

# Required Coverages and Amendments

## TRANSITION ENDORSEMENT—DELUXE HOME SEGMENT

This endorsement modifies the various provisions of your policy as indicated here.

If we make payment for a loss which is also covered under another Segment of this policy there will be no coverage under this Segment.

### I. DEFINITIONS

The following definition is added with respect to **Liability Coverage - Home**.

**17. Volunteer** means an unpaid:

- a. Member or Leader;
- b. Coach, manager, trainer or teacher;
- c. Director, officer, board member or trustee; or
- d. Staff member

of a non-profit corporation or association. A **covered person** will not be considered paid if:

- a. Reimbursed only for direct out of pocket expenses for food, travel, uniforms, or similar costs incurred in; or
- b. Paid a nominal stipend for;

the fulfillment of their duties in the non-profit corporation or association. A **volunteer** also means an administrator or executor of a deceased person's estate.

**Volunteer** does not mean a **covered person** engaged in any activity that involves the **covered person's** business, or that requires the **covered person** to provide professional services.

### II. PROPERTY COVERAGE - HOME

**REAL PROPERTY-LIMIT OF LIABILITY** is amended as follows:

Item **4**. is deleted and replaced by the following:

- 4.** If the replacement premises is not at the same location, covered losses will be settled on a replacement cost basis. We will pay no more than the dwelling replacement value

shown in the Coverage Summary for equivalent construction and use as the original **residence premises**.

**TANGIBLE PERSONAL PROPERTY - PROPERTY SPECIAL LIMITS** is amended as follows:

**Category 1**. is deleted and replaced by the following:

- 1.** \$500 . . . On money, bank notes, bullion, gold (except goldware), silver (except silverware), platinum, coins and medals.

**ADDITIONAL PROPERTY COVERAGES** is amended as follows:

**A.** Items **8**., the first paragraph of **9**., and **22**. are deleted and replaced by the following:

#### **8. Mortgage Extra Expense Coverage.**

If a **total loss** occurs to the **residence premises** from a covered loss, we agree to reimburse you for the increased **monthly mortgage expenses**.

In addition, we will pay mortgage **acquisition costs** and legal fees incurred from the construction of a replacement dwelling at the same location.

Your limit for this coverage is \$20,000. No more than \$250 per month of this limit will be available for the **monthly mortgage expenses**.

We will pay you on a semi-annual basis for up to a total of four years or until you no longer occupy the replacement premises, whichever comes first.

Coverage is limited to the extra expense of your first mortgage on the **residence premises**.

#### **9. Personal Home Computer and Data Records Coverage.**

We cover personal home computer(s) that are:

# Required Coverages and Amendments

- a. Located on your **residence premises**; and
- b. Are owned by you;

For direct physical loss except for losses listed in **Property Coverage - Losses We Do Not Cover**. We also cover loss to data caused by magnetic injury and loss to your personal home computer and data caused by external power failure or external power surge.

## 22. Lock Replacement.

We will pay up to \$500 to replace the locks on your **residence premises** if the keys are lost or stolen. You must notify us within 72 hours of discovering the loss. There is no deductible for this coverage.

B. The following items are added:

## 24. Police Department Service Charge.

We will pay up to \$50 per occurrence, subject to a maximum of \$250 per policy period, for police department charges incurred when the police department is called due to the accidental activation of a burglary alarm system. The deductible does not apply.

## 25. Witness Expense Reimbursement.

We will pay your reasonable expenses and any lost wages you incur as a result of your appearance at a trial as a prosecution witness. This must result from a person being charged with committing an illegal act related to a covered **REAL PROPERTY** or **TANGIBLE PERSONAL PROPERTY** loss.

Reimbursement is subject to \$25 a day for reasonable expenses and \$50 a day for lost wages up to a maximum of \$300. The deductible does not apply.

**LOSSES WE DO NOT COVER** is amended as follows:

- A. Exclusion 1.d. is deleted and replaced by the following:
  - 1.d. Involving intentional acts or omissions of or at the direction of one or more **covered persons**, if the loss that occurs:

- (1) May reasonably be expected to result from such acts; or
- (2) Is the intended result of such acts.

B. The following exclusion, 1.h., is added:

1.h. Resulting from criminal acts or omissions of or at the direction of one or more **covered persons**. This exclusion applies even if:

- (1) Such **covered person** lacks the mental capacity to govern his or her conduct;
- (2) Such **covered person** is not actually charged with or convicted of a crime.

## HOW WE SETTLE PROPERTY CLAIMS AND WHAT YOU MUST DO is amended as follows:

The following item is added:

## 10. Cost of Preparing Proof of Loss.

We will pay up to \$250 for the reasonable expenses incurred by you or any **covered person**, for any outside services necessary to prepare proof of your loss or other exhibits required by this policy. This includes:

- a. building repair estimates;
- b. accounting services;
- c. appraisals; or
- d. other necessary services performed for you or any **covered person**, by others.

However, we will not pay for any legal services or the services of a public adjuster.

## III. LIABILITY COVERAGE - HOME

**ADDITIONAL LIABILITY COVERAGES** is amended as follows:

The following item is added:

## 6. Volunteer Wrongful Acts Coverage.

We pay amounts that a **Covered Person** becomes legally liable to pay because of civil claims made against you or a **Covered Person**, for any actual or alleged wrongful act.

A **Covered Person** for Volunteer Wrongful Acts Coverage is:

# Required Coverages and Amendments

- a. You; or
- b. Any **family member**.

A **wrongful act** is any actual or alleged:

- a. Error;
- b. Misstatement;
- c. Action(s) or inaction(s);
- d. Neglect; or
- e. Breach of duty;

committed by a **Covered Person** in that person's capacity as a volunteer.

Your Limit of liability for Volunteer Wrongful Acts Coverage is \$10,000. This is the most we will pay for all losses arising out of a single **wrongful act**, regardless of the number of **Covered Persons** or policy periods. A series of interrelated **wrongful acts** is considered a single **wrongful act**.

Our payment is excess over any other collectible insurance.

This coverage does not apply to liability for any of the following:

- a. Bodily injury, property damage or personal injury;
- b. Other than money damages;
- c. Fines or penalties imposed by law or matters deemed uninsurable by the law;
- d. Arising out of a covered person's failure or inaction in obtaining or maintaining insurance, including any error or inaction as to the amount, form or provisions of the insurance;
- e. Arising out of a **covered person's** dishonesty. However, we will protect the **covered person** for alleged dishonesty until:
  - (1) A judgment establishes the **covered person's** actual or intentional dishonesty; or
  - (2) The expenses we incur in defending the claim exceed \$10,000;

Whichever occurs first.

- f. Based upon or attributable to a **covered person's** gain of any personal profit or advantage which the **covered person** was not legally entitled to receive;
- g. Return of any payments given a **covered person** without the previous approval of the Board of Directors of the corporation or association. Without this approval, these payments will be considered to have been illegal;
- h. An accounting of profits made from the purchase or sale of securities under any federal or state laws;
- i. A **covered person's** failure to register securities as required by any federal or state laws;
- j. Arising out of or in any way related to discrimination in violation of any statute, ordinance or law prohibiting such discrimination;
- k. Arising out of any:
  - (1) Nuclear reaction;
  - (2) Radiation or radioactive contamination; or
  - (3) Any consequence of these.
- l. Arising out of any actual or alleged **wrongful act** committed by a **covered person** in the capacity as an elected or appointed public official or member of a governmental body.

If a claim or suit is brought against you or any **covered person** alleging a **wrongful act** we will provide defense costs for the counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. The claim must be covered under this **Volunteer Wrongful Acts Coverage**. If we defend a claim or suit for a **wrongful act**, we will pay, in addition to your Wrongful Acts Limit of Liability, the expenses we incur in defending a claim or suit. Our duty to settle or defend ends when the expenses we incur exceed \$10,000. In addition to these expenses we will pay:

- a. Premiums on appeal bonds and bonds to release attachments in any suit we defend;

# Required Coverages and Amendments

we have no obligation to secure or provide bonds;

- b. Up to \$100 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request;
- c. Other reasonable expenses (other than loss of earnings) incurred at our request;
- d. Expenses incurred by us and costs taxed against any **covered person** in any suit we defend; and
- e. Interest accruing after a judgment is entered and before the loss is paid in any suit we defend. Our duty to pay interest ends when we offer to pay that part of judgment which does not exceed our limit of liability for this coverage.

We are not obligated to defend suits brought against a **covered person** in any country where we are prevented from defending because of laws or other reasons. However, we will pay any expenses incurred with our written consent for the **covered person's** defense.

Our obligation to pay the above costs ends when our limit of liability for Volunteer Wrongful Acts Coverage has been exhausted.

**ADDITIONAL LIABILITY COVERAGES, 5.**  
**Other Payments We Make**, does not apply to a claim or suit under your Volunteer Wrongful Acts Coverage.

**LOSSES WE DO NOT COVER** is amended as follows:

**A.** Exclusions 1.d.(2), 1.d.(3), 1.d.(5) and 1.h. are deleted and replaced by the following:

- 1.d.(2) Watercraft powered by one or more outboard motors of 50 horsepower or less, which are owned by a **covered person**;

1.d.(3) Watercraft powered by inboard or inboard-outboard motor power of 50 horsepower or less, which are owned by a **covered person**;

1.d.(5) Watercraft that you or any **family member** do not own, as long as they are not furnished or available for the regular use of you or any **covered person**, regardless of the horsepower;

1.h. Intended by, or which may reasonably be expected to result from the intentional acts or omissions of one or more **covered persons**. This exclusion applies even if:

- (1) Such **covered person** lacks the mental capacity to govern his or her conduct;
- (2) Such **bodily injury** or **property damage** is of a different kind or degree than that intended or reasonably expected; or
- (3) Such **bodily injury** or **property damage** is sustained by a different person than intended or reasonably expected.

**B.** The following exclusions, 1.o. and 1.p., are added:

1.o. Arising out of sexual molestation, corporal punishment or physical or mental abuse. However, we will cover your liability for corporal punishment to any pupil if coverage for corporal punishment is shown on the Coverage Summary.

1.p. Resulting from criminal acts or omissions of or at the direction of one or more **covered persons**. This exclusion applies even if:

- (1) Such **covered person** lacks the mental capacity to govern his or her conduct;
- (2) Such **covered person** is not actually charged with or convicted of a crime.