

## COVERAGE C -- PERSONAL PROPERTY SPECIAL COVERAGE

This policy is amended to include the following "terms".

"We" agree to provide the coverage described in this endorsement with the understanding that the part of the residence or building in which the property covered under Coverage C is usually located is occupied by "you" and is not rented or sublet to another.

All other "terms" of the policy apply, except as amended by this endorsement.

- g. The "terms" stated in a. through f. of this Incidental Property Coverage for Liquid Fuel Remediation do not limit coverage for direct loss to covered property caused by the discharge, dispersal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of liquid fuel when the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

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### PROPERTY COVERAGES

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#### PRINCIPAL PROPERTY COVERAGES

##### Coverage C -- Personal Property

##### Limitations On Certain Property

Item 7) is deleted and replaced by the following:

- 7) For loss by theft, misplacing, or losing:
- a) \$2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;
  - b) \$2,500 on silverware, goldware, platinumware, pewterware, and items plated with gold, silver, or platinum; and
  - c) \$2,500 on guns and items related to guns.

#### INCIDENTAL PROPERTY COVERAGES

1. Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, the Incidental Property Coverage for Collapse is deleted.
2. Item g. under the Incidental Property Coverage for Liquid Fuel Remediation is deleted and replaced by the following:

#### PERILS INSURED AGAINST -- COVERAGES C AND D

Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, the Perils Insured Against are deleted and replaced by the following:

"We" insure property covered under Coverage C for direct physical loss, unless the loss is excluded under the Exclusions That Apply To Coverage C.

##### 1. Exclusions That Apply To Coverage C

- a. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages or the Additional Exclusions That Apply To Property Coverages.
- b. **Freezing, Discharge, Leakage, Or Overflow** -- Subject to the exceptions stated in 1) and 2) below, "we" do not pay for loss caused by freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance.

- 1) When the "described location" is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:
  - a) maintain heat in the "described location"; and
  - b) continue the water supply.
- 2) When the "described location" is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:
  - a) maintain heat in the "described location"; or
  - b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

With respect to this exclusion and the exceptions stated in 1) and 2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

- c. **Freezing, Thawing, Pressure, Or Weight Of Ice Or Water** -- "We" do not pay for loss caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to:
- 1) fences, patios, paved areas, or swimming pools;
  - 2) bulkheads, footings, foundations, walls, or any other structures or features that support all or part of a building or other structure;
  - 3) bulkheads or retaining walls that do not support all or part of a building or other structure; or
  - 4) docks, piers, or wharves.

- d. **Theft** -- "We" do not pay for loss caused by theft in or to a residence being built, or theft of materials or supplies for use in construction of the residence, until the residence is occupied for its intended use.

e. **Water, Humidity, Moisture, Or Vapor**

- 1) "We" do not pay for loss caused by:
  - (a) continuous or repeated discharge, seepage, or leakage of water; or
  - (b) the presence or condensation of humidity, moisture, or vapor;

over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor and such loss is not otherwise excluded by this policy.

- 2) Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water.

- Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.
- f. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of:
- 1) bulkheads;
  - 2) ceilings;
  - 3) floors;
  - 4) footings;
  - 5) foundations;
  - 6) patios;
  - 7) paved areas;
  - 8) roofs; or
  - 9) walls.
- g. **Birds, Vermin, Rodents, Insects, Or Animals** -- "We" do not pay for loss caused by:
- 1) birds;
  - 2) "vermin";
  - 3) rodents;
  - 4) insects; or
  - 5) any animal owned or kept by an "insured";
- except as provided under the Incidental Property Coverage for Glass Or Safety Glazing Material.
- However, this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.
- h. **Smoke** -- "We" do not pay for loss caused by smoke from agricultural smudging or industrial operations.
- i. **Pollutants** -- "We" do not pay for loss caused by the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.
- However, this exclusion does not apply with respect to the Incidental Property Coverage for Liquid Fuel Remediation.
- j. **Wear And Tear** -- "We" do not pay for loss caused by:
- 1) wear and tear, marring, or deterioration;
  - 2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;
  - 3) rust or other corrosion or smog; or
  - 4) pressure from or the presence of roots of trees, plants, shrubs, or other vegetation.
- However, the reference to mechanical breakdown in this exclusion does not apply with respect to the Incidental Property Coverage for Refrigerated Property.
- k. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains, and similar fragile articles.
- However, this exclusion does not apply to:
- 1) jewelry; watches; bronzes; cameras and photographic lenses; or

- 2) loss caused by or resulting from:
- a) fire; lightning; windstorm; hail; smoke (other than smoke from agricultural smudging or industrial operations); explosion; riot; civil commotion; aircraft; vehicles; vandalism and malicious mischief; collapse or the impairment of structural integrity of a building or any part of a building; water not otherwise excluded; theft or attempted theft; or sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air-conditioning or automatic fire protective sprinkling system, or a water heater; or
  - b) Sinkhole Collapse or Volcanic Eruption as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

- l. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment, and outboard engines or motors, caused by collision, sinking, swamping, or stranding. This exclusion does not apply to collision of watercraft with a land vehicle.
- m. **Dampness And Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. This does not apply to loss caused directly by rain, snow, sleet, or hail.
- n. **Refinishing, Renovating, Or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches, and furs, caused by a refinishing, renovating, or repairing process.

However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.

2. **Exceptions To Exclusions That Apply To Coverage C**

- a. "We" pay for an ensuing loss that results from 1.b. through 1.j. above, unless the ensuing loss itself is excluded.
- b. Unless the loss is otherwise excluded by this policy, "we" pay for loss to property covered under Coverage C that results from water or steam that, due to a cause or event excluded under 1.f. through 1.j. above, accidentally discharges or overflows from:
  - 1) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or
  - 2) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located.

"We" do not pay for loss to the system, heater, or appliance from which the water or steam escaped.

In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

### EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, the Exclusions That Apply To Property Coverages are amended as follows.

1. Under Earth Movement, the statement in item 2)f) indicating that earth movement does not include Sinkhole Collapse as described under the Perils Insured Against is deleted and replaced by the following:

However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to property covered under Coverage C if this endorsement was not attached to the policy.

2. The following is added to Water:

- 8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

- 9) These exclusions do not apply with respect to direct physical loss to property covered under Coverage C while such property is away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Additional Exclusions That Apply To Property Coverages does not apply.

3. The following is added to Bacteria, Fungi, Wet Rot, Or Dry Rot:

However, this exclusion does not apply with respect to direct physical loss to covered property involving the collapse of a building or a part of a building.

Except with respect to property in a part of a residence or building that "you" regularly rent or sublet to another, Property Coverages is amended to include the following section, entitled Additional Exclusions That Apply To Property Coverages.

### ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

"We" do not pay for loss or damage that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.

- a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages.

- b. **Errors, Omissions, And Defects**

- 1) "We" do not pay for loss caused by one or more of the following:

- a) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or
- b) a defect, a weakness, the inadequacy, a fault, or unsoundness in the:

- (1) development, planning, siting, surveying, zoning;

- (2) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship;
- (3) materials used in construction, remodeling, renovation, or repair; or
- (4) maintenance;

of any property, whether in whole or in part, and whether on or away from the "described location".

- 2) However, this exclusion does not apply with respect to:
  - a) direct physical loss to covered property involving the collapse of a building or a part of a building; or
  - b) the Incidental Property Coverage for Emergency Removal.

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**HO 2730 01 15**