

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAUSE OF LOSS – LIMITED EARTHQUAKE ENDORSEMENT – CALIFORNIA (DWELLINGS AND HOUSEHOLD PERSONAL PROPERTY)

This Endorsement modifies insurance provided under the following:

CAUSES OF LOSS FORM – FARM PROPERTY
FARM PROPERTY – FARM DWELLINGS, APPURTENANT STRUCTURES AND HOUSEHOLD PERSONAL
PROPERTY COVERAGE FORM

SCHEDULE*

Premium Number:	
Description Of "Dwelling":	
Earthquake Sub-Limit Of Insurance For Coverage A – Dwelling#:	_____
Earthquake Sub-Limit Of Insurance For Coverage C – Household Personal Property#:	_____
Earthquake Sub-Limit Of Insurance For Additional Living Expense:	_____
Earthquake Deductible (Not to exceed 15%)##:	_____ %

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

This column should be left blank if the Limit Of Insurance for Earthquake is the same as the Limit Of Insurance for other Covered Causes of Loss.

Applicable to Coverage **A** and only applicable to Coverage **C** if there is no coverage under Coverage **A**, as described in **H.** and **I.** below.

A. Coverage

With respect to the coverage of Earthquake as provided under this Endorsement:

1. We do not insure property covered under Coverage **B** – Other Private Structures Appurtenant To Dwellings, as described in the Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form, except as described in **D.1.** and **D.2.** below.
2. Coverage **D** – Loss Of Use in the Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form is replaced by the following:

ADDITIONAL LIVING EXPENSE

We will pay, up to the Limit of Insurance shown in the Schedule above, for Additional Living Expense. However, the Limit of Insurance applicable to coverage under this Endorsement for Additional Living Expense will be no less than \$1,500. Additional Living Expense means any necessary increase in living expense you incur so that your household can maintain its normal standard of living if a loss caused by earthquake to property covered in this Endorsement renders your principal living quarters uninhabitable. Payment will be for the shortest time required for repair or replacement of the damaged property, or, if you relocate, the shortest time required for your household to settle elsewhere. The period of our liability is not limited by the expiration of this policy.

B. Covered Cause Of Loss

When Earthquake is shown in the Declarations, Covered Cause of Loss means Earthquake.

All Earthquake shocks that occur within any 168-hour period will constitute a single Earthquake. The expiration of this policy will not reduce the 168-hour period.

The **Earth Movement Exclusion** in **E. Exclusions** in the **Causes Of Loss Form – Farm Property** does not apply to loss or damage caused by Earthquake to the extent that Earthquake is covered in this Endorsement.

C. Exclusions

The following is added to **E. Exclusions** in the **Causes Of Loss Form – Farm Property**:

In this Endorsement, we will not pay for loss or damage caused directly or indirectly by:

1. Fire, explosion, landslide, mine subsidence, tidal wave, flood, mudslide or mudflow, even if attributable to Earthquake.
2. Any Earthquake that begins before the inception of this Endorsement.

D. Additional Covered Property

Covered Property under Coverage **A – Dwellings**, as described in the **Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form**, is supplemented as follows, with respect to the coverage for Earthquake as provided under this Endorsement:

Covered Property also includes:

- (1) Walkways and patios that are necessary for regular entry to or exit from the "dwelling". Walkways include ramps or other fixtures designed to assist handicapped persons.
- (2) Masonry fences that are necessary for the structural integrity of the "dwelling".

E. Additional Property Not Covered

In addition to the property not covered under Coverage **A – Dwellings** and Coverage **C – Household Personal Property** in the **Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form**, the following property is not covered, with respect to the coverage for Earthquake:

1. Swimming pools;
2. Masonry walls that are not necessary for the structural integrity of the "dwelling";
3. Awnings or other patio coverings;

4. Masonry chimneys. If, however, a masonry chimney is damaged and must be replaced, we will pay to provide you with a non-masonry, earthquake resistant chimney;
5. Materials on the "insured location" intended for use in building, altering or repairing the covered "dwellings" or their attached structures;
6. Building and outdoor equipment used principally for the service of the covered "dwelling", its grounds or structures appurtenant to it, including equipment temporarily away from the premises;
7. Landscaping, including trees, shrubs, plants and lawns;
8. The cost of filling land;
9. Property of others while the property is in a part of the "dwelling" you occupy or on the grounds appurtenant to that "dwelling" if you own it;
10. Glassware, china, porcelain, or ceramic items; or
11. Artwork or other decorative items.

F. Limitations

1. We will not pay for loss of or damage to exterior masonry veneer (except stucco) on wood frame walls caused by or resulting from Earthquake. The value of such veneer will not be included in the value of Covered Property or the amount of loss when applying the Deductible applicable to this Endorsement.

This limitation does not apply if:

- a. The premises description in the Declarations specifically states "Including Masonry Veneer"; or
 - b. Less than 10% of the total outside wall area is faced with masonry veneer (excluding stucco).
2. If there is damage to any decorative or artistic coverings or features of the "dwelling", including plaster, we will only pay the smallest of the following amounts, subject to the Coverage **A** Limit of Insurance shown in the Schedule above:
 - a. The amount necessary to repair or replace the damaged property with material of like kind and quality and for like use; or
 - b. The amount necessary to repair or replace the damaged property using materials, parts and labor that are less costly than those necessary for material of like kind and quality and for like use.

G. Earthquake Sub-Limit Of Insurance

If an amount(s) is shown in the Schedule under Earthquake Sub-Limit of Insurance, the most we will pay for earthquake loss or damage in a single Earthquake is the applicable Earthquake Sub-Limit of Insurance.

Fire and explosion are not covered under this Endorsement, as stated in Section C.1. of this Endorsement. If fire and explosion are covered under the Basic, Broad or Special Covered Causes of Loss in the Causes Of Loss Form – Farm Property, and if fire and explosion are caused by earthquake, the Endorsement provides that we will not pay more, for the sum of all loss or damage caused by the earthquake, fire and explosion, than the Limit of Insurance which applies to coverage for damage caused by or resulting from fire and explosion.

H. Special Deductible

1. Coverage A – Dwellings

The following deductible applies to loss or damage caused by Earthquake covered in this Endorsement. No other deductible applies to such loss or damage:

We will pay only that part of the total of all loss payable under Coverage A – Dwellings that exceeds the percentage (shown in the Schedule under Earthquake Deductible) of the Coverage A Limit of Insurance shown in the Schedule.

2. Coverage C – Household Personal Property When Insuring Property Under Coverage C And There Is No Coverage In The Policy For Coverage A – Dwellings

When insuring property under Coverage C – Household Personal Property and there is no Earthquake coverage in the policy for Coverage A – Dwellings, we will pay only that part of the total of all loss payable under Coverage C – Household Personal Property that exceeds the percentage (shown in the Schedule under Earthquake Deductible) of the Coverage C Limit of Insurance shown in the Schedule.

I. Deductible Impact To Coverage C – Household Personal Property When Insuring Property Under Coverage A – Dwellings And Coverage C

When insuring property under Coverage A – Dwellings and Coverage C – Household Personal Property, no separate deductible applies to loss to property insured under Coverage C – Household Personal Property. However, in the event of loss or damage to household personal property, we will pay for that loss or damage, up to the Coverage C Limit of Insurance shown in the Schedule above, only if:

- a. There is also loss or damage to property insured under Coverage A – Dwellings; and
- b. The loss or damage to that property insured under Coverage A – Dwellings exceeds the Deductible described in H.1. above.

See Paragraph J. for examples of how this provision will apply in event of loss.

J. Examples Of Application Of Earthquake Deductible

The examples shown below assume a Coverage A – Dwellings limit of \$100,000 and a Coverage C – Household Personal Property limit of \$5,000. The deductible in this example is 15% of the Coverage A – Dwellings Limit of Insurance, or \$15,000.

	Amount Of Loss			
	1	2	3	4
Dwelling Loss	None	\$20,000	\$30,000	\$50,000
Household Personal Property Loss	\$10,000	None	\$20,000	\$5,000
Covered Loss	None	\$5,000	\$20,000	\$40,000

- 1. Dwelling loss did not exceed \$15,000 deductible, so Household Personal Property loss is not covered.
- 2. Dwelling loss of \$20,000 less \$15,000 deductible = covered loss of \$5,000 for Dwelling.
- 3. Dwelling loss of \$30,000 less \$15,000 deductible = covered loss of \$15,000 for Dwelling plus \$5,000 for Household Personal Property (Coverage C limit is \$5,000).
- 4. Dwelling loss of \$50,000 less \$15,000 deductible = covered loss of \$35,000 for Dwelling plus \$5,000 for Household Personal Property.