

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
CALIFORNIA CHANGES – UNIT-OWNERS COVERAGE

This endorsement modifies insurance provided under the following:

FARM COVERAGE PART

SCHEDULE
SAMPLE

**Unit – Number
And
Description:**

Limit(s) Of Insurance

Coverage A:
Coverage C:
Coverage D:

Loss Assessment Of Limit(s) Of Insurance

Property:
Liability:
**Covered Causes Of
Loss Basic Or Broad:**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Definitions

1. With respect solely to the coverage provided by this endorsement, Section **C. Definitions** of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions is revised as follows:

a. Definition 2. "Dwelling" is replaced by the following:

2. "Dwelling" means the unit used principally for family residential purposes and described in the Schedule.

The "dwelling" must be either:

- a. Owned and occupied by you; or
- b. Owned by a partnership or a joint venture, or an organization other than a partnership or joint venture and occupied by a member or stockholder of the partnership or joint venture, or the organization

other than the partnership or joint venture, and you have an ownership interest in the partnership, joint venture or organization.

b. Definition 5. "Insured location" is replaced by the following:

5. "Insured location" means the location of the "dwelling".

2. With respect solely to the coverage provided by this endorsement, **Section IV – Definitions** of the Farm Liability Coverage Form is revised as follows:

a. Definition 11. "Insured location" is replaced by the following:

11. "Insured location" means the location of the "dwelling".

b. The following Definition is added:

"Dwelling" means the unit used principally for family residential purposes and described in the Schedule.

The "dwelling" must be either:

- a. Owned and occupied by you; or
- b. Owned by a partnership or a joint venture, or an organization other than a partnership or joint venture and occupied by a member or stockholder of the partnership or joint venture, or the organization other than the partnership or joint venture, and you have an ownership interest in the partnership, joint venture or organization.

B. Section I – Coverages

With respect solely to the coverage provided by this endorsement, under the Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form:

- 1. **Section I – Coverages, Coverages A – Dwellings, Paragraphs A. Coverage, A.1. Covered Property, A.2. Property Not Covered and B.1. Coverage A Conditions,** the Property Valuation, Loss Condition are replaced by the following:

- a. **Coverage A**

We will pay, up to the Limit Of Insurance shown in the Schedule for that unit, for direct physical loss of or damage to Covered Property under Coverage **A** of this endorsement caused by or resulting from any Basic or Broad Covered Causes Of Loss as described in the Schedule.

- (1) **Covered Property**

The following are Covered Property under Coverage **A** of this endorsement:

- (a) The alterations, appliances, fixtures and improvements which are part of the building contained within the "dwelling";
- (b) Items of real property which pertain exclusively to the "dwelling";
- (c) Property that is your insurance responsibility under a corporation or association of property owners agreement; or
- (d) Structures owned solely by you, other than the "dwelling", at the "insured location".

- (2) **Property Not Covered**

The following are not Covered Property under Coverage **A** of this endorsement:

- (a) Land, including land on which the "dwelling", real property or structures are located;
- (b) Structures rented or held for rental to any person who does not reside in the "dwelling", unless used solely as a private garage;

- (c) Structures used to store "business property";
- (d) Water; or
- (e) Trees, shrubs, plants or lawns, except to the extent provided for in Paragraph **C.1.** of this endorsement.

- b. **Coverage A Conditions**

- LOSS CONDITION – VALUATION**

- COVERED PROPERTY**

We will determine the value of Covered Property in the event of loss or damage as follows:

- (1) If the loss or damage is repaired or replaced within a reasonable time, at the actual cost to repair or replace.
- (2) If the loss or damage is not repaired or replaced within a reasonable time, at actual cash value but not more than the amount required to repair or replace.

The cost of repairs or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

- 2. **Section I Coverage B – Other Private Structures Appurtenant To Dwellings** is deleted.

- 3. Under Section I – Coverage **C** – Household Personal Property, we will pay, up to the Limit Of Insurance shown in the Schedule for that unit, for direct physical loss of or damage to Covered Property under Coverage **C** of this policy caused by or resulting from any Basic or Broad Covered Causes Of Loss as described in the Schedule.

- 4. **Section I – Coverage D – Loss Of Use** is replaced by the following:

- a. **Coverage**

We cover the following, up to the Limit Of Insurance shown in the Schedule for each unit for Coverage **D**:

- (1) **Your Additional Living Expenses**

If a loss by a Covered Cause of Loss to Covered Property or the building containing the Covered Property renders the "dwelling" uninhabitable, we will pay any necessary increase in living expense you incur so that your household can maintain its normal standard of living.

Payment under your Additional Living Expense will be for the shortest time required for repair or replacement of the damaged property, or, if you relocate, the shortest time for your household to settle elsewhere.

(2) Fair Rental Value

If a Covered Cause of Loss renders unusable a private garage that you, as the owner, rent or hold for rental, we will pay for the Fair Rental value loss you sustain.

But we will exclude from our payment any expenses that do not continue while the rental garage is unusable.

Payment under this Fair Rental Value Coverage will be for the shortest time required to repair or replace the damaged garage.

(3) Expense Due To Emergency Prohibition Against Occupancy

We will pay for the Additional Living Expense you sustain if a civil authority prevents use of the "dwelling" because of direct damage to neighboring premises by a Covered Cause of Loss.

But we will not pay parts of such expense that are incurred after a period of 2 weeks has elapsed.

The period of our liability under Coverage D – Loss Of Use is not limited by the expiration of the policy to which this endorsement is attached.

No Deductible applies to Coverage D.

b. Coverage D Conditions

Coverage D is subject to the Farm Property Conditions (see Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions) and the Common Policy Conditions.

C. Section II – Coverage Extensions

With respect solely to the coverage provided by this endorsement, under the Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form:

1. Paragraph A. Trees, Shrubs, Plants And Lawns is replaced by the following:

A. Trees, Shrubs, Plants And Lawns

This Coverage Extension applies to Coverages A and C.

Trees, shrubs, plants and lawns you solely own at the location of the "dwelling" are Covered Property but only if loss or damage is caused by or results from any of the following Covered Causes of Loss: fire or lightning, explosion, riot or civil commotion,

aircraft, vehicles not owned or operated by a resident of the covered "dwelling", vandalism, or theft.

For all damaged or destroyed trees, shrubs, plants or lawns at the location of the "dwelling", the most we will pay under this Extension is 10% of the Coverage C Limit of Insurance shown in the Declarations.

However, we will not pay more than \$500 for any one damaged or destroyed tree, shrub, plant or lawn.

This Extension is additional insurance.

We will not pay for loss of or damage to trees, shrubs, plants or lawns grown for business or farming purposes.

2. Under Paragraph B. Household Personal Property Of "Insureds" Away From The "Insured Location", the first paragraph is replaced by the following:

This Coverage Extension applies to Coverage C and is part of (not in addition to) the applicable Limit of Insurance.

3. Under Paragraph C. Refrigerated Products – Not "Farm Personal Property", the first two paragraphs are replaced by the following:

This Coverage Extension applies to Coverage C and is part of (not in addition to) the applicable Limit of Insurance.

We will pay up to \$500 for loss of or damage to contents of a freezer or refrigerated unit, in the "dwelling" you occupy, caused by a change in temperature due to:

- a. Interruption of electrical service to refrigeration equipment, caused by damage to generating or transmission equipment; or
- b. Mechanical or electrical breakdown of a refrigeration system.

4. Paragraph D. Building Additions And Alterations is deleted.

D. Section III – Additional Coverages

With respect solely to the coverage provided by this endorsement, under the Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form:

1. Paragraph A. Removal Of Fallen Trees is deleted.
2. The following is added:

LOSS ASSESSMENT

- a. We will pay up to the Limit Of Insurance shown in the Schedule for Property Loss Assessment for your share of loss assessment charged during the policy period against you, as owner of the "dwelling", by a corporation or association of property owners. The assessment must

be made as a result of direct loss or damage to property owned by all members collectively and of a type that would be covered by this endorsement if owned by you and caused by a Covered Cause of Loss under Coverage **A**, other than:

- (1) Earthquake; or
- (2) Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

The Limit Of Insurance shown in the Schedule is the most we will pay for any one loss, regardless of the number of assessments. We will only apply one deductible, per unit, to the total amount of any one loss to the property described above, regardless of the number of assessments.

- b. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

This Additional Coverage is additional insurance.

E. Covered Causes Of Loss

When Basic or Broad is shown in the Schedule, and with respect solely to the coverage provided by this endorsement, Covered Causes Of Loss means the Covered Causes of Loss in the Causes Of Loss Form – Farm Property revised as follows:

1. Under **B. Covered Causes Of Loss – Basic**
 - a. Paragraph **1. Fire Or Lightning** is replaced by the following:
 1. **Fire Or Lightning**
 - b. Item **c.(1)** of Paragraph **2. Windstorm Or Hail** is replaced by the following and Item **c.(3)** is deleted:
 - (1) Covered Property under Coverage **A**, or the property inside the "dwelling" or a covered structure, caused by rain, snow, sleet, sand or dust, whether driven by wind or not, unless the "dwelling" or covered structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sleet, sand or dust enters; or
 - c. Paragraph **3. Explosion** is replaced by the following:
 3. **Explosion**, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages of such a vessel from which the gases of combustion pass.
 - d. Item **a.** of Paragraph **8. Vandalism** is replaced by the following:

- a. The "dwelling" or property which pertains to the "dwelling", or its contents, if the building containing the "dwelling" has been "vacant" for more than 30 consecutive days immediately before the loss. A building being constructed is not considered vacant.

- e. Paragraph **9. Theft** is replaced by the following:

9. Theft, including attempted theft and loss of property from a known location when it is likely that the property has been stolen.

This cause of loss does not include loss caused by or resulting from theft:

- a. Due to unauthorized instructions to transfer property to any person or to any place;
- b. In or from a "dwelling" under construction, or of materials and supplies for use in such construction, until the "dwelling" is completed and occupied; or
- c. With respect to household personal property away from the "insured location", of:

- (1) Property at any residence owned by, rented to, or occupied by, an "insured", except while an "insured", is temporarily residing there.

But property of a student who is an "insured" is covered at a residence away from home provided the student has been there at any time during the 45 days immediately preceding the loss;

- (2) Any watercraft, its furnishings, equipment or outboard motors; or
- (3) Trailers or campers.

- f. Paragraphs **12. Collision – Coverages E And F Only**, **13. Earthquake Loss To Livestock** and **14. Flood Loss To Livestock** are deleted.

2. Under **C. Covered Causes Of Loss – Broad**
 - a. Paragraphs **15. Electrocutation Of Covered Livestock**, **16. Attacks On Covered Livestock By Dogs Or Wild Animals**, **17. Accidental Shooting Of Covered Livestock**, **18. Drowning Of Covered Livestock From External Causes** and **19. Loading/Unloading Accidents** are deleted.

- b. Paragraph **24. Accidental Discharge Or Leakage Of Water Or Steam** is replaced by the following:

24. Accidental Discharge Or Leakage Of Water Or Steam from within a plumbing, heating, air conditioning or other system or appliance that is located on the "insured location" and contains water or steam.

Under this cause of loss we will pay for loss of or damage to covered household personal property provided that Broad is shown in the Declarations for the coverage applicable to that household personal property.

We will also pay to tear out and replace any part of a building or other structure owned solely by you which is Covered Property under Coverage **A** but only so that repairs can be made to the damaged system or appliance provided that Broad is shown in the Schedule for the coverage applying to that building or structure covered under Coverage **A**.

We will not pay:

- a. For loss or damage caused by discharge or leakage from a sump or related equipment and parts, including overflow due to sump pump failure or excessive volume of water;
 - b. The cost to repair any defect that caused the loss or damage;
 - c. For loss or damage caused by discharge or leakage within the "dwelling", if the building containing the "dwelling" has been "vacant" for 30 consecutive days immediately before the loss;
 - d. For loss or damage to or within the "dwelling" caused by accidental discharge or leakage which occurs away from the building where the "dwelling" is located;
 - e. For loss or damage caused by or resulting from freezing; or
 - f. For loss or damage caused by or resulting from discharge or leakage from roof drains, gutters, downspouts or similar fixtures or equipment.
- c. Paragraph **25. Freezing** is replaced by the following:

25. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance but only if you have used reasonable care to:

- a. Maintain heat in the building; or
- b. Shut off the water supply and drain the systems or appliance of water.

However, if the "dwelling" or a covered structure is protected by an automatic fire protective system, you must use reasonable care to continue the water supply and maintain heat in the "dwelling" or covered structure for coverage to apply.

A plumbing system does not include a roof drain, gutter, downspout or similar fixtures or equipment.

- d. Paragraph **26. Sudden And Accidental Damage** from artificially generated electrical current is replaced by the following:

26. Sudden And Accidental Damage from artificially generated electrical equipment – Applicable Only To Coverages **A** and **C**.

This cause of loss does not include loss of or damage to:

- a. Tubes, transistors or integrated circuitry that are a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus. Integrated circuitry includes, but is not limited to, chips, transformers, resistors, diodes, wafers and rectifiers; or
- b. Laser or infrared devices used to operate or assist in the operation of any appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

3. Paragraph D. Covered Causes Of Loss – Special does not apply.

- F. With respect solely to the coverage provided by this endorsement, under the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions Paragraph **B.8. Farm Property Conditions – Loss Conditions – Other Insurance And Service Agreement** is replaced by the following:

8. Other Insurance And Service Agreement

- a. If loss or damage covered by this policy is also covered by other insurance, except insurance in the name of a corporation or association of property owners, we will pay only our share of the covered loss or damage. Our share is the proportion that the applicable Limit Of Insurance shown in the Schedule bears to the limits of

insurance of all insurance covering the loss or damage.

- b. If there is other insurance in the name of a corporation or association of property owners covering the same loss or damage, we will pay only the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit Of Insurance shown in the Schedule.
- c. If loss or damage is also covered by a service agreement, any amounts payable for such loss or damage under this endorsement will be excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service or warranty agreement, even if it is characterized as insurance.

G. With respect solely to the coverage provided by this endorsement, under the Farm Liability Coverage Form:

- 1. Under **Section I – Coverages, Coverage H – Bodily Injury And Property Damage Liability** and under Coverage I – **Personal And Advertising Injury Liability**, the following exclusion is added:

LOSS ASSESSMENT

This insurance does not apply to liability:

- a. For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided under Paragraph **G.2.** of this endorsement; or
- b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:
 - (1) That directly relate to the ownership, maintenance or use of an "insured location" as defined in this endorsement; or
 - (2) Where the liability of others is assumed by you prior to an "occurrence";unless excluded in **a.** above or elsewhere in the Exclusions of the policy to which this endorsement is attached.

- 2. With respect solely to the coverage provided in this endorsement, under the Farm Liability Coverage Form, the following is added to Section I – Coverages, Additional Coverages:

LOSS ASSESSMENT

- a. We will pay up to the Limit Of Insurance shown in the Schedule for Liability Loss Assessment for your share of loss assessment charged against you, as owner of the "dwelling", during the policy period by a corporation or association of property owners, when the assessment is made as a result of:

- (1) "Bodily injury", "property damage", "personal injury" or "advertising injury" not excluded from coverage under this endorsement or elsewhere in the policy to which this endorsement is attached; or
- (2) Liability for an act of a director, officer or trustee in the capacity of director, officer or trustee, provided such person:
 - (a) Is elected by the members of a corporation or association of property owners; and
 - (b) Serves without deriving any income from the exercise of duties which are solely on behalf of the corporation or association or property owners.

- b. Paragraph **1.b.(2)** under **Section I – Coverages, Coverage H – Bodily Injury And Property Damage Liability** does not apply to this Loss Assessment Coverage.
- c. Regardless of the number of assessments, the Limit Of Insurance shown in the Schedule for Liability Loss Assessment is the most we will pay for loss arising out of:
 - (1) One "occurrence"; or
 - (2) A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.
- d. This Additional Coverage does not apply to assessments charged against you or a corporation or association of property owners by any governmental body.