

## 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:

- a. Located on **your residence premises**; and

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- 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.

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A **covered person** for **Volunteer Wrongful Acts Coverage** is:

- 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

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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; **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; or
  - (2) Such **covered person** is not actually charged with or convicted of a crime.