

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – VIRGINIA

SECTION I – PROPERTY COVERAGES

COVERAGE C – Personal Property

The first paragraph is deleted and replaced by the following:

We cover personal property owned or used by an "insured" while it is anywhere in the world. At your request, we will cover personal property owned by:

1. Others while the property is on the part of the "residence premises" occupied by an "insured";
2. A guest while the property is in any residence occupied by an "insured";
3. A "residence employee" while the property:
 - a. Is in any residence occupied by an "insured"; or
 - b. Is in the physical custody of that employee and that employee is engaged in the service of an "insured."

Special Limits of Liability

Items 1., 2., 5., and 10. are deleted and replaced by the following:

1. \$200 on money, bank notes, bullion, gold other than goldware or gold-plated ware, silver other than silverware or silver-plated ware, platinum and coins.
2. \$1,000 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.

5. \$1,500 for loss by theft of jewelry, watches, furs, precious and semi-precious stones.
10. \$1,000 for loss to electronic apparatus, used to transmit, record, receive or reproduce sound, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes:

- a. Accessories or antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus used to transmit, record, receive, or reproduce sound.

Items 7., 8., 9., and 11. are deleted.

Property Not Covered

Item 3. is deleted and replaced by the following:

3. Motor vehicles or all other motorized land conveyances. This includes electronic apparatus used to transmit, record, receive, or reproduce sound, and that is designed to be operated solely by use of the power from the electrical system of motor vehicles or all other motorized land conveyances.

Electronic apparatus includes:

- a. Accessories or antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus.

The exclusion of property described above applies only while the property is in or upon the vehicle or conveyance.

We do cover vehicles or conveyances not subject to motor vehicle registration which are:

- a. Used to service an "insured's" residence; or
- b. Designed for assisting the handicapped.

Items 4. and 5. are deleted and replaced by the following:

4. Aircraft and parts. Aircraft means any contrivance used or designed for flight, except model aircraft;
5. Property of roomers, boarders and other tenants, except property of:
 - a. "Residence employees"; or
 - b. Roomers and boarders related to an "insured";

Item 8. is deleted.

The following exclusions are added:

10. "Business" property in storage or held as a sample or for sale or delivery after sale;

11. "Business" property pertaining to a "business" actually conducted on the "residence premises"; or
12. "Business" property away from the "residence premises."

COVERAGE D – Loss Of Use

The following paragraph is added:

No deductible applies to this coverage.

ADDITIONAL COVERAGES

1. **Debris Removal** is deleted and replaced by the following:
 1. **Debris Removal.** We will pay the reasonable expense incurred by you in the removal of debris of covered property provided coverage is afforded for the peril causing the loss. Debris removal expense is included in the limit of liability applying to the damaged property. We will also pay the reasonable expense for removal of fallen trees which cause damage to covered property. When the amount payable for the actual damage to the property plus the expense for debris removal exceeds the limit of liability for the damaged property, an additional 5% of that limit of liability will be available to cover debris removal expense.

8. **Collapse** is deleted in Forms **HO 00 02, HO 00 03, HO 00 04 and HO 00 06.**

SECTION I – PERILS INSURED AGAINST

Forms **HO 00 02, HO 00 03, HO 00 04 and HO 00 06:**

9. **Theft.** Exclusion c. "From that part of a 'residence premises' rented by an 'insured' to other than an 'insured' " is deleted and replaced by the following:
 - c. From the "residence premises" while the portion of the "residence premises" customarily occupied exclusively by an "insured" is rented to others:
 - (1) Caused by a tenant, members of the tenant's household, or the tenant's employees;
 - (2) Of money, bank notes, bullion, gold, gold-ware, gold-plated ware, silver, silverware, silver-plated ware, pewterware, platinum and coins;
 - (3) Of securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, passports, tickets and stamps; or
 - (4) Of jewelry, watches, furs, precious and semi-precious stones.

Forms **HO 00 02, HO 00 03 and HO 00 04:**

2. **Windstorm or Hail.** The second paragraph is deleted and replaced by the following:

This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building. This limitation does not apply to rowboats and canoes on the "residence premises."

Forms **HO 00 03, HO 00 04 and HO 00 06:**

The following peril is added:

17. **Collapse of a building or any part of a building.**

This peril does not include settling, cracking, shrinking, bulging or expansion.

For Form **HO 00 03**, this peril applies to Coverage C, Personal Property only.

For Form **HO 00 03**, item 1. under **COVERAGE A – Dwelling and B – Other Structures** does not apply.

Form **HO 00 02:**

The following peril is added:

17. **Collapse of a building or any part of a building.**

This peril does not include loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock unless the loss is a direct result of the collapse of a building.

Collapse does not include settling, cracking, shrinking, bulging or expansion.

In Form **HO 00 06**, item 8. **Vandalism or malicious mischief** is deleted in its entirety and replaced by the following:

8. **Vandalism or malicious mischief.**

SECTION I – EXCLUSIONS

8. **Intentional Loss** is deleted and replaced by the following:

8. **Intentional Loss.** We do not provide coverage for an "insured" who commits or directs an act with the intent to cause a loss.

(This is item 1.h. in Form **HO 00 03.**)

The following exclusions are added to Forms **HO 00 02, HO 00 04 and HO 00 06.** In Form **HO 00 03**, the first paragraph below replaces the first paragraph of item 2. under Section I – Exclusions.

We do not insure for loss caused by any of the following. However, any ensuing loss which is not excluded or excepted in this policy is covered.

Weather Conditions. However, this exclusion applies only if weather conditions contribute in any way with a cause or event excluded under the foregoing Section I – Exclusions.

Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

Faulty, inadequate or defective:

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation or remodeling; or
- (4) Maintenance;

of part or all of any property whether on or off the "residence premises."

SECTION I – CONDITIONS

Under **2. Your Duties After Loss**, item **f.(3)** is deleted and replaced by the following:

- (3) Submit to examination under oath and sign the same;

Under **3. Loss Settlement** in Forms **HO 00 02** and **HO 00 03**, paragraph **b.(5)** is deleted and replaced by the following:

- (5) You may disregard the replacement cost loss settlement provisions and make an initial claim under this policy for loss or damage to buildings on an actual cash value basis. You may then make claim, in accordance with the provisions of the Condition **3. Loss Settlement**, for the difference between the actual cash value and the full replacement cost of the buildings within 6 months of the later of:

- (a) The last date you received a payment for actual cash value; or
- (b) The date of entry of a final order of a court of competent jurisdiction declaring your right to replacement cost.

6. Appraisal. The following paragraph is added:

If the written demand is made by this Company, then the "insured" shall be reimbursed by this Company for the reasonable cost of the "insured's" appraiser and the "insured's" portion of the cost of the umpire.

8. Suit Against Us is deleted and replaced by the following:

8. Suit Against Us. No action can be brought unless the policy provisions have been complied with and the action is started within two years after the date of loss.

10. Loss Payment is deleted and replaced by the following:

10. Loss Payment. We will adjust all losses with you. We will pay you unless some other person is named in the policy to receive payment. Loss will be payable 30 days after we receive your proof of loss and:

- a. Reach an agreement with you;
- b. There is an entry of a final judgment; or
- c. There is a filing of an appraisal award with us.

12. Mortgage Clause. (This condition appears in Forms **HO 00 02**, **HO 00 03** and **HO 00 06** only.) The following paragraph is deleted:

If we decide to cancel or not renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.

The following paragraphs are added:

If we decide to cancel this policy, the mortgagee will be notified in writing at least 10 days before the date cancellation takes effect.

If we decide not to renew this policy, the mortgagee will be notified in writing at least 30 days before the date nonrenewal takes effect.

We will mail the notice of cancellation or nonrenewal to the mortgagee by registered or certified mail, or by certificate of mailing, for which we will obtain a written receipt from the United States Postal Service showing your name and address as shown in the Declarations. We will retain a copy of the notice.

The following Condition is added:

Loss Clause. Payment of loss will not reduce the amount of this insurance.

SECTION II – LIABILITY COVERAGES

Under **Coverage E – Personal Liability**, item **1.** is deleted and replaced by the following in all Forms and Endorsement **HO 24 73**:

- 1.** Pay up to our limit of liability for the damages for which the "insured" is legally liable; and

SECTION II – EXCLUSIONS

1. Coverage E – Personal Liability and Coverage F – Medical Payments to Others:

Under item f. following the caption "This exclusion does not apply to:", item (2) and item (4)(c) are deleted and replaced by the following:

- (2) A motorized land conveyance designed for recreational use off public roads and not subject to motor vehicle registration, or a golf cart or snowmobile; provided that it is:
 - (a) Not owned by an "insured"; or
 - (b) Owned by an "insured" and on an "insured location";
- (5) A motorized land conveyance in dead storage on an "insured location";

Under item g., paragraph (1)(a) is deleted and replaced by the following:

- (1) That are not sailing vessels and are powered by:
 - (a) Inboard or inboard-outdrive engine or motor power of 50 horsepower or less;

Under item h., the last paragraph is deleted and replaced by the following:

An aircraft means any contrivance used or designed for flight, except model aircraft;

These provisions apply to all policy Forms and to Endorsement HO 24 73 if endorsed on the policy.

SECTION II – ADDITIONAL COVERAGES

1. Claim Expenses. Paragraphs b. and c. are deleted and replaced by the following:

- b. Premiums on appeal bonds required in a suit we defend; premiums on bonds to release attachments in a suit we defend, but not for bond amounts greater than the limit of liability for Coverage E; and the cost of bail bonds required of the "insured" because of an accident arising out of the use of any vehicle covered by this policy, not to exceed \$250 per bail bond. We need not apply for or furnish any such bonds;
- c. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) and vacation time or other benefit loss up to \$50 per day, for assisting us in the investigation or defense of a claim or suit; and

Under 3. **Damage to Property of Others**, item e.(3) is deleted and replaced by the following:

- (3) The ownership, maintenance, or use of aircraft, watercraft or motor vehicles or all other motorized land conveyances. This exclusion does not apply to:
 - (a) A snowmobile, golf cart; or
 - (b) Any motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration.

SECTION II – CONDITIONS

6. Suit Against Us. The following paragraph is added:

Any person or organization or their legal representative who has secured such judgment or written agreement against the "insured" shall be entitled to recover under this policy to the extent of the insurance afforded under this policy.

8. Other Insurance – Coverage E – Personal Liability is deleted and replaced by the following:

8. **Other Insurance – Coverage E – Personal Liability.** If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss. However, with respect to "bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, loading or unloading of any motor vehicle or watercraft to which this policy applies, this insurance under Coverage E – Personal Liability shall be excess insurance over any other valid and collectible insurance available to the "insured."

SECTIONS I AND II – CONDITIONS

3. Liberalization Clause is deleted and replaced by the following:

3. **Liberalization Clause.** If we adopt any revision which would broaden the coverage under this policy without additional premium, the broadened coverage will immediately apply to this policy.

5. **Cancellation.** The first two paragraphs of item **b.** and items **b.(2)** and **b.(3)** are deleted and replaced by the following:

b. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice, stating the reasons for cancellation, may be delivered to you, or mailed to you at your mailing address shown in the Declarations.

We will mail the cancellation notice to you by registered or certified mail, or by certificate of mailing, for which we will obtain a written receipt from the United States Postal Service showing your name and address as shown in the Declarations. We will retain a copy of the notice.

b.(2) When this policy has been in effect for less than 90 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.

b.(3) When this policy has been in effect for 90 days or more, or at any time if it is a renewal with us, we may cancel for one or more of the following reasons:

(a) Conviction of a crime arising out of acts increasing the probability that a peril insured against will occur;

(b) Discovery of fraud or material misrepresentation;

(c) Willful or reckless acts or omissions increasing the probability that a peril insured against will occur as determined from a physical inspection of the insured premises; or

(d) Physical changes in the property which result in the property becoming uninsurable as determined from a physical inspection of the insured premises.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

Item **b.(4)** is deleted.

The following paragraph is added:

e. When this policy is endorsed with one of the endorsements listed below, we may cancel for the reasons stated in:

(1) **b.(1)** above, by letting you know in writing at least 15 days before the date cancellation takes effect; or

(2) **b.(2)** or **(3)** above, by letting you know in writing at least 45 days before the date cancellation takes effect.

This cancellation notice, including our reason for cancellation, may be delivered to you, or mailed to you at your mailing address shown in the Declarations.

We will mail the cancellation notice to you by registered mail, or by certificate of mailing, for which we will obtain a written receipt from the United States Postal Service showing your name and address as shown in the Declarations. We will retain a copy of the notice.

HO 23 42 VA Permitted Incidental Occupancies – Residence Premises

HO 24 43 Permitted Incidental Occupancies – Other Residence

HO 24 71 Business Pursuits

HO 23 39 VA Home Day Care Coverage

6. Nonrenewal. is deleted and replaced by the following:

6. Nonrenewal. We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice, together with our reasons for nonrenewal, at least 30 days before the expiration date of this policy. We will mail the non-renewal notice to you by registered or certified mail, or by certificate of mailing, for which we will obtain a written receipt from the United States Postal Service showing your name and address as shown in the Declarations. We will retain a copy of the notice.

If this policy is written for a policy period of less than one year, we agree that we will not refuse to renew except as of the expiration of a policy period which coincides with the end of an annual period commencing with its original effective date.

When this policy is endorsed with one of the endorsements listed below, we may elect not to renew this policy. We may do so by delivering to you or mailing to you at your mailing address shown in the Declarations, written notice, including our reason for refusing to renew, at least:

a. 15 days before the expiration date of this policy when you have not paid the premium; or

b. 45 days before the expiration date of this policy for all other reasons.

We will mail the non-renewal notice to you by registered or certified mail, or by certificate of mailing, for which we will obtain a written receipt from the United States Postal Service showing your name and address as shown in the Declarations. We will retain a copy of the notice.

HO 23 42 VA	Permitted Incidental Occupancies – Residence Premises
HO 24 43	Permitted Incidental Occupancies – Other Residence
HO 24 71	Business Pursuits
HO 23 39 VA	Home Day Care Coverage

The following Condition is added:

10. Modification of Terms. The terms of this policy are amended to conform to the statutes, rules and regulations of the state where this policy is issued whenever the terms of this policy are less favorable to the "insured."

All other provisions of this policy apply.