage-No suit may be brought against *us* to recover amounts due for *bodily injury* or *property damage* liability unless:

 - a. the *terms* of this policy have been fully complied with; and
 - b. the amount of any *insured's* liability has been conclusively fixed:
 - 1) by a final judgment against the *insured* following trial; or
 - 2) by written agreement of the *insured*, the claimant and *us*.

No person shall have any right under this policy to join or implead *us* in any action brought to determine an *insured's* liability.

9. **Bankruptcy of an *Insured***-Bankruptcy or insolvency of any *insured* or his or her estate does not relieve *us* of any of *our* obligations under this policy.
10. **Policy Period**-This policy applies only to *bodily injury* or *property damage* which occurs during the policy period.

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Ed. 11/08

NY STATUTORY ENDORSEMENT

Refer to Supplemental Declarations if information is not shown on this form.

The amendment under this endorsement is subject to the **terms** contained in **your** policy.

The following provisions are added to **your** policy.

1. Failure to give any notice required to be given by this liability policy within the time prescribed shall not invalidate any claim made by the **insured**, injured person or any other claimant, unless the failure to provide timely notice has prejudiced **us**, except when it shall be shown not to have been reasonably possible to give such notice within the prescribed time and that notice was given as soon as was reasonably possible thereafter.
2. With respect to a claim for personal injury or wrongful death of any person, if **we** disclaim liability or deny coverage based upon the failure to provide timely notice, then the injured person or other claimant may maintain an action directly against **us**, in which the sole question is **our** disclaimer or denial based on the failure to provide timely notice, unless within sixty days following such disclaimer or denial, the **insured** or the insurer:
 - a. initiates an action to declare the rights of the parties under the insurance policy; and
 - b. names the injured person or other claimant as a party to the action.

All other **terms** and conditions remain unchanged.

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SFL-345
Ed. 4/13

EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

Refer to Supplemental Declarations if information is not shown on this form.

We provide coverage under this endorsement subject to the *terms* contained in the General Policy Provisions.

Policy No. _____

Named *Insured*: _____

COVERED CAUSES OF LOSS

We pay for direct physical loss to covered property caused by *equipment breakdown* as provided by this endorsement.

DEDUCTIBLE

The coverage provided by this endorsement is subject to a \$500 per occurrence deductible.

CONDITIONS APPLICABLE TO *EQUIPMENT BREAKDOWN*

1. *Equipment breakdown* is an added covered cause of loss shown in the underlying property insurance afforded by *your* policy.
2. The specific *terms* and conditions of this endorsement shall take precedence over any other conflicting *terms* and conditions stated in any other part of *your* policy.
3. The additional *terms* and conditions applicable to the coverage extensions shown below shall be in addition to all other *terms* and conditions of *your* policy.
4. Any specific amounts of insurance shown in this endorsement shall take precedence over any other amounts of insurance or limits of liability shown elsewhere in *your* policy.
5. Whenever covered property is found to be in, or exposed to, a dangerous condition, any of *our* representatives may immediately suspend the insurance against loss or damage to that covered property for the causes of loss covered by this endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension / coverage reinstatement to *your* last known address or the address where the covered property is located. Once suspended, *your* insurance can be reinstated only by an endorsement to this policy for that equipment. If *we* suspend *your* insurance, *you* will get a pro rata refund of premium. But, the suspension will be effective even if *we* have not yet made or offered a refund.
6. Jurisdictional Inspections - If any covered property under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, *we* agree to perform such inspection on *your* behalf. *We* do not warrant that conditions are safe or healthful.

WHAT *WE* PAY FOR

Equipment breakdown

Equipment breakdown as used herein means:

Direct physical loss or damage both originating within:

1. boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding: waste disposal piping; any piping forming part of a fire protective system; furnaces; and any water piping other than: boiler feed water piping between the feed pump and the boiler; boiler condensate return piping; or water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes;
2. any mechanical, electrical, electronic or fiber optic equipment; and

caused by, resulting from, or consisting of: mechanical breakdown, electrical breakdown, electronic breakdown, rupture, bursting, bulging, implosion, or steam explosion.

If covered electrical equipment requires drying out as a result of moisture; *we* only pay for the direct expenses incurred of such drying out.

WHAT WE DO NOT PAY FOR

However, *equipment breakdown* will not mean:

1. direct physical loss or damage caused by or resulting from any of the following; however, if loss or damage not otherwise excluded results, then *we* will pay for such resulting damage:
 - a. wear and tear;
 - b. rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other quality in property that causes it to damage or destroy itself;
 - c. smog;
 - d. settling, cracking, shrinking or expansion;
 - e. nesting or infestation, or discharge or release of waste products or secretions, by birds, insects, rodents or other animals;
 - f. any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs or software; or
 - g. scratching and marring.
2. loss, damage, cost or expense directly caused by, contributed to, resulting from or arising out of the following causes of loss: fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freeze, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

INCIDENTAL COVERAGES**1. CFC Refrigerants**

We will pay for the additional and necessary incurred cost to repair or replace covered property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances resulting from an *equipment breakdown*.

Additional costs mean those in excess of what would have been required to repair or replace covered property, had no CFC refrigerant been involved. *We* also pay for additional loss as described under the consequential or loss of income coverages provided by this endorsement, caused by the presence of a refrigerant containing CFC substances.

We pay no more than the least of the following:

- a. the cost to repair the damaged property and replace any lost CFC refrigerant;
- b. the cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant, and charge the system with a non-CFC refrigerant; or
- c. the cost to replace the system with one using a non-CFC refrigerant.

2. Hazardous Substances Remediation

The following applies despite any Ordinance or Law Exclusions found elsewhere in this policy. This coverage does not apply to damage or contamination caused by any refrigerant, including ammonia.

We will pay for *pollutant* clean up and removal and for any additional expense incurred by *you* for the repair or replacement or disposal of covered property damaged, contaminated, or polluted as a result of an *equipment breakdown*. The most *we* will pay for this coverage is \$100,000.

This incidental coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of *pollutants*. But *we* will pay for testing which is performed in the course of extracting the *pollutants* from the land or water.

3. Consequential Losses

We will pay for loss of *perishable goods* due to spoilage resulting from lack or excess of power, light, heat, steam or refrigeration caused by an *equipment breakdown* to types of property covered by this policy, that are located on or within 1,000 feet of *your* described premises and owned or used by *you* at *your* described premises, or owned by a public utility.

Perishable goods means personal property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change.

However, *we* will not pay for any loss, damage, cost or expense directly caused by, contributed to, resulting from or arising out of the following causes of loss: fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freeze, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

The most *we* will pay for loss or damage under this coverage is \$100,000.

4. Power Interruption

We pay for *your* loss of income from the interruption of power or other utility services to covered property on or within 1,000 feet of the *insured premises* as the direct result of an *equipment breakdown* to equipment that is owned by a utility, landlord or other supplier, with whom *you* have a contract to supply *you* with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of *equipment breakdown* except that it is not covered property.

However, *we* will not pay for any loss, damage, cost or expense directly caused by, contributed to, resulting from or arising out of the following causes of loss: fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freeze, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

5. Expediting Expenses

We will pay for expediting expense incurred as a result of an *equipment breakdown* with respect to *your* damaged covered property. *We* will pay the *reasonable extra cost* to make temporary repairs, expedite permanent repairs and expedite permanent replacement.

Reasonable extra cost shall mean the extra cost of temporary repair and of expediting the repair of such damaged equipment of the *insured*, including overtime and the extra cost of express or other rapid means of transportation. This will be a part of and not an addition to the limit per loss.

6. Refrigerant Contamination

We pay for loss from contamination by refrigerant used in refrigerating, cooling or humidity control equipment at the described premises as a result of an *equipment breakdown*. The most *we* pay for loss or damage under this coverage is \$100,000.

7. Loss of income, meaning loss of income resulting directly from the necessary interruption of *your* business caused by an *equipment breakdown*, is covered for up to a 30 day period. The deductible does not apply to this agreement. Under this agreement, income is defined as the sum of:

- a. net profit;
- b. payroll expenses;
- c. taxes;
- d. interest;
- e. rents and all other necessary operating expenses incurred by the business.

We pay up to \$100,000, or any larger amount endorsed on the policy, for the loss of income which shall be the income *your* business could be reasonably expected to have earned during the period of interruption had no loss occurred less the income *your* business actually earned during that period. In no event will *we* pay more than the reduction in income less charges and expenses which do not necessarily continue during the period. Coverage also applies to expenses *you* incur to reduce loss of income, not otherwise covered by any other agreement in this policy, but only to the extent that they actually reduce *your* loss of income.

You shall make every reasonable effort to resume complete or partial operation as soon as possible and, where practicable, use substitute facilities and property.

We do not pay for any loss of income:

- a. resulting from suspension, lapse or cancellation of any lease, license, contract or order.
- b. caused directly or indirectly by enforcement of any local or state ordinance or law regulating the construction, repair or demolition of buildings or structures.
- c. caused directly or indirectly by interference at the premises by strikers or other persons with rebuilding, repairing or replacing property or with the resumption or continuation of operations.

8. Environmental, Safety and Energy Efficiency Improvements

If covered property requires repair or replacement due to an *equipment breakdown*, *we* will pay *your* additional cost to replace with equipment that is better for the environment, safer, or more energy efficient than the equipment being replaced. However, *we* will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This condition does not apply to any property to which actual cash value applies.

All other *terms* and conditions remain unchanged.