

# MOBILE HOMEOWNERS INSURANCE POLICY

For information regarding this policy, please contact your Shelter Insurance Agent.

## TO OUR CUSTOMERS – PLEASE NOTE

Please read this policy carefully. If you have questions, contact your Shelter Agent for answers. No agent can know your exact coverage needs or budget considerations, so it is your responsibility to examine the policy and make sure it provides the types of coverage you need in the amounts you requested.

If you suffer a loss, please read this policy again so that you will be reminded of your rights and obligations. **It is very important for you to recognize that this insurance policy is a legally binding contract. If any insured fails to perform an obligation required by this policy, the coverage which it might otherwise provide could be lost.**



**SHELTER INSURANCE COMPANIES**

Home Office: Columbia, MO 65218-0001

**THE INDEX**  
**WHERE YOU CAN FIND IT**

**DECLARATIONS** - Your Name, Location of Your Residence, Policy Period, Limits of Liability and Deductibles

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**MOBILE HOMEOWNERS' INSURANCE POLICY  
BROAD COVERAGE FORM  
AGREEMENT**

**We** agree to insure **you** according to all the terms of this policy,

- (1) in reliance on **your** statements in the Application and in any Application for Change, both of which are made a part of this policy, and
- (2) based on **our** receipt of **your** payment of the premium.

When **we** receive **your** premium, this policy provides the types of insurance, in the limited amount, shown in the Policy Declarations. If any premium payment is by check, no insurance is provided if the bank does not honor the check.

**DEFINITIONS USED THROUGHOUT THIS POLICY**

In this policy, the words shown in bold type have the meanings stated below unless a different meaning is stated in a particular coverage or endorsement. Words in bold type which are derived from a defined word have the same root meaning. The plural version of a defined word has the same meaning as the singular if it is bolded. If any of these same words are used but not printed in bold type, they have their common dictionary meaning.

1. **Accident** means an occurrence which:
  - (a) happens abruptly; and
  - (b) happens during the policy period; and
  - (c) is not intended by any **insured**; and
  - (d) directly results in **bodily injury** or **property damage**.

**Accident** does not mean:

- (a) an occurrence which any **insured** intends to result in **bodily injury** or **property damage**,
- (b) an action intentionally taken by an **insured** which a reasonable **individual** would expect to result in **bodily injury** or **property damage**, or
- (c) actions intended by anyone which does not immediately result in **bodily injury** or **property damage**, but which ultimately result in such because of its repetition.

If an occurrence which started abruptly continues over a period of time, or series of abrupt occurrences, ultimately results in **bodily**

**injury** or **property damage** which cannot be readily attributed to any one specific occurrence, all such occurrences constitute only one **accident**.

2. **Accidental direct physical loss** means loss of possession of, or actual physical damage to, a part of the covered property which is caused by an **accident**. It does not include:
  - (a) consequential economic damage resulting from such physical damage to that part or to the covered property as a whole,
  - (b) consequential economic damage resulting from the inability to restore full monetary value to that part or to the covered property as a whole because of the fact that it has sustained physical damage,
  - (c) consequential economic damage resulting from the loss of use of that part or to the covered property as a whole,
  - (d) consequential economic damage resulting from the inability to match the parts which are **repaired** or **replaced** with undamaged adjacent parts, or
  - (e) any diminution of the pre-loss value of the covered property after the **repair** or **replacement** of its parts.
3. **Actual cash value** means **total restoration cost** less **depreciation**. If the law of the state in which this policy is issued limits the factors which may be considered in determining the **actual cash**

**value**, only the factors allowed by such law will be considered.

4. **Bodily injury** means:
- (a) a physical injury;
  - (b) a sickness or disease of the body;
  - (c) the physical pain and physical suffering which directly results from (a) or (b), above; and
  - (d) a death which directly results from (a) or (b), above.

**Bodily injury** does not mean:

- (a) a mental injury;
- (b) a sickness or disease of the mind;
- (c) mental anguish; or
- (d) emotional distress;

unless such mental or emotional condition is diagnosed by a medical doctor and directly results from **bodily injury** to the **individual** on whose behalf the **claim** is made.

5. **Business** means any activity for which the **person** engaged in that activity receives compensation of any kind, or reasonably expects to receive compensation of any kind. **Business** does not mean:
- (a) the occasional sale of **personal property** at the **residence premises** unless that property was raised, grown, or acquired for the purpose of selling it;
  - (b) the occasional **rental** or **leasing**, or the holding for **rental** or **leasing**, of the **dwelling** on the **residence premises** in which **you reside**, for use as a **dwelling**;
  - (c) the **rental** or **leasing**, or the holding for **rental** or **leasing**, of a part of the **dwelling** on the **residence premises** in which **you reside**, for use as a **dwelling**, unless the **rental** or **lease** is to three or more roomers or boarders;
  - (d) a part-time activity, engaged in by **you** or a **relative**, if the **individual** engaged in that activity is under the age of twenty-five, and is a full time student.
6. **Claim** means a request by any **person** for benefits under this policy as a result of any one

**accident**. It includes lawsuits, requests for the payment of money and requests that **we** take any action, or extend any coverage, provided for by this policy.

7. **Compensation Law** means any law under which benefits are paid to a **person** as compensation for the effects of **bodily injury**, without regard to fault, because of that **person's** status as an employee or beneficiary. It includes, but is not limited to, workers' **compensation laws**, disability laws, the Federal Employers' Liability Act and the Jones Act.
8. **Decorative fixture** means wallcovering, floor covering, paint, and molding which is attached to the interior of:
- (a) **your dwelling** at the **residence premises**; or
  - (b) other structures which are permanently attached to the **residence premises**, but not attached to **your dwelling**. If a structure is connected to the **dwelling** by only a utility line or fence, it will not be considered attached to the **dwelling** for purposes of this definition.
9. **Deductible** means an amount of money deducted from the total amount of all losses covered under Part I of this policy, unless the specific coverage under which such loss is covered says otherwise. The amount of **your deductible** is shown in the Policy Declarations or in the specific policy provision under which a loss is covered.
10. **Depreciation** means the amount by which any part of the covered property which must be **replaced** has decreased in value since it was new. The condition, age, extent of use, and obsolescence of the property will be considered in determining **depreciation**. When calculating **depreciation**, **we** will include the **depreciation** of the materials, the labor, and the tax attributable to each part which must be **replaced** to allow for **replacement** of the damaged part, whether or not that part is damaged.
11. **Domestic appliance** means a device which is

- operated by mechanical power, fuel, or electrical current and which is normally found in a **dwelling**. Domestic appliance does not include permanently installed:
- (a) heating systems;
  - (b) cooling systems;
  - (c) water heaters; or
  - (d) water softeners.
12. **Dwell** means to take up living quarters in a location for a period of time, but requires no intent to make that place ones **residence**.
13. **General contractors' overhead and profit** means any amount of money included in, or added to, the estimated, or actual cost of restoring damaged property to compensate a contractor for something other than:
- (a) the materials actually installed in, or on, the damaged property, or
  - (b) the labor and equipment necessary to install such materials.
14. **Individual** means a human being.
15. **Insured** means:
- (a) **You**;
  - (b) **relatives**;
  - (c) any other **individual** under the age of 21 **residing in your** household who is in **your** care or the care of a **relative**;
  - (d) with respect to any vehicle covered by this policy, any employee of a **person** listed in (a), (b) or (c) above, while in the course and scope of such employment; and
  - (e) any **person** legally responsible for animals or watercraft covered by this policy and **owned** by a **person** listed in (a), (b) or (c) above. But **we** will cover that **person** only with respect to activities directly related to those animals or watercraft. **Insured** does not mean:
    - (1) any **person** using or having custody of an animal or watercraft in the course of any **business**; or
    - (2) any **person** having custody of an animal or watercraft without permission of the **owner** of that animal or watercraft.
16. **Insured premises** means:
- (a) the **residence premises**;
  - (b) any other **premises you** acquire during the term of this policy, if:
    - (1) **you** intend to **reside** there during the term of this policy; and
    - (2) it is a one or two family **dwelling**;
  - (c) the part of any other **premises** where **you reside** if it is shown in the Policy Declarations;
  - (d) the part of any **premises**, not **owned** by an **insured**, where the **insured** is temporarily **dwelling**;
  - (e) the part of any structure or **premises**, not **owned** by any **insured**, which an **insured** occasionally **rents** for non-**business** purposes;
  - (f) unimproved **premises owned** by, controlled by, or **rented** to, an **insured**, but this does not include **premises**, any part of which are used for farming;
  - (g) cemetery plots, or burial vaults, **owned** by an **insured**;
  - (h) land on which a **dwelling** is being built for an **insured**, if the land is **owned** by, or **rented** to, the same **insured**; or
  - (i) any structures used by **you** for storage of non-**business** items usually kept on the **residence premises**, and any **premises** to which those structures are attached.
17. **Judgment interest** means interest on any judgment which is provided for by the law of the state in which such judgment is entered, whether it accrues before or after a judgment.
18. **Land motor vehicle** means:
- (a) a motorized vehicle originally designed for travel on public roads;
  - (b) a motorized vehicle subject to motor vehicle registration;
  - (c) any vehicle while it is attached to, or carried on a **land motor vehicle**.
- A watercraft or trailer which is not attached to, or carried on, a **land motor vehicle** is not a **land motor vehicle**.
19. **Lease** means a written agreement with the **owner** of an item of real property or **personal property**, which allows such **person** to possess and **use** that property for a period of thirty days or more.

20. **Market value** means the price which the damaged part of the covered property would have brought, immediately before the loss, if offered for sale by a reasonable **person** who is willing, but not obliged, to sell it, and bought by a reasonable **person** who is desirous of purchasing it, but who is not compelled to do so.
21. **Own** means that the **person** referred to holds the legally recognized title to, or is a **leaseholder** of, an item of real property or **personal property**, irrespective of the fact that there may be other **owners**. This definition is not changed by the patterns of usage of the property.
22. **Owner** means any **person** who is a legally recognized titleholder or **leaseholder** of an item of real property or **personal property**, irrespective of the fact that there may be other titleholders or **leaseholders**. An **owner's** status as such is not changed by the patterns of usage of the property.
23. **Person** means an **individual**, a corporation, or an entity, which has separate legal existence under the laws of the state in which this policy is issued.
24. **Personal property** means items which are not permanently attached to **premises**. If an item is attached only by a utility line it will not be considered permanently attached. The Mobile Home **Dwelling** described in the Declarations is not **personal property**.
25. **Premises** means real estate. It includes land and any improvements permanently attached to the land. For purposes of this policy, all real estate conveyed by one deed granting title to that land will be considered the same **premises**. Lands conveyed by separate deeds will be considered separate **premises**.
26. **Property damage** means physical injury to or destruction of tangible property and includes damages for the loss of its use.
27. **Punitive damages** means a monetary award imposed to punish a wrongdoer and to deter others from similar conduct. It includes exemplary damages. It also includes any damages, or penalties, based upon any legal theory which requires proof of the same standard of conduct necessary to support an award of **punitive damages** or exemplary damages, under the law of the state in which they are awarded.
28. **Recreational motor vehicle** means a motorized vehicle which:
- was not originally designed for travel on public roads, or
  - is not subject to motor vehicle registration.
- Recreational motor vehicle** does not mean:
- a motorized vehicle used, or designed to be used, in competition with other vehicles,
  - a motorized vehicle used solely to service the **residence premises**,
  - a motorized vehicle originally designed to assist the physically handicapped, or
  - a lawnmower which is used solely to mow grass and which is not used in **business**.
29. **Relative** means an **individual** related to **you** by blood, marriage, or adoption, who is primarily a **resident** of, and actually living in, **your** household. It includes **your** unmarried and unemancipated child away at school. **Relative** also includes any foster child in **your** legal custody for more than ninety consecutive days immediately prior to the **accident**.
30. **Rent** means an agreement between the **owner** of property and another **person** that allows that **person** to possess and use such property for less than thirty days.
31. **Repair** means restoration by the use of labor only on the damaged part of the covered property in order to restore its form and function. Restoration of pre-**accident** value is not included in the definition of **repair**.
32. **Replace** means the installation or provision of materials or parts to, or in place of, the damaged part of the covered property. It includes the installation or provision materials or parts to, or in place of, any undamaged parts which must be **replaced** to allow for **replacement** of the damaged part. It also includes the labor necessary to accomplish such installation. Restoration of pre-**accident** value is not included in the definition of **replace**.

33. **Reside** means physical presence in a place with the intent to make that place, and no other, ones fixed and permanent home. If the parents of a minor child do not **reside** with one another, **we** will consider their child, to **reside** with both of them if that child regularly spends time in each of those parents' **residences**.
34. **Residence employee** means an employee of an **insured** whose duties are in connection with the maintenance or use of the **residence premises**, or who performs similar duties elsewhere not in connection with an **insured's business**.
35. **Residence premises** means the mobile home **dwelling** which **you own** if it is situated on the **premises** described in the Policy Declarations and if:
- you** presently **reside** in that **dwelling**, have **resided** there in the last thirty days, or will **reside** there within thirty days of the inception date of this policy; or
  - it is referred to in the Policy Declarations as a "secondary residence premises".
- It includes the Mobile Home **Dwelling**, the **premises**, and other structures at that location.
36. **Restoration cost** means the amount of money it will cost to restore the form and function of the damaged part of the covered property by:
- replacing** it; or
  - repairing** it, whichever is less.
- Restoration cost** can be based on a combination of (a) and (b) above, if some parts of the covered property are **replaced** and other parts are **repaired**.
- Restoration cost** is based on construction techniques and materials commonly used by the building trades in the geographical area of the covered property.
- Restoration cost** does not include:
- consequential economic damage resulting from physical damage to the part or the covered property as a whole,
  - consequential economic damage resulting from the inability to restore full monetary value to the part or the covered property as a whole because it has sustained physical damage,
  - consequential economic damage resulting from the loss of use of the part or the covered property as a whole,
  - consequential economic damage which results from the inability to match the parts which are **repaired** or **replaced** with undamaged adjacent parts, except as provided in the insuring agreement with respect to **decorative fixtures**,
  - any diminution of the pre-loss value of the covered property after the **repair** or **replacement** of its parts,
  - the cost of **replacing** or **repairing** obsolete parts with parts of like kind and quality, or by using the services of tradesmen or craftsmen who do not regularly offer their services in the geographic area of the covered property, or
  - general contractors' overhead and profit**.
37. **Spouse** means the husband or wife of any **individual** defined as an **insured** under the applicable part of this policy, if he or she is a **resident** of, and actually living in, the same household as that **insured**.
38. **Total restoration cost** means the **restoration cost** of all of the damaged parts of the covered property which were damaged in one **accident**.
39. **Unoccupied** means that people were not **residing** in the **residence premises** at the time of the loss.
40. **Vacant** means that **you** have ceased to  **dwell** there and that the **dwelling** is devoid of all **personal property** except those items that **you** intend to leave.
41. **War** means armed conflict whether or not officially declared. It includes civil **war**, insurrection, rebellion, revolution, or any act or condition incident to any of those events.
42. **We, us** and **our** mean the Company providing this insurance.
43. **You** means any **person** listed as an **insured** in the Policy Declarations and, if that **person** is an **individual**, his or her **spouse**.

## GENERAL AGREEMENTS APPLICABLE TO ENTIRE POLICY

### 1. WHAT TO DO IN CASE OF **BODILY INJURY OR PROPERTY DAMAGE**

In the event of an **accident** which is covered under this policy, the **insured** must promptly take all of the following actions:

- (a) Notify **us** or **our** agent as soon as possible. The notice must give:
  - (1) **your** name and policy number;
  - (2) the time, place and circumstances of the **accident**; and
  - (3) the names and addresses of all injured **individuals** and witnesses.
- (b) Cooperate with **us**, and assist **us** in any matter relating to a **claim**.
- (c) Send **us** all correspondence and all legal papers which relate to any **claim**, made by anyone, against **us** or against the **person** seeking such coverage.
- (d) Authorize **us** to obtain any other records which may be relevant to the **claim** or which may reasonably be expected to aid **our** investigators in determining the facts relevant to the **claim**.
- (e) Provide **us** with a list of the damaged property if a loss covered under Damage to Property of Others occurs. The **insured** must also exhibit the damaged property to **us** if it is within the **insured's** control.
- (f) Provide any written proofs of loss **we** require.
- (g) Answer, under oath, any questions posed by **us**, and sign a written transcript of such questions and answers.

If such **claim** is based upon **bodily injury**, the **person** making such **claim** must also:

- (h) submit to physical examinations, at **our** expense, by doctors **we** select as often as **we** may reasonably require;
- (i) authorize **us** to obtain relevant medical records of the **individual** whose **bodily injury** is the basis for such **claim**.

The **insured** must not, except at his or her own cost, voluntarily make any payment, assume any obligation, or incur any expenses related to the **bodily injury** or **property damage**.

### 2. ASSIGNMENT

Except as provided in Coverage F of this policy, **you** may not assign any of **your** rights and interests under this policy, unless **we** consent to such assignment, in writing and endorse that change on this policy. Such endorsement will then become a part of this policy.

### 3. COVERAGE IN THE EVENT OF **YOUR** DEATH

If **you** die, the provisions of this policy will apply to:

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

However, in order to obtain this coverage, any of the people listed in (a), (b) and (c), above, must notify **us** of **your** death. Coverage under this provision will be provided for a maximum of thirty days after **your** death, and will terminate if the policy lapses.

### 4. NOTICE TO **US**

Any notice required by this policy may be given by or on behalf of the **insured** to **our** authorized agent within this state. If that notice contains sufficient information for **us** to identify the **insured**, **we** will consider it notice to **us**.

### 5. LEGAL ACTION AGAINST **US**

Any **person** who makes a **claim** or seeks coverage under this policy agrees not to institute any legal action against **us** unless that **person** has fully complied with all the terms of this policy.

Any legal action seeking a payment or a determination of coverage under this policy or its binder must be brought in the state in which the **residence premises** are located.

This policy and its binder are to be interpreted in accordance with the laws of the state in which the **residence premises** are located.

6. CANCELLATION

Cancellation of this policy will be handled in accordance with the state specific endorsement attached to this policy.

7. NONRENEWAL, REDUCTION IN AMOUNT OF COVERAGE OR ADVERSE MODIFICATION OF THIS POLICY

Non-renewal, reductions in amount of coverage and adverse modifications of this policy will be handled in accordance with the state specific endorsement attached to this policy.

8. CONCEALMENT OR FRAUD

This entire policy is void as to all **insureds** if any **insured** has intentionally concealed or misrepresented any material fact or circumstance relating to this insurance, or acted fraudulently or made false statements relating to this insurance or any **claim** made under it.

9. CHANGES TO THE POLICY

This policy includes the printed policy form, its endorsements, the application related to it, any applications for changes to it, and the Policy Declarations. Those documents include all the agreements between **you** and **us** relating to this insurance. No change or waiver may be effected in this policy except by written endorsement issued by **us**. If a premium adjustment is necessary **we** will make the adjustment as of the effective date of the change. If any coverage **you** have under this policy is broadened without charge during the policy period, this policy will automatically provide the broadened coverage when it takes effect in **your** state.

10. **YOUR OBLIGATION TO NOTIFY US OF YOUR CHANGES**

The premium charged for this policy is based in large part on information **you** provided to **us**. If

that information is incomplete or inaccurate, or if it changes during the policy period, **you** must inform **us** of that, if it relates to any of the following:

- (a) a change in **your residence**;
- (b) a change in the number or types of **businesses** operated on the **insured premises**;
- (c) a change in the ownership or management of any **business** operated on the **insured premises**;
- (d) a change in the number of occupants, who are not **relatives**, residing at the **insured premises**;
- (e) an addition or upgrade in the **insured premises**; or
- (f) a change in the number or types of animals kept on the **insured premises**.

11. **OUR RIGHT TO INSPECT PREMISES**

**We** have the right to inspect any **premises** covered by this policy as often as may be reasonable during the term of this policy. **You** agree to allow **us** to come onto those **premises** and into any buildings on those **premises**.

12. **OUR RIGHT TO RECOVER PAYMENT**

In the event **we** make any payment under this policy, **we** will be subrogated to all rights of recovery, based upon the same damages, which an **insured**, or any other **person** receiving the payment, may have against any **person** liable for those damages.

Any **insured**, or other **person** who receives payment under this policy, agrees to execute and deliver legal instruments to **us**, and do whatever else **we** may ask, which is necessary to secure **our** rights.

Any **insured**, or other **person** who receives payment under this policy, agrees to cooperate with **us** in enforcing **our** rights of recovery acquired under this section and to do nothing to prejudice **our** rights.

This does not apply to the coverages headed "Medical Payments to Others" and "Damage to Property Of Others".

13. POLICY COVERAGE PERIOD

This policy applies only to;

- (a) losses;
- (b) **bodily injury**; or
- (c) **property damage**;

which occur during the policy period.

14. OTHER INSURANCE

If this policy and any other insurance, issued by **us**, or by any other company, applies to the same loss, this policy will apply as follows.

- (a) With respect to all coverages contained in Section I, the insurance provided by this policy will be prorated, based upon the applicable limits of each policy, up to the highest limit provided by any one policy. This does not apply if a lienholder, or trustee under a deed of trust, has duplicate coverage because of the ten-day notice provision contained in the section related to lienholder and trustees. In that instance, the provisions of that section respecting the priority of coverages will control.
- (b) With respect to all coverages contained in Section II, the insurance provided by this policy will apply only as excess insurance, and will then apply only in the amount by which its limits exceed the limits of all such other policies.

15. CONFORMITY TO APPLICABLE LAWS

If the terms of this policy conflict with the laws of any state which are applicable to a covered loss, the conflicting terms are amended to conform to such laws.

16. EFFECT OF POLICY ACCEPTANCE

By acceptance of this policy, **you** agree that the statements in the Policy Declarations and in any Application or Application for Change accepted by **us**, are offered as an inducement to **us** to issue, continue, or renew this policy, and are **your** agreements or representations. They are not warranties.

17. CONTINUOUS RENEWAL

Subject to **our** consent and subject to the premiums, rules and forms then in effect for **us**, this policy may be continued in force by payment of the required continuation premium for each successive policy term. Such continuation premium must be paid to **us** before the expiration of the then current policy term and if not paid the policy shall terminate.

With respect to any lienholder (or trustee) named in the Policy Declarations, this insurance will continue in force as to only the interest of the lienholder (or trustee) for 10 days after written notice of termination to the lienholder (or trustee), and shall then terminate.

## SECTION I - PROPERTY PROTECTION

### COVERAGE A - MOBILE HOME DWELLING

**We** cover the following property.

- 1. (a) **Your** mobile home **dwelling**, at the **residence premises**, including building structures attached to it, but only if that **dwelling** is used principally as a private **residence**. If a building structure is connected to the **dwelling** by only a utility line or fence, it will not be considered attached to the **dwelling** for purposes of this coverage.

- (b) Attached outdoor equipment used to service the **residence premises** while located on the **residence premises** or temporarily elsewhere.
- (c) Construction material at the **residence premises** which **you** intended to have permanently attached to **your dwelling** located on the **residence premises**.
- (d) Outdoor antennas and reception dishes (including their lead in wires), towers and masts if they are located on the **insured**

**premises.** The limit of **our** liability for this coverage is \$200. This amount includes the cost of damaged parts and the labor necessary to repair the damage.

2. **We** cover **decorative fixtures** and, with respect to **decorative fixtures** only, if consequential economic damage will result from the inability to match parts which are **repaired** or **replaced** with undamaged adjacent parts, **we** will **repair** or **replace** those undamaged adjacent parts to the extent necessary to prevent such economic damage.
3. **We** cover the reasonable cost **you** incur for temporary **repairs** or **replacement** of parts of covered property to protect it or other covered property from further immediate damage.

### COVERAGE B - OTHER STRUCTURES

**We** cover the following property.

1. Other structures which are permanently attached to the **residence premises** but not attached to **your** mobile home **dwelling**. If a structure is connected to the mobile home **dwelling** by only a utility line or fence, it will not be considered attached to the mobile home **dwelling** for purposes of this coverage. This coverage does not extend to a structure used to any extent for **business**; to outdoor radio equipment; nor to outdoor television equipment.
2. All fences on the **residence premises** under this coverage whether they are attached to **your** mobile home **dwelling** or not. This coverage does not extend to fences used to any extent for **business**.
3. **Decorative fixtures** located in any structure covered under paragraph 1, above; and, with respect to those **decorative fixtures** only, if consequential economic damage will result from the inability to match parts which are **repaired** or **replaced** with undamaged adjacent parts, **we** will **repair** or **replace** those undamaged adjacent parts to the extent necessary to prevent such economic damage.

4. Construction material which **you** intended to have permanently attached to other structures covered under paragraph 1, above. Those materials must be located on the **residence premises**.
5. The reasonable cost **you** incur for temporary **repairs** or **replacement** of parts of covered property to protect it or other covered property from further immediate damage.

**We** do not cover loss to structures used to any extent for **business** purposes.

### COVERAGE C - PERSONAL PROPERTY

**We** cover **personal property owned** or used by the **insured**.

#### LIMITATION OF LIABILITY BASED ON LOCATION OF PERSONAL PROPERTY

**We** cover **personal property owned**, or used by an **insured** anywhere in the world. However, this coverage is limited to 10% of the limits of liability for Coverage C - Personal Property, stated in the Policy Declarations for any loss to **personal property** which is away from the **residence premises** for more than thirty consecutive days. **Personal property** placed for safekeeping with a bank, trust company, safe deposit company, or a commercial storage facility available to the general public, will be considered to be on the **residence premises**.

#### SPECIAL LIMITS ON CERTAIN ITEMS OF PERSONAL PROPERTY

The special limits stated below apply to the corresponding groups of **personal property** and, if a specific peril is set out in the list below, these limits apply only to losses caused by that peril. These limits do not increase the total amount of insurance for Personal Property Coverage stated in the Policy Declarations. The limit of insurance for each grouping of **personal property** is the maximum **we** will pay in any one twelve month period for all property included in the group.

<b>Limit of Insurance</b>	<b>Personal Property Group</b>
1. \$ 200	Money, bank notes, bullion, coins and medals and other numismatic property.
2. \$1000	Securities, accounts, deeds, evidence of debt, letters of credit, notes other than bank notes, passports, tickets, stamps and other philatelic property.
3. \$1000	Watercraft, including their trailers, furnishings, equipment & outboard motors.
4. \$1000	Trailers not used to transport watercraft.
5. \$1000	Theft of jewelry, watches, precious and semi-precious stones and precious metals including platinum, gold and silver, and furs, including any article containing fur which represents its principal value.
6. \$1000	Manuscripts.
7. \$5000	Theft of silverware and goldware.
8. \$2000	Theft of guns and related equipment.
9. \$2000	Theft of archery equipment.
10. \$1000	Grave Markers (whether or not attached to realty).
11. \$2500	<b>Business</b> property, on the <b>residence premises</b> if not related to a <b>business</b> conducted on the <b>residence premises</b> .
12. \$ 250	<b>Business</b> property away from the <b>residence premises</b> .
13. \$1000	<b>Recreational motor vehicles</b>
14. \$1000	<b>Personal property owned</b> by any individual who is or has been at the <b>residence premises</b> , but only if the <b>insured</b> has been at those <b>premises</b> during the 45 days immediately before the loss.

- |            |   |
|------------|---|
| 15. \$ 500 | Audio tapes, video tapes, audio discs, video discs, and all other electronic media while located away from the <b>residence premises</b> .  |
| 16. \$1000 | Collector cards.  |
| 17. \$1000 | Comic books.  |
| 18. \$ 500 | Parts and accessories for motorized vehicles which are not permanently attached to a motorized vehicle. This limitation does not apply to parts and accessories for vehicles used solely to service the <b>residence premises</b> . |

#### EXCLUSIONS OF CERTAIN CATEGORIES OF PERSONAL PROPERTY

**We** do not cover the following items of **personal property**.

1. Animals.
2. Motorized vehicles and their parts and accessories, unless those motorized vehicles are:
  - (a) used primarily to service the **residence premises**;
  - (b) originally designed to assist the physically handicapped; or
  - (c) **recreational motor vehicles**.
3. Aircraft, except model airplanes which are not used or designed for transporting cargo or people.
4. Parts and accessories for aircraft.
5. **Personal property** of roomers or boarders who are not related to an **insured**.
6. **Personal property** of tenants.
7. **Business personal property**:
  - (a) relating to a **business** conducted on the **residence premises**; or
  - (b) books of account, drawings or other paper records; or
  - (c) electronic data processing tapes, wires, records, disc or other software media containing **business** data.

8. **Personal property rented or leased**, or held for **rental** or **leasing**, to others by an **insured**. However, **we** do cover that property while on the part of the **residence premises** used exclusively by an **insured**, or by a **person renting or leasing** that portion of the **residence premises**.
9. Electronic devices which may be operated by the electrical system of aircraft, watercraft, **land motor vehicles** or **recreational motor vehicles** if they are permanently installed in or upon an aircraft, watercraft, **land motor vehicle** or **recreational motor vehicle**. Antennas, wires and brackets for these devices, are not covered while in or upon an aircraft, watercraft, **land motor vehicle** or **recreational motor vehicle**.
10. Film, tape, discs, drums, cells and all other magnetic recording or storage media for electronic data processing. However, **we** do cover such media in unexposed or blank form and software which is currently available on the retail market.
11. **Personal property** specifically, or categorically, **insured** by any other insurance.
12. **Personal property** specifically, or categorically, listed in any endorsement to this policy except to the extent of the limit stated in that endorsement.
13. **Land Motor vehicles**.

#### **COVERAGE D - ADDITIONAL LIVING EXPENSE AND LOSS OF RENTS**

If a covered loss makes all or part of **your residence premises** uninhabitable, **we** will pay the reasonable increase in **your** living expense necessary to maintain **your** normal standard of living.

**We** will pay for the shortest time needed:

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

**We** will also pay for **your** loss of normal income resulting from a covered loss while the **rented** or **leased** part of the **residence premises** is uninhabitable, less any charges and expenses which

do not continue during that time. **We** will pay this loss of normal income only for the shortest time needed to make the **rented** or **leased** part habitable. **We** will not pay for loss or expense due to the cancellation of any **rental** or **lease** agreement.

If a peril **we** insure against causes civil authorities to prohibit occupancy of the **residence premises**, **we** will pay:

1. the reasonable additional living expenses **you** incur for up to two weeks from the day **you** vacate the **residence premises**, and
2. any loss of income **you** incur for a part of the **residence premises** which was actually **rented** or **leased** for up to two weeks from the date **your** tenant vacates the **residence premises**.

The periods of time set out in this section of the policy will not be shortened by the expiration of the policy.

No **deductible** applies to these coverages.

#### **INSURING AGREEMENT**

**We** cover **accidental direct physical loss** to property covered under:

1. Coverage A – Mobile Home **Dwelling**,
  2. Coverage B – Other Structures Coverage, and
  3. Coverage C – Personal Property Coverages
- caused by any of the PERILS **WE** INSURE AGAINST unless the loss is excluded under this policy.

#### **PERILS WE INSURE AGAINST – Section I**

**We** cover loss to covered property from any of the following perils.

1. Fire or lightning.  
This peril does not include loss caused by nuclear reaction, radiation, radioactive contamination or discharge of a nuclear weapon even if **accidental**, or any consequence of any of these.
2. Wind or hail.  
This peril does not include loss:
  - (a) to property in a building, caused by wind,

- rain, snow, sand, sleet or dust unless the building is first damaged by the direct force of wind or hail, creating an opening through which the wind, rain, snow, sand, sleet or dust enters; or
- (b) to watercraft and their trailers, furnishings, equipment and motors unless they are located inside a fully enclosed building. **We do cover non-motorized boats and canoes owned by you while they are on the residence premises.**
3. Explosion.  
This peril does not include loss caused by nuclear reaction, radiation, radioactive contamination or discharge of a nuclear weapon even if **accidental**, or any consequence of any of these.
4. Riot or civil commotion
5. Aircraft, including self-propelled missiles and spacecraft.
6. Vehicular collision. However, this peril does not apply if the only collision is between the **personal property** and the vehicle in which it is being transported.
7. Smoke or soot. This peril does not apply to losses:
- (a) caused by smoke or soot from agricultural smudging or industrial operations;
- (b) caused by continuous or repeated exposure to smoke or soot; or
- (c) caused by nuclear reaction, radiation, radioactive contamination or discharge of a nuclear weapon even if **accidental**, or any consequence of any of these.
8. Vandalism or malicious mischief.
- (a) This peril does not apply to vandalism or malicious mischief:
- (1) committed by, or at the direction of, any **insured**, or the husband, wife or child of any **insured**;
- (2) committed in or around a **dwelling** which is undergoing construction, repairs or renovations, unless that **dwelling** is occupied by an **insured** during such construction, repairs or renovations;
- (b) This peril does not apply to vandalism or malicious mischief committed by any **person** who is **renting** or **leasing** a part of the **residence premises**;
- (c) This peril does not apply to vandalism or malicious mischief to **personal property** located in areas of the **residence premises rented** or **leased** to others;
- (d) This peril does not apply, away from the **residence premises**, to vandalism or malicious mischief of:
- (1) **personal property** while at any other **premises owned, rented** or occupied by an **insured** except while an **insured** is temporarily **dwelling** there. Property of an **insured** who is a student is covered at a **dwelling** away from home if the student has been at that **dwelling** at any time during the 45 days immediately before the loss;
- (2) watercraft and their equipment; and
- (3) trailers.
9. Theft or attempted theft.
- (a) This peril does not apply to theft:
- (1) committed by, or at the direction of, any **insured**, or the husband, wife or child of any **insured**;
- (2) from in or around a **dwelling** which is undergoing construction, **repairs** or renovations, unless that **dwelling** is occupied by an **insured** during such construction, **repairs** or renovations;
- (3) of a precious or semi-precious stone from its setting;
- (4) of any credit card or loss by forgery or alteration of any check, draft, promissory note, bill of exchange, or similar written promise, order, or direction to pay a sum of money. There may be limited coverage for some of these items under the section headed "Additional Coverages Section I"; or

- (5) which results from a voluntary parting with title or possession of any property by the **insured** or others to whom the **insured** has entrusted the property. This exclusion applies even if such parting of title or possession was induced by a fraudulent scheme, trick, device or false pretense.
- (b) This peril does not apply to theft of the following, when a part of the **residence premises** is **rented** or **leased** to others:
- (1) money, bank notes, bullion, coins and medals and other numismatic property and precious metals including platinum, gold and silver, but not goldware or silverware;
  - (2) securities, manuscripts, accounts, deeds, evidences of debt, letters of credit, notes, passports, tickets, stamps and other philatelic property;
  - (3) jewelry, watches, precious and semi-precious stones and furs, including any article containing fur which represents its principal value; or
  - (4) any **personal property**, if the theft is committed by any **person renting** or **leasing** a part of the **residence premises**.
- (c) This peril does not apply, away from the **residence premises**, to theft of:
- (1) property while at any other **premises owned, rented** or occupied by an **insured** except while an **insured** is temporarily **dwelling** there. Property of an **insured** who is a student is covered at a **dwelling** away from home if the student has been at that **dwelling** at any time during the 45 days immediately before the loss;
  - (2) watercraft and their equipment; and
  - (3) trailers.
10. Breakage of Glass  
**We** cover glass or safety glazing materials, which is a part of the structure. **We** will not pay for loss at any **residence premises** if it has been **unoccupied** for more than 30 consecutive days immediately preceding the date on which the loss is reported to **us**. A Mobile Home **Dwelling** under construction is not considered to be **unoccupied**. If a law requires broken or damaged glass to be replaced with safety glazing materials, **we** will pay that cost. **We** cover damage to **personal property** caused by breakage of glass constituting a part of any building on the **insured premises**.
11. Volcanic Eruption  
This peril does not apply to loss caused by earthquake or land shock waves or tremors which occur before, during or after a volcanic eruption. All eruptions that occur within a period of 72 hours will be considered one volcanic eruption.
12. Falling of objects  
This peril does not apply to loss to the property which fell, nor does it apply to other property within a building unless, while it is falling, the object first damages the exterior of a building. **We** do not cover damage to the falling object or outdoor equipment, awnings, or fences.
13. Weight of ice, snow or sleet which damages the structure and property in the building.  
This peril does not apply to loss to:
- (a) outdoor equipment, awnings and fences, or
  - (b) pavements, patios, swimming pools, foundations, or retaining walls.
14. Collapse of any part of a building.  
This peril does not apply to settling, cracking, shrinkage, bulging or expansion. This peril does not apply to loss to the following unless damage is caused directly by collapse of a structure.
- (a) outdoor equipment
  - (b) awnings
  - (c) fences
  - (d) pavements
  - (e) patios
  - (f) swimming pools
  - (g) underground pipes
  - (h) flues

- (i) drains
  - (j) cesspools
  - (k) septic tanks
  - (l) foundations
  - (m) retaining walls
15. Cracking, burning, bulging or tearing apart, of a heating or air conditioning system, automatic fire protection sprinkler system or a potable water heating appliance. This peril does not apply to loss which is caused by or results from freezing.
16. Discharge or overflow of water or steam from within a plumbing system, heating system, air conditioning system, fire protection sprinkler system, or appliance if that system or appliance is physically located within a structure which is permanently attached to the **residence premises**.  
This peril does not apply to loss:
- (a) caused by continuous or repeated seepage or leaking over a period of fourteen days or more;
  - (b) to the system or appliance from which the water or steam escapes;
  - (c) caused by or resulting from freezing;
  - (d) to property at a building **vacant** for more than 30 consecutive days immediately before the loss;
  - (e) caused by water leaking from an aquarium;
  - (f) caused by water leaking from a water bed; or
  - (g) caused by water or steam from a hot tub or spa.
17. Freezing of a plumbing, heating and air conditioning system, automatic fire protection sprinkler system, or appliance.  
This peril does not apply to any loss occurring while the building is **vacant, unoccupied**, under construction, remodeling or renovation, unless **you** use reasonable care to:
- (a) shut off the water supply and drain the systems and appliances; or
  - (b) maintain heat in the building.
- This peril does not apply to losses to any appliance, hot tub, spa, whirlpool or equipment

located out of doors unless **you** use reasonable care to prevent such units from freezing.

18. Loss caused by artificially generated electrical currents.

This peril does not apply to losses to tubes, transistors, or any electronic circuitry which is a part of any appliance, fixture, computer, home entertainment unit or other type of electronic apparatus.

## EXCLUSIONS

**We** do not cover loss;

- (a) resulting directly or indirectly from any of the following;
- (b) which would not have occurred in the absence of any of the following;
- (c) which occurs regardless of the cause of any of the following; or
- (d) if loss occurs concurrently or in any sequence with any of the following.

1. Enforcement of any ordinance or law regulating the construction, **repair** or demolition of any building structure. **We** do cover loss caused by actions of civil authorities to prevent the spread of a fire if that fire is caused by a peril **we** insure against.
2. Earth movement. This exclusion includes, but is not limited to: the sinking, rising, shifting, expanding or contracting of earth, settling, cracking, shrinkage, bulging, expansion or contraction of: a) patios, b) pavement, c) foundations, d) walls, e) floors, f) roofs, g) ceilings; earthquake, volcanic explosion, lava flow, landslide, mudflow, mudslide, sinkhole, subsidence, erosion or movement resulting from improper construction, improper compaction, site selection or any other external forces. **We** do cover **accidental direct physical loss** which occurs subsequent to earth movement if that loss is caused by theft, fire, or explosion.
3. (a) Water, or water borne contaminants or materials, that flows on, or under, the surface of the ground; waves; tidal waters; or overflow of a stream or any body of

water. **We** do not cover spray from any of these, whether or not driven by wind.

- (b) Water, or water borne contaminants or materials, that escapes from a pool or water system, unless the portion of that pool or water system from which the water escapes is physically located within a building which is permanently attached to the **residence premises**.
- (c) Water, or water borne contaminants or materials, which overflows from sewers, drains, or pumps, if that overflow is caused by the inadequacy of the sewer, drain, or pump system, or by an obstruction of such which is located off of the **residence premises**.
- (d) Water, or water borne contaminants or materials, below the surface of the ground, which exerts pressure on, or flows, seeps, or leaks, through any part of a building or other structure, sidewalk, driveway or pool.
- (e) Condensation of water vapor.

**We** do cover **accidental direct physical loss** which occurs subsequent to any of the events or conditions listed in 3(a), 3(b), 3(c), 3(d) and 3(e), above, if that loss is caused by theft, fire or explosion.

- 4. Power, heating, or cooling failure or interruption, unless it results from **accidental direct physical loss** to power, heating or cooling equipment located on the **residence premises** and that loss is caused by a peril **we** insure against. **We** do cover **accidental direct physical loss** which occurs subsequent to any of these events if that loss is caused by theft, fire, or explosion.
- 5. Neglect of an **insured** to use all reasonable means to protect covered property at and after the time of loss or when property is threatened by a peril **we** insure against.
- 6. **War**.
- 7. Nuclear reaction, radiation, radioactive contamination or discharge of a nuclear weapon even if **accidental**, or any consequence of any of these.

- 8. An intentional act by, or at the direction of, any **insured** which a reasonable **individual** would expect to cause the loss for which the **claim** is made.
- 9. Any event causing loss to outdoor radio and television equipment except as provided in Coverage A.
- 10. Any event causing loss to piers, bulkheads, wharves and docks and anything attached to them.
- 11. Any **Business** activities of any **insured**.
- 12. Any defect, inadequacy, fault, unsoundness or weakness in:
  - (a) material used for construction or **repair**;
  - (b) site preparation including planning, zoning, surveying, grading, compaction and placement;
  - (c) workmanship, design or engineering specifications; or
  - (d) maintenance of land, structures, improvements and similar property on or off of the **residence premises**.

If such defect, inadequacy, fault, unsoundness or weakness existed before the **accident** which resulted in the loss.

- 13. Any Illegal activities of any **insured**.
- 14. Any Dishonesty of any **insured**.
- 15. Any peril (except Fire) to tires and wheels unless the loss is coincident with and from the same cause as another loss covered by this policy.
- 16. Conversion, embezzlement or secretion by the seller or by any **person** in lawful possession of the mobile home **dwelling**.

**We** do not cover any peril or loss listed above even if the loss is caused in part by:

- (a) the action, lack of action or decision of any **person**, group, organization or governmental body, or
- (b) the conduct of any **person**, group, organization or governmental body, regardless of whether that conduct is negligent, wrongful, intentional or without fault.

**We** do cover **accidental direct physical loss** that occurs subsequent to the events or conditions listed in (a) and (b), above, if that loss is caused by fire or explosion of the mobile home **dwelling**.

#### ADDITIONAL COVERAGES UNDER SECTION I

Unless the specific coverage indicates that no **deductible** applies, **we** will pay only for loss to the covered property minus the **deductible**.

##### 1. Debris Removal

**We** will pay the reasonable expenses **you** incur to have the following items hauled away from the **residence premises**:

- (a) the remains of covered property following a loss from a peril **we** insure against;
- (b) the remains of damaged property, which is not covered property, if:
  - (1) the damage to that property is caused by a peril **we** insure against; and
  - (2) the damaged property caused damage to covered property; and
  - (3) this coverage is not provided elsewhere in this policy;
- (c) ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property within a building.

This coverage does not extend to fees or expenses **you** incur for tearing off, or tearing out, the remains of covered property. Any amounts paid under this coverage will reduce the limits applicable to the covered property. However, if damage to covered property plus the cost of the debris removal covered by this section is more than the limit of **our** liability applicable to that covered property, **we** will pay up to an additional 5% of the limit of the applicable coverage for debris removal under this section.

##### 2. Fire Department Charges

**We** will pay up to \$500 for **your** liability under an agreement for service charges made by a fire department when called to protect **your** covered property from a peril **we** insure against. This payment is in addition to the amount of

insurance applying to the loss. No **deductible** applies to this coverage.

##### 3. Damage To Covered Property During Emergency Removal

**We** will pay for covered property damaged in any way while being removed from the mobile home **dwelling**, or returned to the mobile home **dwelling**, to protect that covered **personal property** from a peril **we** insure against, if that peril is imminent. In addition **we** will treat the temporary location of such property as a **residence premises**. This coverage is limited to a maximum of a 30 day period from date of removal and ends when the property is returned. Any amounts paid under this coverage will reduce the limits applicable to the covered property.

##### 4. Trees, Shrubs, Plants and Lawns

**We** will pay for loss to trees, shrubs, plants and lawns at the **residence premises**, if they are within 200 feet of **your** mobile home **dwelling** and are not grown for **business** purposes. This coverage applies only if the damage to them is caused by any of the following perils: fire, lightning, explosion, riot, civil commotion, aircraft, vandalism, malicious mischief, theft, or vehicles which are not **owned** or operated by an occupant of the **residence premises**.

**Our** maximum limit of liability under this coverage is 5% of the limit of insurance under the Mobile Home **Dwelling** Coverage, subject to the following limitations:

- (a) a maximum of \$500 in any 12 month period for damage to any one covered tree, shrub or plant; and
- (b) a maximum of \$2500 in any 12 month period for damage to a covered lawn.

**We** will also pay up to \$500, in the aggregate, for any one loss for the reasonable expenses **you** incur in removing any fallen trees from the **residence premises** if:

- (1) the trees caused damage to covered property when they fell; and
- (2) this coverage is not provided elsewhere in this policy.

These payments are in addition to the amount of insurance applying to Mobile Home **Dwelling Coverage**.

5. Credit Card, Charge Plate, Fund Transfer Card, Check Forgery and Counterfeit Money Coverages **We** will pay an amount not to exceed \$1000 for any one loss involving one or more of the following coverages. All loss resulting from a series of acts committed by any one **person**, or in which any one **person** is concerned or implicated, is considered to be one loss. No **deductible** applies to these coverages.

- (a) Credit Card, Charge Plate and Fund Transfer Card Coverage

If an **insured** is legally required to pay for the unauthorized use of a credit card, charge plate, or card used for deposit, withdrawal or transfer of funds, issued to the **insured**, **we** will cover the loss. If a **claim** is made or suit is brought against the **insured** for liability under this coverage, **we** will defend the **insured**. **We** will use **our** lawyers and bear the expense. **We** may investigate any **claim** or settle any suit as **we** think appropriate. **We** will not defend after **we** have paid an amount equal to the limit of **our** liability.

**We** do not cover:

- (1) use of the credit card, charge plate or card used for deposit, withdrawal or transfer of funds by a **resident of your** household;
- (2) use by someone to whom an **insured** has given the credit card, charge plate or card used for deposit, withdrawal or transfer of funds; or
- (3) any use unless the **insured** has met all the terms under which the card or plate was issued.

- (b) Check Forgery Coverage

**We** cover loss to any **insured** caused by forgery or alteration of a check. This includes all negotiable instruments. If a **claim** is made or suit is brought against the **insured** for liability under this coverage, **we**

will defend the **insured**. **We** will use **our** lawyers and bear the expense. **We** may at **our** option and at **our** expense, defend the **insured** or that **person's** bank against a suit to enforce payment under this coverage. **We** may investigate any **claim** or settle any suit as **we** think appropriate. **We** will not defend after **we** have paid an amount equal to the limit of **our** liability.

- (c) Counterfeit Money Coverage

**We** cover loss sustained by an **insured** through acceptance in good faith of counterfeit United States or Canadian paper currency. However, **we** will not pay more than \$50 for counterfeit United States or Canadian paper currency accepted in any one transaction or, regardless of any other provision, more than \$100 in the aggregate.

6. Refrigerated Food Products

**We** will pay up to \$500 in the aggregate for loss to the contents of all freezer and refrigerator units on the **insured premises**. The contents must be **owned** by **you**. The loss must be caused by change in temperature due to a verifiable interruption of electrical service from generating or transmission equipment outside the **dwelling**. Any amounts paid under this coverage will reduce the limits applicable to the covered property. No **deductible** applies to this coverage.

## SPECIAL PROVISIONS AND CONDITIONS RELATING TO SECTION I

1. What To Do In Case Of Loss

If a covered loss occurs, the **insured** must take all of the following actions if applicable to that loss:

- (a) Give **us** immediate notice and, in case of theft or suspected theft, **you** must also notify the police immediately.
- (b) Protect the property from further damage. Make necessary and reasonable temporary **repairs** to protect the property, and keep records of the cost of those **repairs**.

- (c) Send to **us**, within 60 days after its receipt by **you**, a proof of loss signed and sworn to by the **insured**, including:
    - (1) the time and cause of loss;
    - (2) the reason for the loss;
    - (3) the interest of **insureds** and all others in the property;
    - (4) the total value of the property immediately before and after the loss;
    - (5) all encumbrances on the property;
    - (6) other policies covering the loss;
    - (7) changes in title, use, occupancy or possession of the property;
    - (8) a list (schedule) of **personal property** damaged or destroyed including all facts known to **you** regarding:
      - (i) its quantity,
      - (ii) its description,
      - (iii) from whom it was obtained,
      - (iv) the date it was obtained or purchased,
      - (v) whether it was purchased new or used,
      - (vi) the amount of its purchase price,
      - (vii) the current **replacement** cost,
      - (viii) the cost to **repair** it,
      - (ix) the amount of **your** loss; and
    - (9) if required, any plans and specifications of any damaged building or fixtures;
  - (d) Show the damaged property to **us** or **our** representative prior to its **replacement** or **repair**, as often as **we** may reasonably require.
  - (e) Submit to examinations under oath by any **person** named by **us**, out of the presence of any other **individual** other than a licensed attorney and sign the transcript of the examinations.
  - (f) Produce for examination, and permit **us** to copy, records pertaining to any loss of **rental** or **lease** income, all books of account, bills, invoices, receipts and other vouchers that **we** may reasonably require.
  - (g) Produce receipts for any increased costs **you** incur to maintain **your** standard of living while **you dwell** elsewhere.
  - (h) Authorize **us**, in writing, to obtain any other records which may be relevant to the **claim** or which may reasonably be expected to aid **our** investigators in determining the facts relevant to the **claim**.
2. How Losses Under Section I Are Settled
- (A) This provision applies to losses to **personal property** except losses to those items specifically included in section (B) below. When **we** agree with **you** as to the **market value** of the damaged part of those items, **we** will, at **our** option:
    - (1) pay the **market value** of the damaged part of the covered property;
    - (2) pay the **restoration cost** of the damaged part of the covered property;
    - (3) **replace** the damaged part of the covered property, in kind; or
    - (4) pay the limit of coverage stated in this policy as applicable to the item, including any special limits, or limits based on the location of the item.

If **we** cannot agree with **you** as to the **market value**, it will be determined in accordance with the appraisal section of the state specific endorsement attached to this policy.

All payments made under this provision will be paid under Coverage C.
  - (B) This provision applies to losses to the following items of property: outdoor antennas, permanently attached awnings, permanently attached floor coverings except wood floor coverings and ceramic tile floor coverings, permanently attached **domestic appliances**, structures that are not buildings, and fences. This provision also applies to property of any type covered under this policy which is not specifically

listed in this paragraph or referred to in paragraph (A), above.

**We** will estimate the **total restoration cost**, and pay **you**:

- (1) the **actual cash value** of all the damaged parts of the covered property; or
- (2) the limit of liability shown in the Policy Declarations, whichever is less.

If **we** cannot agree with **you** as to the **actual cash value**, it will be determined in accordance with the appraisal section of the state specific endorsement attached to this policy.

All payments made under this provision will be paid under Coverage A or B whichever may apply to the specific loss.

(C) These provisions apply to all losses settled under paragraphs (A) and (B) above:

- (1) **Depreciation** is not deducted for that portion of the **restoration cost** which is based solely on **repairing** the damaged part of the covered property.
- (2) The amount of **your deductible** will be deducted from all losses covered under Part I of this policy, unless the specific coverage under which the loss is covered says otherwise. A single **deductible** applies to all covered losses caused by any one **accident**.
- (3) If **we** pay the **market value** of an item, or pay to **replace** an item or a part of an item, **we** may, at **our** option, take all or part of that damaged or stolen item or part at its appraised or agreed upon value.

### 3. Insurable Interest

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

### 4. Abandoned Property

**We** are not obliged to accept abandoned

property.

### 5. Loss to a Pair or Set

**We** may, at **our** option:

- (a) **repair** or **replace** any part of a pair or set to restore the pair or set to its **market value** before the loss; or
- (b) pay the amount by which the **market value** of the pair or set has diminished because of the loss of, or damage to, the part.

6. Lienholder Clause. The word "Lienholder" includes trustee. If a Lienholder is named in the Declarations, such insurance as is afforded by the policy shall insure the interest of the Lienholder at the time of any loss or damage to the covered property and payment for such loss or damage shall first be made to the Lienholder for his interest and the balance, if any, to **you**. **Our** liability shall not exceed the **actual cash value** of the covered property at the time of the loss or damage, less any **deductible** amount applicable.

A violation of the policy provisions by **you** which voids the insurance, shall not affect the Lienholder's right of recovery.

Upon cancellation or termination of the policy or the coverages insuring the Lienholder's interest, **we** agree to give 10 days written notice mailed to the Lienholder's address shown in the Declarations. If termination or cancellation is for nonpayment of premiums required for continuance or renewal of the policy, the loss payee may elect to pay the premium to keep in effect the coverages insuring its interest.

The Lienholder may furnish any required proof of loss if within 60 days after receiving notice of **your** failure to furnish it.

If any payment is made to the Lienholder, which **we** would not have been obligated to make except for these provisions, **we**, to the extent of such payment, shall be subrogated to the right of the Lienholder under all securities held by it as collateral for payment of the debt, or **we**, at **our** option, may pay the Lienholder the whole amount of the principal and interest due on said

debt and shall then receive a full assignment of the lien or other securities; but no subrogation shall impair the right of the Lienholder to recover the full amount of its **claims**.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, agreements, limitations or exclusions of the policy, other than as herein stated.

Loss, if any, to be adjusted only with the **insured** named on the Policy Declarations and payable to the **insured** and the Lienholder named on the Policy Declarations as their respective interests may appear, subject to all the terms and conditions of the policy.

7. Suit Against **Us**

Any lawsuit seeking coverage or benefits under Section I of this policy must be brought within one year after the loss or damage occurs, unless the law of the state in which this policy was issued prohibits this contractual limitation period. This period is extended by the number of days between the date of **your** loss and the date **we** deny the **claim** in whole or in part.

8. No Benefit to Bailee

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

9. Recovered Property

Any party who recovers property for which **we** have made payment under this policy will notify the other of the recovery. **You** will have the option of keeping the property or having it become **our** property. If **you** keep the property, **you** will repay **us** the amount **we** paid **you** for that property.

10. Payments Under This Section Of The Policy

Before **we** make any payments under part I of this policy,

(a) **we** must receive **your** completed proof of loss;

(b) **you** must comply with all conditions of this policy; and

(c) the amount of the loss must have been established by either:

(1) an agreement between **you** and **us**, or

(2) a final judgment of a court of law.

When these steps are completed, **we** will make any payments due for a covered loss within 30 days.

11. Appraisal

Any appraisal which becomes necessary under the terms of this policy will be handled in accordance with the state specific endorsement attached to this policy.

## SECTION II - PERSONAL LIABILITY AND MEDICAL PAYMENT PROTECTION

### COVERAGE E - PERSONAL LIABILITY

#### INSURING AGREEMENT

Subject to the limit of **our** liability stated in this section, **we** will pay on behalf of an **insured**, all sums which such **insured** becomes legally obligated to pay as damages, if those damages result from an **accident**.

#### OUR RIGHT TO INVESTIGATE AND SETTLE CLAIMS

**We** may investigate and settle any **claim** as **we** think appropriate.

#### LIMITS OF LIABILITY

Regardless of the number of **insureds**, **persons** injured, **claims** made, or locations shown, **our** maximum liability is the limits of liability stated in the Policy Declarations for Coverage E. That amount is the limit of **our** liability for all damages resulting from any one **accident**.

#### EXCLUSIONS

**We** do not cover:

1. **Bodily injury** or **property damage** arising out of the ownership, maintenance, operation, use, or

entrustment of:

- (a) aircraft other than miniature aircraft which are not designed to transport cargo or people;
- (b) any **land motor vehicle**, other than a **recreational motor vehicle, owned** or operated by or **rented** or loaned to any **insured**.

**We** do provide coverage if the **land motor vehicle** is:

- (1) being used on the **insured premises** at the time of the **accident**, and not then subject to motor vehicle registration; or
  - (2) kept in dead storage on the **insured premises**;
- (c) any motorized vehicle, if the **bodily injury** or **property damage** occurs away from the **insured premises**. This exclusion does not apply to:
    - (1) a golf cart while used for golfing on a golf course;
    - (2) a motorized vehicle originally designed to assist the physically handicapped;
    - (3) a motorized vehicle, other than a **land motor vehicle**, used in a part-time job related activity by **you** or a **relative**, if the **individual** engaged in that activity is under the age of twenty-five, and is a full time student; or
    - (4) a lawn mower while used to mow other **premises** so long as such mowing is not a **business**.
  - (d) any motorized vehicle used, or designed to be used, in competition with other vehicles; or
  - (e) watercraft not located on the **insured premises**:
    - (1) **owned** by or **rented** to any **insured** if it has inboard or inboard-outdrive motor power of more than 50 horsepower;
    - (2) **owned** by or **rented** to any **insured** if it is powered by one or more outboard motors with more than 25 total

horsepower;

- (3) **owned** by or **rented** to any **insured** if it is a sailing vessel 26 feet or more in length; or
  - (4) **owned** by or **rented** to any **insured** if it is a personal watercraft powered by a water jet pump of more than 50 horsepower.
- 2. **Bodily injury** or **property damage** arising out of the rendering or failing to render professional services.
  - 3. **Bodily injury** or **property damage** arising out of the **business** of any **insured**.
  - 4. **Bodily injury** or **property damage** arising out of the condition of any **premises owned, rented** or controlled by an **insured** which is not an **insured premises**. However, **we** will cover **bodily injury** to any **residence employee** arising out of and in the course of employment by an **insured** at such **premises**.
  - 5. **Bodily injury** or **property damage** which any **insured** intended to cause.
  - 6. **Bodily injury** or **property damage** which a reasonable **individual** would expect to result from the intentional acts of any **insured**.
  - 7. **Bodily injury** or **property damage** arising out of **war**.
  - 8. **Bodily injury** or **property damage** which arises out of the transmission of communicable diseases by any **insured**.
  - 9. Any liability which arises solely because of a contract or agreement made by any **insured**.
  - 10. **Property damage** to property **owned** by an **insured**.
  - 11. **Property damage** to **premises** or property occupied or used by any **insured** or **rented** or **leased** to or in the care of an **insured**. **We** will cover **property damage** to such **premises** or property caused by fire, smoke or explosion.
  - 12. **Bodily injury** to any **individual** if any **insured** has, or is required under any **compensation law** to have, a policy providing benefits covering the **bodily injury**.

13. **Bodily injury or property damage** when any **insured** is covered under any nuclear energy liability policy. This exclusion applies even if the limits of liability of that policy have been exhausted.
14. **Bodily injury** to a **residence employee** unless written **claim** is made within 12 months after the end of the policy term.
15. **Bodily injury** to any **insured**. This exclusion applies, even if the **claim** is one seeking contribution toward, or repayment of, damages based upon that **bodily injury**.
16. **Bodily injury** to any **individual** who is on the **insured premises** because of the **business** of any **insured**.
17. **Property damage** to property which is on the **insured premises** because of the **business** of any **insured**.
18. **Bodily injury or property damages** arising out of any activity of any **insured** which would constitute a felony under the laws of the state in which such activity occurred, whether or not such **insured** is actually charged with a crime for that activity.
19. The liability of any **insured** for **punitive damages**.
20. **Bodily injury or property damage** arising out of, or caused, in whole or in part by, asbestos, radon, mold, lead, paint containing lead, chemicals, petroleum products, or any other substance or material containing lead, or any pollutant.
21. Any legal obligation of **yours** for indemnification or contribution due to damages because of **bodily injury or property damage** arising out of, or caused, in whole or in part, by asbestos, radon, mold, lead, paint containing lead, chemicals, petroleum products, or any other substance or material containing lead, or any pollutant.
22. Any loss, cost or expense arising out of any governmental direction or request that **you** test for, monitor, clean up, remove, abate, contain, treat or neutralize asbestos, radon, mold, lead,

paint containing lead, chemicals, petroleum products or any other substance or material containing lead, or any pollutant.

23. **Property damage** arising out of the intentional or negligent misrepresentation or non-disclosure of any material fact related to the sale, or attempted sale, of property **owned** by any **insured**.

**COVERAGE F - MEDICAL PAYMENTS TO OTHERS**  
 ADDITIONAL DEFINITIONS USED IN THIS COVERAGE

1. **Reasonable charges** means charges incurred for goods and services which, in **our** judgment, are within the range of charges for the same or similar goods and services, in the geographic area in which the services are rendered or the goods are provided. **We** may employ outside reviewers, consultants and data providers in formulating **our** judgment as to whether the charges are **reasonable charges**. The determination of whether charges are **reasonable charges** may be made after the **individual** making the **claim** has received the goods and services for which the charges are made. The fact that a licensed health care provider furnished, rendered, or prescribed the goods and services is not solely determinative of whether the charges made for them are **reasonable charges**.
2. **Necessary goods and services** means the goods and services furnished or prescribed by a health care provider which, in **our** judgment, are necessary for the proper treatment of **bodily injury** in the most efficient and economical fashion that such **bodily injury** can be safely treated. **We** may employ outside reviewers, consultants and data providers in formulating **our** judgment as to whether the goods and services are **necessary goods and services**. The determination of whether goods and services are **necessary goods and services** may be made after the **individual** making the **claim** has received the goods and services. The fact that a

licensed health care provider furnished, rendered, or prescribed the goods and services is not solely determinative of whether they are **necessary goods and services**.

#### INSURING AGREEMENT

Subject to the limit of **our** liability stated in this coverage, **we** will pay the **reasonable charges** for **necessary goods and services** for the treatment of **bodily injury** resulting from an **accident**. These expenses must be incurred within three years from the date of the **accident**.

Each **individual** who sustains **bodily injury** is entitled to this coverage when that **individual** is:

1. on an **insured premises** with the permission of an **insured**, or
2. elsewhere, if the **bodily injury**:
  - (a) arises out of a condition in the **insured premises** or the adjoining ways;
  - (b) is caused by the activities of an **insured** or a **residence employee** in the course of employment by an **insured**;
  - (c) is caused by an animal **owned** by, or in the care of, an **insured**; or
  - (d) is sustained by a **residence employee** arising out of and in the course of employment by an **insured**.

#### DUTIES OF AN INDIVIDUAL WHO MAKES A CLAIM

Any **individual** who makes a **claim** under Coverage F must:

1. authorize **us** to obtain any records which may be relevant to the **claim** or which may reasonably be expected to aid **our** investigators in determining the facts relevant to the **claim**;
2. answer, under oath, any questions posed by **us**, out of the presence of any other **individual**, and sign a written transcript of such questions and answers;
3. submit to physical examinations, at **our** expense, by doctors **we** select as often as **we** may reasonably require; and
4. authorize **us** to obtain relevant medical records

of the **bodily injury** which is the basis for such **claim**.

#### LIMITS OF LIABILITY

Regardless of the number of **insureds**, **persons** injured, **claims** made, or locations shown, **our** maximum liability is the limits of liability stated in the Policy Declarations form Coverage F. That stated amount is the limit of **our** liability for all medical expenses for **bodily injury** to any one **individual** resulting from any one **accident**.

#### PAYMENTS UNDER THIS COVERAGE

**We** will pay any amount due under this coverage directly to the **individual** making the **claim** unless, because of a perfected lien or valid assignment, **we** are obligated to pay someone else. **We** will pay, based upon such an assignment, only if **we** receive a written copy of the assignment before **we** make payment for the services for which the assignment was given.

#### EXCLUSIONS

**We** do not cover:

1. **Bodily injury** arising out of the ownership, maintenance, operation, use, or entrustment of:
  - (a) Aircraft **owned** by or **rented** to any **insured** other than miniature aircraft which are not designed to transport cargo or people.
  - (b) Any **land motor vehicle owned** or operated by, or **rented** or loaned to, any **insured**, other than a **recreational motor vehicle**. **We** do provide coverage if the **land motor vehicle** is kept in dead storage on the **insured premises** and not subject to motor vehicle registration at the time of the **accident**.
  - (c) Any motorized vehicle, if the **bodily injury** occurs away from the **insured premises**. This exclusion does not apply to:
    - (1) a golf cart while used for golfing on a golf course;
    - (2) a motorized vehicle originally designed to assist the physically handicapped; or

- (3) a lawn mower while used to mow other **premises** so long as such mowing is not a **business**.
- (d) Watercraft not located on the **insured premises**:
  - (1) **owned** by or **rented** to any **insured** if it has inboard or inboard-outdrive motor power of more than 50 horsepower;
  - (2) **owned** by or **rented** to any **insured** if it is powered by one or more outboard motors with more than 25 total horsepower;
  - (3) **owned** by or **rented** to any **insured** if it is a sailing vessel 26 feet or more in length; or
  - (4) **owned** by or **rented** to any **insured** if it is a personal watercraft powered by a water jet pump.
- 2. **Bodily injury** arising out of the rendering or failing to render professional services.
- 3. **Bodily injury** arising out of the **business** of any **insured**.
- 4. **Bodily injury** arising out of any **premises owned, rented** or controlled by any **insured** which is not an **insured premises**. However, **we** will cover **bodily injury** to a **residence employee** arising out of and in the course of employment by an **insured** at such **premises**.
- 5. **Bodily injury** which any **insured** intended to cause.
- 6. **Bodily injury** which a reasonable **individual** would expect to result from the intentional acts of any **insured**.
- 7. **Bodily injury** arising out of **war**.
- 8. **Bodily injury** which arises out of the transmission of communicable diseases by any **insured**.
- 9. **Bodily injury** to any **insured** or **resident** of the **insured premises**, except a **residence employee**.
- 10. **Bodily injury** to any **individual** who is entitled to benefits which are provided, or required to be provided, under any **Compensation Law**.

- 11. **Bodily injury** from any nuclear reaction, radiation or radioactive contamination or any consequence of any of these.

#### COVERAGE G – DAMAGE TO PROPERTY OF OTHERS INSURING AGREEMENT

**We** will pay for **property damage** caused by an **insured** to real property or **personal property owned** by others.

#### LIMITS OF LIABILITY

**We** will not pay more than the smallest of the following amounts for any one occurrence.

- 1. The **market value** of the property at the time of loss;
- 2. The **restoration cost**; or
- 3. \$1,000.

#### EXCLUSIONS

**We** will not pay for **property damage**:

- 1. caused by any **insured** who has attained the age of 13, unless it results from an **accident**;
- 2. to property **owned** by, or **rented** to:
  - (a) any **insured**;
  - (b) any tenant of an **insured**; or
  - (c) any **resident** of any **insured's** household;
- 3. arising out of:
  - (a) any act or omission related to making **premises owned, rented**, or controlled by any **insured** safe, unless those **premises** are the **insured premises**;
  - (b) the **business** of anyone;
  - (c) the ownership, maintenance or use of a **land motor vehicle**, trailer, aircraft or watercraft; or
- 4. to property insured under Section I of this policy.

#### ADDITIONAL COVERAGES UNDER SECTION II

**We** will pay the following costs and expenses if they result from a **claim** covered by Section II of this policy. The payment of these benefits will not reduce **our** limits of liability under this Section:

- 1. All expenses **we** incur in the settlement of any **claim**.

2. If a lawsuit is filed against the **insured** for damages which are covered under this section of the policy, **we** will defend the **insured** at **our** expense, using lawyers of **our** choice, and **we** will pay all expenses and attorney's fees **we** incur in the defense of that lawsuit. **We** are no longer obligated to provide, or to pay for, such defense after **we**:
  - (a) offer to the claimant or judgment creditor, or pay into court, the full amount of **our** limit of liability under Coverage E, exclusive of all **judgment interest**; or
  - (b) **we** offer to the judgment creditor, or pay into court, that part of a judgment **we** owe within **our** limit of liability under Coverage E, exclusive of all **judgment interest**.
3. Court costs which are assessed against an **insured** in a civil lawsuit in which **we** have paid the fees of the **insured's** attorney.
4. Pre-judgment interest due on any amount **we** owe within **our** limits of liability under Coverage E of this policy. However, **our** duty to pay pre-judgment interest on any one **claim** ends when **we**:
  - (a) offer to the claimant or judgment creditor, or pay into court, the full amount of **our** limit of liability under Coverage E, exclusive of all **judgment interest**; or
  - (b) **we** offer to the judgment creditor, or pay into court, that part of a judgment **we** owe within **our** limit of liability under Coverage E, exclusive of all **judgment interest**.
5. Post-judgment interest due on any amount **we** owe within **our** limits of liability under Coverage E. However, **our** duty to pay post-judgment interest on any one **claim** ends when **we** offer to the judgment creditor, or pay into court, that part of the judgment which **we** owe within **our** limits of liability under Coverage E, exclusive of all **judgment interest**.
6. The cost of any bonds required by an appellate court to ensure payment of the cost of an appeal, if that appeal is from a judgment in a civil lawsuit in which **we** have paid the fees of the **insured's** attorney. **We** have no duty to furnish or apply for any bonds. The limit of **our** liability for the cost of all such bonds is ten percent of the limit of liability under Coverage E. **We** do not cover the cost of supersedeas bonds, or bonds necessary to stay execution of a judgment during the pendency of an appeal from that judgment.
7. Up to \$250 for each bail bond needed by an **insured** because of any one **accident** or traffic law violation resulting from the operation of a **land motor vehicle** insured under this policy. **We** have no duty to furnish or apply for such bonds.
8. Reimbursement, which is requested by an **insured**, for reasonable and necessary expenses incurred at **our** request during the defense of a civil lawsuit. This does not include wages or salary lost by an **insured** who **we** ask to attend any proceedings related to the defense of a civil lawsuit.

## MUTUAL POLICY NOTIFICATION

If the Company named in the Policy Declarations is Shelter Mutual Insurance Company, the following provisions apply to this policy.

This policy is issued by a mutual company which is subject to special legal regulations applicable to its organization, membership, policies, and contracts of insurance. Some of those regulations apply to and form a part of this policy.

**You** are hereby notified that by virtue of purchasing this policy **you** are a member of the Shelter Mutual Insurance Company of Columbia, Missouri and may participate, to the extent, and upon the conditions fixed and determined by the Board of Directors of the Company in its discretion in the distribution of dividends it fixes and determines.

IN WITNESS WHEREOF, the Company named in the Declarations has caused this policy to be signed by its President and Chief Executive Officer and its Secretary, and countersigned on the Declarations page by a duly authorized representative of the Company.

  
Secretary

  
President and CEO

**You** are entitled to vote, either in **person** or by proxy, at all meetings of that Company. The annual meeting of the Shelter Mutual Insurance Company is held at its Home Office in Columbia, Missouri, on the first Wednesday in April of each year at 10 o'clock A.M.

All of **your** interest in the Shelter Mutual Insurance Company, its goodwill, assets, and guaranty fund, will cease upon termination of this policy, except any **claims** that **you** may then have under this policy and except for any unearned portion of **your** deposit premium.

This policy is non-assessable.